

**OKLAHOMA STUDENT LOAN AUTHORITY
MUNICIPAL SECONDARY MARKET DISCLOSURE**

Fitch Affirms Three Oklahoma Student Loan Authority Series.

This information applies to the rating on the three Oklahoma Student Loan Authority transactions.

The Series Outstanding under the related trust as of January 31, 2017:

<u>Series</u>	<u>Outstanding Principal Amount</u>	<u>Cusip #</u>	<u>Comments</u>
Senior 2010A-2A	\$44,945,000	679110 DZ6	LIBOR FRN
Senior 2010A-2B	\$44,230,000	679110 EB8	LIBOR FRN
Senior 2011-1	\$69,455,000	679110 EC6	LIBOR FRN
Senior 2013-1	\$85,967,000	679110 EF9	LIBOR FRN

In February 2017, Fitch Ratings affirmed its rating on three of the Oklahoma Student Loan Authority Series 2010A, 2011-1, and 2013-1. Fitch is affirming their current 'AAA (sf)' ratings on the bonds from all three series.



Correction: Fitch Affirms Three Oklahoma Student Loan Authority Series

Fitch Ratings-New York-23 February 2017: This is a correction of a release published Jan. 4, 2017. It includes a variation from Fitch's criteria that was omitted from the original release.

Fitch Ratings has taken the following rating actions:

Oklahoma Student Loan Authority Series 2010A (OSLA 2010A):

--Senior Series 2010A-2A affirmed at 'AAAsf'; Outlook Stable.

--Senior Series 2010A-2B affirmed at 'AAAsf'; Outlook Stable.

Oklahoma Student Loan Authority Series 2011-1 (OSLA 2011-1):

--Affirmed at 'AAAsf'; Outlook Stable.

Oklahoma Student Loan Authority Series 2013-1 (OSLA 2013-1):

--Affirmed at 'AAAsf'; Outlook Stable.

For OSLA 2010A, Fitch discovered that although the indenture documents indicated that the trust would pay down the principal of the 2010A-2A and 2010A-2B classes pro rata after the payoff of the 2010A-1 notes, all the principal redemptions were made to 2010A-2A bonds and nothing to 2010A-2B bonds in September and December 2010 distributions. OSLA acknowledged the administrative error and would correct the error in March 2017 distribution to make up for the missed pro-rata payments for the 2010A-2B bonds.

KEY RATING DRIVERS

U.S. Sovereign Risk: The trust collateral comprises 100% 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. The U.S. sovereign rating is currently 'AAA'/Outlook Stable.

Collateral Performance for OSLA 2010A: Fitch assumes an 18% base case default rate and a 54% default rate under the 'AAA' credit stress scenario. The claim reject rate is assumed to be 0.50% in the base case and 3% in the 'AAA' case. Fitch applies the standard default timing curve in its credit stress cash flow analysis. The trailing 12-month constant default rate, utilized in the maturity stress is 3.3%. The trailing twelve month average levels of deferment, forbearance, income-based repayment (before adjustment) and constant prepayment rate (voluntary and involuntary) are 6.8%, 4.5%, 10.9%, and 9.6%, respectively, which are used as the starting point in cash flow modelling. Subsequent declines or increases are modelled as per criteria. The borrower benefit is assumed to be approximately 0.26% based on information provided by the sponsor.

Collateral Performance for OSLA 2011-1: Fitch assumes a 19% base case default rate and a 57% default rate under the 'AAA' credit stress scenario. The claim reject rate is assumed to be 0.50% in the base case and 3% in the 'AAA' case. Fitch applies the standard default timing curve in its credit stress cash flow analysis. The trailing 12-month constant default rate, utilized in the maturity stress is 4.2%. The trailing twelve month average levels of deferment, forbearance, income-based repayment (before adjustment) and constant prepayment rate (voluntary and involuntary) are 10.8%, 5.7%, 13.4%, and 13.5%, respectively, which are used as the starting point in cash flow modelling. Subsequent declines or increases are modelled as per criteria. The borrower benefit is assumed to be approximately 0.33% based on information provided by the sponsor.

