



Title: Related Party Transactions Policy	
Department: Legal	Owner/Contact: Jeffrey Lipschutz
Approval Date: 06/23/2020	

Purpose

It is the policy of the Board of Directors (the “Board”) of SLM Corporation (the “Corporation”) that all Interested Transactions with Related Parties, as those terms are defined in this Policy, will be at arm’s length and on terms generally available to an unaffiliated third-party under the same or similar circumstances.

Except for the limited exceptions set forth in this Policy, Interested Transactions with Related Parties that will exceed \$120,000 in any fiscal year must receive approval of the Board, or an independent committee thereof, prior to the Corporation entering into the Interested Transaction.

This Policy has been developed to implement and align with U.S. Securities and Exchange Commission (“SEC”) disclosure requirements and NASDAQ listing standards.

Policy

Procedures

A Related Party, as defined below, must promptly notify the General Counsel of any material interest that the Related Party may have in a proposed Interested Transaction. The General Counsel or his or her designee will promptly notify the Chair of the Nominations, Governance and Compensation Committee of such proposed Interested Transaction. The Chair of the Nominations, Governance and Compensation Committee will determine if approval of the Interested Transaction under this Policy is required.

If approval under this Policy is required, the Nominations, Governance and Compensation Committee will review the material facts of the proposed Interested Transaction and make a recommendation to the Board whether to approve or disapprove entering into the Interested Transaction. The Nominations, Governance and Compensation Committee and the Board will take into account, among other factors they deem appropriate, whether the Interested Transaction with a Related Party is on terms no less favorable than terms generally available to an unaffiliated third-party under the same or similar circumstances.

No director will participate in any discussion or approval of an Interested Transaction for which he or she is a Related Party or whose immediate family member is a Related Party, except that the director may provide information on the Interested Transaction to the Nominations, Governance and Compensation Committee and the Board.

Standing Pre-Approval for Certain Interested Transactions

The following Interested Transactions are deemed to be pre-approved or ratified, as applicable, by the Board, unless specifically determined otherwise by the Nominations, Governance and Compensation Committee:

- Loans made in the ordinary course of business. Loans made by the Corporation or any of its subsidiaries to a Related Party that are made in the ordinary course of the Corporation’s business and on substantially the same terms, including interest rate and collateral, as those prevailing at the time for comparable loans with persons not related to the Corporation, and that did not involve more than the normal risk of collectability or present other unfavorable features.



- Hiring of family members. The initial hiring and on-going employment in a non-executive position with the Corporation of an immediate family member of an executive officer, director, nominee for election as a director or a greater than 5 percent beneficial owner of the Corporation's common stock.
- Employment of Executive Officers. Any employment by the Corporation of, or a transaction with, an executive officer of the Corporation if:
 - the related compensation is required to be reported in the Corporation's proxy statement under Item 402 of the SEC's compensation disclosure requirements; or
 - the executive officer is not an immediate family member of another executive officer or director of the Corporation, the related compensation would be reported in the Corporation's proxy statement under Item 402 of the SEC's compensation disclosure requirements if the executive officer was a "named executive officer" (as defined under such requirements), and the Corporation's Nominations, Governance and Compensation Committee approved (or recommended that the Board approve) such compensation.
- Director Compensation. Any compensation paid to a director if the related compensation is required to be reported in the Corporation's proxy statement under Item 402 of the SEC's compensation disclosure requirements.
- Certain transactions with other companies. A transaction with another company at which a Related Party's only relationship is as (i) a director; (ii) a beneficial owner of less than 10%, together with his or her immediate family members, of that company's outstanding equity; or (iii) in the case of partnerships, a limited partner, if the limited partner, together with his or her immediate family members, has an interest of less than 10% and the limited partner does not hold another position in the partnership.
- Transactions involving competitive bids. An Interested Transaction where the rates or charges involved are determined pursuant to a competitive process.
- Transactions where all shareholders receive proportional benefits. An Interested Transaction where the Related Party's interest arises solely from the ownership of the Corporation's common stock and all holders of the Corporation's common stock received the same benefit on a pro rata basis.

Coordination of this Policy with Other Regulations, Standards, Policies and Procedures

This Policy applies to Interested Transactions with Related Parties required to be approved under this Policy. Transactions with Related Parties not required to be approved under this Policy continue nonetheless to be subject to the requirements of the Corporation's Code of Business Conduct, and Sallie Mae Bank's Affiliate Transactions Policy implementing Regulation W, which governs business transactions between financial institutions and their affiliates. Interested Transactions may also raise issues of director independence and disclosures with NASDAQ and the SEC that will be coordinated with the Audit Committee of the Board, as necessary.

Definitions

Word/Phrase	Definition
Interested Transaction	Any transaction or series of related transactions in which (i) the Corporation or any of its subsidiaries was or is a participant, (ii) the aggregate amount involved will or may be



Word/Phrase	Definition
	expected to exceed \$120,000 in any fiscal year, and (iii) any Related Party has or will have a direct or indirect material interest (other than solely as a result of being a director and/or a less than 10 percent beneficial owner of another entity that is a party to the transaction(s)).
Related Party	Any executive officer, director, nominee for election as a director, greater than 5 percent beneficial owner of the Corporation's common stock, or immediate family member of any of the foregoing persons or entity. Immediate family member includes a person's spouse, parents, stepparents, children, stepchildren, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, and brothers- and sisters-in-law and anyone residing in such person's home (other than a tenant or employee).

Key Roles & Responsibilities

Role	Responsibility
Board of Directors	Review and approve Interested Transactions upon recommendation of the Nominations, Governance and Compensation Committee.
Nominations, Governance and Compensation Committee	Review and recommend approval of Interested Transactions to the Board of Directors.
General Counsel (or his or her designee)	Notify Nominations, Governance and Compensation Committee of proposed Interested Transactions
Related Party	Promptly notify the General Counsel of any material interest in an Interested Transaction

Reference Material

Related Policies and Procedures

- [Code of Business Conduct \(Code\)](#)
- [Affiliate Transactions Policy](#)

Related Regulations

- Regulation O: Loans to Executive Officers, Directors, and Principal Shareholders of Member Banks
- Regulation S-K: Non-Financial Statement Requirements (SEC)

Affected Department(s)

Company Wide, Legal

Appendices: None Applicable

Exception(s): None Applicable