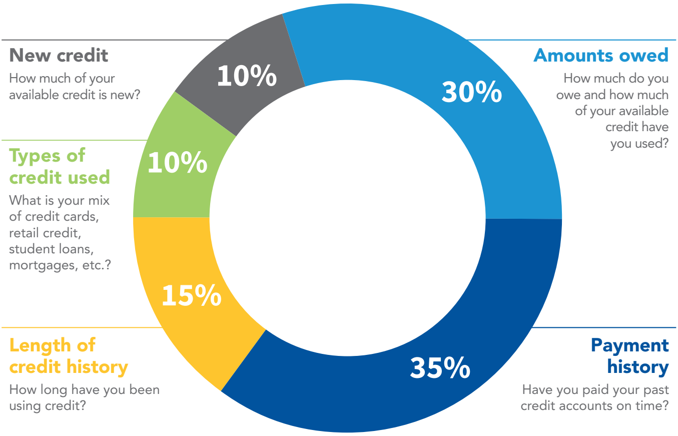
Understanding your FICO® Score

FICO® Scores, created by Fair Isaac Corporation (FICO), are the most widely used credit scores in lending decisions. Your FICO® Score, a number that typically ranges from 300 to 850, summarizes your credit risk based on a snapshot of your credit file at a particular point in time. It considers both positive and negative information in your credit report.

Lenders can request FICO® Scores from all three major credit reporting agencies (TransUnion, Equifax, and Experian). FICO develops FICO® Scores based solely on information in consumer credit files maintained at the credit reporting agencies.

It's important to understand your FICO® Score. This is a key way to evaluate your credit risk—and help you manage your financial health more effectively. A good FICO® Score means better financial options for you.

Components of your FICO® Score



This information was available from http://ficoscore.com/education as of May 23, 2018.

For more information, visit SallieMae.com/FICO

How to improve your financial health

- Pay all your bills on time.
- If you have missed payments, get current and stay current. Keep balances low on credit cards and other types of "revolving credit."
- Apply for and open new credit accounts only as needed. Don't open accounts for the purpose of providing a better credit picture – it probably won't raise your FICO® Score and, in some instances, may even lower your score.
- Monitor your credit report. You can get a free report annually from each of the three major credit bureaus at **annualcreditreport.com.** Check for errors periodically to ensure you have not become the victim of identity theft.
- Pay off debt rather than moving it around from one credit card to another. The most effective way to increase your FICO® Score in this area is by paying down your total credit card debt.
- Closing credit cards will not increase your score and may actually lower it at least slightly. A better way to help your score is by managing credit cards responsibly. Keep any balances low and always pay your bills on time.
- If you have been using credit for only a short time, don't open many new accounts quickly, as rapid account build-up can lower your score.
- While having student loans to pay may limit your discretionary spending for a time, it can also help you build a solid credit history if you are making regular, on-time payments. And that can pay off in the future when you borrow for a car, a home, or other items on credit.

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Borrow responsibly

We encourage students and families to start with savings, grants, scholarships, and federal student loans to pay for college. Students and families should evaluate all anticipated monthly loan payments, and how much the student expects to earn in the future, before considering a private student loan.

Sallie Mae Bank and Fair Isaac are not credit repair organizations as defined under federal or state law, including the Credit Repair Organizations Act. Sallie Mae Bank and Fair Isaac do not provide "credit repair" services or advice or assistance regarding "rebuilding" or "improving" your credit record, credit history or credit rating.

Borrowers and cosigners who have an available FICO® Score and a Sallie Mae loan with a current balance greater than $0, may receive their score quarterly after the first disbursement of their loan. The FICO® Score provided to you is the FICO® Score 8 based on TransUnion data, and is the same score that Sallie Mae uses, along with other information, to manage your account. FICO® Scores and associated educational content are provided solely for your own non-commercial personal review, use and benefit. This benefit may change or end in the future. FICO® is a registered trademark of the Fair Isaac Corporation in the United States and other countries.