Collateral Performance for OSLA 2013-1: Fitch assumes a 20% base case default rate and a 60% default rate under the 'AAA' credit stress scenario. The claim reject rate is assumed to be 0.50% in the base case and 3% in the 'AAA' case. Fitch applies the standard default timing curve in its credit stress cash flow analysis. The trailing 12-month constant default rate, utilized in the maturity stress is 5.5%. The trailing twelve month average levels of deferment, forbearance, income-based repayment (before adjustment) and constant prepayment rate (voluntary and involuntary) are 13.6%, 6.8%, 13.2%, and 16.0%, respectively, which are used as the starting point in cash flow modelling. Subsequent declines or increases are modelled as per criteria. The borrower benefit is assumed to be approximately 0.46% based on information provided by the sponsor.

Basis and Interest Rate Risk: Fitch applies its standard basis and interest rate stresses to this transaction as per

criteria.

Payment Structure for OSLA 2010A: Credit Enhancement (CE) is provided by overcollateralization (OC) and excess spread. As of the December 2016 distribution report, total reported parity is 119.62%. Liquidity support is provided by a reserve account sized at the greater of 0.25% of the bond balance, and \$340,000. As of December 2016, the debt service reserve fund balance is \$340,000. The trust is in turbo and no cash can be released from the trust until the bonds are paid in full.

Payment Structure for OSLA 2011-1: Credit Enhancement (CE) is provided by overcollateralization (OC) and excess spread. As of the December 2016 distribution report, total reported parity is 112.61%. Liquidity support is provided by a reserve account currently sized at the greater of 0.25% of the pool balance, and 307,800. As of November 2016, the debt service reserve fund balance is \$307,800. The transaction is in turbo and no cash can be released from the trust until the notes are paid in full. Fitch modelled this deal assuming the transaction will continue to turbo after payment of subordinated administration fee.

Payment Structure for OSLA 2013-1: Credit Enhancement (CE) is provided by overcollateralization (OC) and excess spread. As of the September 2016 collection report, total reported parity is 110.42%. Liquidity support is provided by a reserve account sized at the greater of 0.25% of the pool balance, and \$317,730. As of September 2016, the debt service reserve fund balance is \$317,730. The transaction is in turbo and no cash can be released from the trust until the notes are paid in full.

Maturity Risk: Fitch's SLABS cash flow model indicates that the affirmed notes are paid in full on or prior to the legal final maturity dates under the commensurate rating scenario.

Operational Capabilities: Day-to-day servicing will be provided by Oklahoma Student Loan Authority (OSLA). Nelnet Servicing LLC (Nelnet) acts as backup servicer for the entire pool. OSLA and Nelnet have demonstrated adequate servicing capabilities for FFELP student loans with long track records. Fitch believes both to be acceptable servicers of FFELP student loans at this time.

Criteria Variation:

Under the 'Counterparty Criteria for Structured Finance and Covered Bonds', dated Sept. 1, 2016, Fitch looks to its own ratings in analyzing counterparty risk and assessing a counterparty's creditworthiness. The definition of permitted investments for this deal allows for the possibility of using investments not rated by Fitch, which represents a criteria variation. Since the available funds to invest can only be invested for a short duration given the payment frequency of the notes, Fitch does not believe such variation has a measurable impact upon the ratings assigned.

RATING SENSITIVITIES

'AAAsf' rated tranches of most FFELP securitizations will likely move in tandem with the U.S. sovereign rating, given the strong linkage to the U.S. sovereign by nature of the reinsurance and SAP provided by ED. Sovereign risks are not addressed in Fitch's sensitivity analysis.

