

Mustang Holding Company Inc.
Mustang Merger Sub, Inc.
c/o J.C. Flowers & Co. LLC
717 Fifth Avenue, 26th Floor
New York, NY 10022

October 23, 2007

Mr. Albert L. Lord
Chairman of the Board of Directors
SLM Corporation
12061 Bluemont Way
Reston, VA 20190

Dear Mr. Lord:

Reference is made to the Agreement and Plan of Merger, dated as of April 15, 2007 (the "Merger Agreement"), by and among SLM Corporation (the "Company"), Mustang Holding Company Inc. ("Parent") and Mustang Merger Sub, Inc. ("Merger Sub"). Pursuant to Section 11.04(a) of the Merger Agreement, Parent and Merger Sub hereby waive effective as of the date hereof:

1. the Company's obligation under the Merger Agreement to comply with any of its agreements and covenants set forth in Articles 6 and 8 of the Merger Agreement after the date hereof (including, without limitation, the Company's obligations under Sections 6.01, 6.03, 8.05 and 8.09 of the Merger Agreement); and
2. any right to receive a Termination Fee under Section 11.05(b) following a termination pursuant to Section 10.01(b)(i) of the Merger Agreement as a result of an Acquisition Proposal made after the date hereof.

All other provisions of the Merger Agreement, and the conditions, rights and obligations of the parties thereunder, shall be unaffected by this waiver and shall remain in full force and effect. For the avoidance of doubt and without limitation of the foregoing, the foregoing waiver shall not be construed as a waiver by Parent or Merger Sub of any right to receive the Required Information or other materials or assistance under Section 8.09 or otherwise as a condition to the commencement of the Marketing Period and/or completion of the Financing, and should not be construed as a waiver of any rights by any party to any Commitment Letter to provide any Financing. Nothing in this waiver shall be deemed to imply that (i) the Marketing Period has (or has not) started, (ii) Parent and Merger Sub are (or are not) required to begin to market the debt and/or complete the Financing or (iii) Parent and Merger Sub have (or have not) violated Section 7.01 and/or 7.02, since it is the intention of the parties that the status quo on all matters other than those set forth in items (1) and (2) above be unaffected by this waiver.

Nothing contained in this waiver (or in any other waiver provided concurrently herewith) is intended to, or shall be deemed to, alter, amend or modify any of the rights or obligations of the parties or their affiliates in any of their other capacities or under any agreements among them (other than the ABS Interim Period Engagement Letter, dated as of April 15, 2007, among J.P. Morgan Securities Inc., Banc of America Securities LLC and the Company), including the Participation Purchase and Security Agreements, each dated April 30, 2007, of Mustang Funding I, LLC, and of Mustang Funding II, LLC, with respect to which the undersigned and their affiliates retain all rights.

Very truly yours,

MUSTANG HOLDING COMPANY
INC.

By: _____
Name:
Title:

MUSTANG MERGER SUB, INC.

cc:
George R. Bason, Jr.
Leonard Kreynin

By: _____
Name:
Title: