# OKLAHOMA STUDENT LOAN AUTHORITY MUNICIPAL SECONDARY MARKET DISCLOSURE

## Fitch Affirms Oklahoma Student Loan Authority Series 2011-1 Rating.

This information applies to the rating on the Oklahoma Student Loan Authority Series 2011-1.

The Series Outstanding under the related trust as of February 29, 2016:

	Outstanding		
<u>Series</u>	<u>Principal Amount</u>	<u>Cusip #</u>	<u>Comments</u>
Senior 2011-1	\$83,645,000	679110 EC6	LIBOR FRN

On March 16, 2016, Fitch Ratings affirmed its rating on the Oklahoma Student Loan Authority's Series 2011-1. Key ratings drivers noted were high collateral quality, sufficient credit enhancement, adequate liquidity support and acceptable servicing capabilities.



### Fitch Affirms Oklahoma Student Loan Authority, Inc., Series 2011-1; Outlook Stable

Fitch Ratings-New York-16 March 2016: Fitch Ratings affirms the senior student loan notes at 'AAAst' issued by Oklahoma Student Loan Authority, Inc., Series 2011-1. The Rating Outlook remains Stable.

#### KEY RATING DRIVERS

High Collateral Quality: The trust collateral comprises Federal Family Education Loan Program (FFELP) loans with guaranties provided by eligible guarantors and reinsurance provided by the U.S. Department of Education (ED) for at least 97% of principal and accrued interest. Fitch currently rates the U.S. 'AAA' with a Stable Outlook.

Sufficient Credit Enhancement: CE is provided by overcollateralization (OC; the excess of trust's asset balance over bond balance) and excess spread. As of March 2016, parity is at 111.28%. Additionally, the trust is in turbo and no cash will be released until all notes have been paid in full.

Adequate Liquidity Support: Liquidity support is provided by a Debt Service Reserve Fund sized at 0.25% of the bond balance, with a floor of \$307,800.

Acceptable Servicing Capabilities: Day-to-day servicing will be provided by OSLA (with Nelnet acting as back-up servicers). Both servicers have demonstrated adequate servicing capabilities.

On Nov. 18, 2015, Fitch released its exposure draft which delineates revisions it plans to make to the 'Rating U.S. Federal Family Education Loan Program Student Loan ABS Criteria', dated June 23, 2014. Fitch has reviewed this transaction under both the existing and proposed criteria.

#### RATING SENSITIVITIES

Since the FFELP student loan ABS relies on the U.S. government to reimburse defaults, 'AAAst' FFELP ABS ratings will likely move in tandem with the 'AAA' U.S. sovereign rating. Aside from the U.S. sovereign rating, defaults, basis risk, and loan extension risk account for the majority of the risk embedded in FFELP student loan transactions. Additional defaults, basis shock beyond Fitch's published stresses, lower than expected payment speed, and other factors could result in future downgrades. Likewise, a build-up of CE driven by positive excess spread given favorable basis factor conditions could lead to future upgrades.

#### DUE DILIGENCE USAGE

No third party due diligence was provided or reviewed in relation to this rating action.

Fitch has affirmed the following rating:

Oklahoma Student Loan Authority, Inc., Series 2011-1 --- Class A-1 at 'AAAsf': Outlook Stable.

#### Contacts:

Primary Analyst Victoria Ohorodnyk Associate Director +1-212-908-0866 Fitch Ratings, Inc. 33 Whitehall Street New York, NY 10004

Committee Chairperson Kevin Corrigan Senior Director +1-212-908-0156

Media Relations: Sandro Scenga, New York, Tel: +1 212-908-0278, Email: sandro.scenga@fitchratings.com.

Additional information is available at www.fitchratings.com.

#### Applicable Criteria

Counterparty Criteria for Structured Finance and Covered Bonds (pub. 14 May 2014) (https://www.fitchratings.com/creditdesk/reports/report\_frame.cfm?

rpt\_id=744158&cft=eyJ0eXAiOiJKV1QilCJhbGciOiJIUzI1NiJ9.eyJleHAiOjE0NTg2MDc0MDksInNlc3Npb25LZXkiOil2VFIWSUpHUDhZWkY4VEpUMVJDMkxSM0U3SkFaU1pNVkJVTU1BTlhCln0.lGpDqgnFN1UGzsYoWE96txvpweEJ9YlyOgAdDUb0\_eo)

Criteria for Interest Rate Stresses in Structured Finance Transactions and Covered Bonds (pub. 19 Dec 2014) (https://www.fitchratings.com/creditdesk/reports/report\_frame.cfm?