Fitch conducted a CE sensitivity analysis by stressing both the related lifetime default rate and basis spread assumptions. In addition, Fitch conducted a maturity sensitivity analysis by running different assumptions for the IBR usage and prepayment rate. The results below should only be considered as one potential model implied outcome as the transaction is exposed to multiple risk factors that are all dynamic variables.

For OSLA 2010A:

Credit Stress Rating Sensitivity

--Default increase 25%: 'AAAsf'

--Default increase 50%: 'AAAsf';

--Basis Spread increase 0.25%: 'AAAsf';

--Basis Spread increase 0.50%: 'AAAsf'.

Maturity Stress Rating Sensitivity

--CPR decrease 50%: 'AAAsf';

--CPR increase 100%: 'AAAsf';

--IBR Usage increase 100%: 'AAAsf';

--IBR Usage decrease 50%: 'AAAsf'.

For OSLA 2011-1:

Credit Stress Rating Sensitivity

--Default increase 25%: 'AAAsf'

--Default increase 50%: 'AAAsf';

--Basis Spread increase 0.25%: 'AAAsf';

--Basis Spread increase 0.50%: 'AAAsf'.

Maturity Stress Rating Sensitivity

--CPR decrease 50%: 'AAf';

--CPR increase 100%: 'AAAsf';

--IBR Usage increase 100%: 'AAAsf';

--IBR Usage decrease 50%: 'AAAsf'.

For OSLA 2013-1:

Credit Stress Rating Sensitivity

--Default increase 25%: 'AAAsf'

--Default increase 50%: 'AAAsf';

--Basis Spread increase 0.25%: 'AAAsf';

--Basis Spread increase 0.50%: 'AAAsf'.

Maturity Stress Rating Sensitivity

--CPR decrease 50%: 'AAAf';

--CPR increase 100%: 'AAAsf';

--IBR Usage increase 100%: 'AAAsf';

--IBR Usage decrease 50%: 'AAAsf'.

Stresses are intended to provide an indication of the rating sensitivity of the notes to unexpected deterioration in trust performance. Rating sensitivity should not be used as an indicator of future rating performance.

USE OF THIRD-PARTY DUE DILIGENCE PURSUANT TO SEC RULE 17G-10

Form ABS Due Diligence-15E was not provided to, or reviewed by, Fitch in relation to this rating action.

Contacts:

Primary Analyst

Tracy Wan

Senior Director

+1-212-908-9171

Fitch Ratings, Inc.

33 Whitehall Street

New York, NY 10004

Committee Chairperson

Kevin Corrigan

Senior Director

+1-212-908-9156

Media Relations: Hannah James, New York, Tel: + 1 646 582 4947, Email: hannah.james@fitchratings.com.

Additional information is available at www.fitchratings.com.

Applicable Criteria

Counterparty Criteria for Structured Finance and Covered Bonds (pub. 01 Sep 2016)

(<https://www.fitchratings.com/site/re/886006>)

Criteria for Interest Rate Stresses in Structured Finance Transactions and Covered Bonds - Effective from 26 October 2016 to 17 February 2017 (pub. 26 Oct 2016) (<https://www.fitchratings.com/site/re/888492>)

Global Structured Finance Rating Criteria (pub. 27 Jun 2016) (<https://www.fitchratings.com/site/re/883130>)

Rating U.S. Federal Family Education Loan Program Student Loan ABS Criteria (pub. 10 Nov 2016)
(<https://www.fitchratings.com/site/re/889777>)

Additional Disclosures

Dodd-Frank Rating Information Disclosure Form

([https://www.fitchratings.com/creditdesk/press_releases/content/ridf_frame.cfm?](https://www.fitchratings.com/creditdesk/press_releases/content/ridf_frame.cfm?pr_id=1019445&cft=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1NiJ9.eyJzZXNzaW9uS2V5IjojMVk0TVpNNFIPMUIYTkZFT09TMDI9LaDLL_1OzBtONGsHCqBI0NEYKc)

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