

FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States for the Student Loan Marketing Association

[SLMA Offering No. 3]
March 27, 1974

Invitation for Bids on \$50,000,000 of 28-Day STUDENT LOAN MARKETING ASSOCIATION NOTES ADDITIONAL AMOUNT

Dated November 1, 1973, Due May 2, 1974, To Be Issued April 4, 1974

To Certain U. S. Government Bond Dealers, Commercial Banks,
and Commercial Paper Dealers:

Following is the text of an invitation authorized by the Student Loan Marketing Association to be issued today to certain U. S. Government bond dealers, commercial banks, and commercial paper dealers:

Student Loan Marketing Association ("Sallie Mae") hereby invites bids for the purchase to the aggregate amount of \$50,000,000 of its Notes ("Notes") to be issued April 4, 1974. These Notes will represent an additional amount of Notes dated November 1, 1973, due May 2, 1974, originally issued in the amount of \$100,000,000. The Notes will be issued on a discount basis at the Head Office of the Federal Reserve Bank of New York and at maturity their face amount will be payable without interest at any Federal Reserve Bank or Branch. They will be issued in bearer form in denominations of \$10,000, \$25,000, \$100,000, and \$1,000,000 (maturity value). Denominational exchanges may be effected at the Head Office of the Federal Reserve Bank of New York.

Bids will be received at the Securities Department of the Head Office of the Federal Reserve Bank of New York up to the closing hour, 1:30 p.m., Eastern Daylight Saving time, Tuesday, April 2, 1974. No bids will be accepted for a face amount of Notes less than \$1,000,000. Bids must be for a multiple of \$10,000 and the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that bids be made on the printed forms and forwarded in the special envelopes which will be supplied by the Federal Reserve Bank of New York upon application therefor.

Invitations for bids are being issued to U. S. Government bond dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon, commercial banks which are members of the Dealer Bank Association, and certain commercial paper dealers. Other commercial banks, trust companies, or recognized dealers in investment securities desiring to bid may do so on bid forms obtained from the Federal Reserve Bank of New York. Bids submitted hereunder must be for the principal account of the bidder and not for the account of others.

This Bank will receive bids in accordance with the foregoing invitation up to 1:30 p.m., Eastern Daylight Saving time, Tuesday, April 2, 1974 at the Securities Department of its Head Office. Please use the form on the reverse side of this notice to submit bids and return them sealed in the enclosed envelope marked "Bid for Sallie Mae Notes." Bids may be submitted by telegraph, subject to written confirmation; they may not be submitted by telephone. Settlement must be made in immediately available funds at this Bank on Thursday, April 4, 1974.

Immediately after the closing hour, bids will be opened at the Federal Reserve Bank of New York, following which public announcement will be made by Sallie Mae of the amount and price range of accepted bids. Those submitting successful bids will be informed by the Federal Reserve Bank of New York of the acceptance thereof. Sallie Mae expressly reserves the right to accept or reject any or all bids, in whole or in part, and its action in any such respect shall be final.

Settlement for accepted bids must be made at the Federal Reserve Bank of New York on April 4, 1974 in cash or other immediately available funds.

Payment of the principal amount of the Notes when due is guaranteed by the Secretary of Health, Education and Welfare, whose guarantee is backed by the full faith and credit of the United States. The Notes are negotiable but are not redeemable prior to maturity. The Notes will be issued pursuant to Section 439(h)(1) of the 1972 Amendments to the Higher Education Act of 1965 (the "Act") to provide funds for general corporate purposes, including programs developed by Sallie Mae for warehousing and secondary market activities designed to provide liquidity for insured student loans made by eligible lenders, in accordance with the Act.

Income derived from the Notes will be subject to Federal income taxation. The Act does not contain any specific exemptions with respect to taxes now or hereafter imposed on the principal of or interest on the Notes by any State, or any of the possessions of the United States, or by any local taxing authority.

A circular describing Sallie Mae and the Notes may be obtained upon request directed to Sallie Mae's offices at 1750 K Street, N.W., Washington, D. C. 20006 or to the Federal Reserve Bank of New York, 33 Liberty Street, New York, N. Y. (mailing address: Federal Reserve Bank of New York, Federal Reserve P. O. Station, New York, N. Y. 10045).

ALFRED HAYES,
President.

(OVER)

No.

Bid for 28-Day

Student Loan Marketing Association Notes, Additional Amount

Dated November 1, 1973, Due May 2, 1974, To Be Issued April 4, 1974

Dated at, 1974

TO FEDERAL RESERVE BANK OF NEW YORK,

Fiscal Agent of the United States for the Student Loan Marketing Association:

Pursuant to the provisions of the Invitation for Bids issued by Student Loan Marketing Association ("Sallie Mae") inviting bids for the above-described Notes and printed on the reverse side hereof, the undersigned hereby offers to purchase such Notes in the amount indicated below, and agrees to make payment therefor at your Bank on or before the issue date at the price indicated below:

\$..... (maturity value)
or any lesser amount that may be awarded.

Price per 100

(Price must be expressed with not more than three decimal places, for example, 99.925)

Subject to allotment, please issue, deliver, and accept payment for the Notes as indicated below:

Pieces	Denominations	Maturity Value	
.....	\$ 10,000	\$.....	<input type="checkbox"/> 1. Deliver over the counter to the undersigned
.....	25,000	<input type="checkbox"/> 2. Ship to the undersigned
.....	100,000	<input type="checkbox"/> 3. Hold in safekeeping (for account of member bank only)*
.....	1,000,000	<input type="checkbox"/> 4. Special instructions:
	Total	\$.....	

*The undersigned (member bank) hereby certifies that the Notes to be held in safekeeping will be owned solely by the undersigned.

Payment will be made as follows:

- ☐ By check in immediately available funds
☐ By charge to our reserve account
☐ By wire transfer from another Federal Reserve Bank or Branch

Name of subscriber
(Please print)

By
(Authorized corporation officer or partner)

Title

Address

INSTRUCTIONS:

1. Submit all bids sealed in an envelope marked "Bid for Sallie Mae Notes."
2. No bid for less than \$1,000,000 will be considered and each bid must be for a multiple of \$10,000 (maturity value).
3. If the language of a bid is changed from the foregoing in any respect, which, in the opinion of Sallie Mae is material, the bid may be disregarded.