rpt\_id=838868&cft=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1NiJ9.eyJleHAiOjE0NTg2MDc0MDksInNlc3Npb25LZXkiOil2VFIWSUpHUDhZWkY4VEpUMVJDMkxSM0U3SkFaU1pNVkJVTU1BTlhCln0.lGpDqgnFN1UGzsYoWE96txvpweEJ9YlyOgAdDUb0\_eo) Exposure Draft: Rating U.S. Federal Family Education Loan Program Student Loan ABS Criteria (pub. 04 Dec 2015) (https://www.fitchratings.com/creditdesk/reports/report\_frame.cfm?

rpt\_id=874971&cft=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1NiJ9.eyJleHAiOjE0NTg2MDc0MDksInNlc3Npb25LZXkiOil2VFlWSUpHUDhZWkY4VEpUMVJDMkxSM0U3SkFaU1pNVkJVTU1BTlhCln0.lGpDqgnFN1UGzsYoWE96txvpweEJ9YlyOgAdDUb0\_eo)
Global Structured Finance Rating Criteria (pub. 06 Jul 2015) (https://www.fitchratings.com/creditdesk/reports/report\_frame.cfm?

rpt\_id=867952&cft=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1NiJ9.eyJleHAiOjE0NTg2MDc0MDksInNlc3Npb25LZXkiOil2VFIWSUpHUDhZWkY4VEpUMVJDMkxSM0U3SkFaU1pNVkJVTU1BTlhCln0.IGpDqgnFN1UGzsYoWE96txvpweEJ9YlyOgAdDUb0\_eo)
Rating Criteria for Structured Finance Servicers (pub. 23 Apr 2015) (https://www.fitchratings.com/creditdesk/reports/report frame.cfm?

rpt\_id=864375&cft=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1NiJ9.eyJleHAiOjE0NTg2MDc0MDksInNlc3Npb25LZXkiOil2VFIWSUpHUDhZWkY4VEpUMVJDMkxSM0U3SkFaU1pNVkJVTU1BTlhCln0.IGpDqgnFN1UGzsYoWE96txvpweEJ9YlyOgAdDUb0\_eo)
Rating U.S. Federal Family Education Loan Program Student Loan ABS Criteria (pub. 23 Jun 2014) (https://www.fitchratings.com/creditdesk/reports/report\_frame.cfm?

rpt id=750530&cft=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1NiJ9.eyJleHAiOjE0NTg2MDc0MDksInNlc3Npb25LZXkiOil2VFIWSUpHUDhZWkY4VEpUMVJDMkxSM0U3SkFaU1pNVkJVTU1BTlhCln0.IGpDqgnFN1UGzsYoWE96txvpweEJ9YlyOgAdDUb0 eo)

#### **Additional Disclosures**

Dodd-Frank Rating Information Disclosure Form (https://www.fitchratings.com/creditdesk/press\_releases/content/ridf\_frame.cfm? pr\_id=1001028&cfi=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1NiJ9.eyJleHAiOjE0NTg2MDc0MDksInNic3Npb25LZXkiOil2VFIWSUpHUDhZWkY4VEpUMVJDMkxSM0U3SkFaU1pNVkJVTU1BTlhCln0.IGpDqgnFN1UGzsYoWE96txvpweEJ9YlyOgAdDUb0\_eo) Solicitation Status (https://www.fitchratings.com/gws/en/disclosure/solicitation?pr\_id=1001028)

Endorsement Policy (https://www.fitchratings.com/isp/creditdesk/PolicyRegulation.faces?context=2&detail=31)

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: HTTP://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS (http://fitchratings.com/understandingcreditratings). IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEBSITE 'WWW.FITCHRATINGS.COM'. PUBLISHED RATINGS, CRITERIA AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE 'CODE OF CONDUCT' SECTION OF THIS SITE, FITCH MAY HAVE PROVIDED ANOTHER PERMISSIBLE SERVICE TO THE RATED ENTITY OR ITS RELATED THIRD PARTIES, DETAILS OF THIS SERVICE FOR RATINGS FOR WHICH THE LEAD ANALYST IS BASED. IN AN EU-REGISTERED ENTITY CAN BE FOUND ON THE ENTITY SUMMARY PAGE FOR THIS ISSUER ON THE FITCH WEBSITE.

Endorsement Policy - Fitch's approach to ratings endorsement so that ratings produced outside the EU may be used by regulated entities within the EU for regulatory purposes, pursuant to the terms of the EU Regulation with respect to credit rating agencies, can be found on the EU Regulatory Disclosures (https://www.fitchratings.com/regulatory) page. The endorsement status of all International ratings is provided within the entity summary page for each rated entity and in the transaction detail pages for all structured finance transactions on the Fitch website. These disclosures are updated on a daily basis.