Official Statement

We are distributing this Official Statement to furnish information on our Series 2011-1 Bonds. This cover contains certain information for quick reference only. This cover is not a summary of the Series 2011-1 Bonds. Prospective investors should read this entire Official Statement, including all Appendices, to make an informed investment decision.

$205,200,000

Oklahoma Student Loan Authority

Oklahoma Student Loan Bonds and Notes
Taxable LIBOR-Indexed Floating Rate Bonds, Series 2011-1

BONDS

We are issuing the Series 2011-1 Bonds described above (the "*bonds*") pursuant to the provisions of an Indenture of Trust dated as of June 1, 2011 (the "*Indenture*") between us, the Oklahoma Student Loan Authority (the "*Authority*"), as issuer, and BOKF, NA dba Bank of Oklahoma, as trustee (the "*Trustee*"). The bonds will be issued as registered bonds in minimum donominations of $100,000 or any integral multiple of $1,000 in excess thereof. The bonds will be dated the Date of Issuance.

Series	Interest Rate[1]	Price to Public	Stated Maturity Date	Ratings S&P/Fitch[2]	CUSIP Number
2011-1	3-Month LIBOR plus 1.15%	100%	June 1, 2040	AAA(sf)/AAA	679110EC6

[1]Not-to-exceed an average rate of 14% per annum from the Date of Issuance. [2]See the section "Ratings" herein.

SECURITY FOR THE BONDS

The discrete trust estate for the bonds will provide credit enhancement by initial overcollateralization of eligible Federal Family Education Loan Program student loans, including certain student loans contributed by the Authority, cash and other assets on deposit in funds and accounts created under the Indenture. The initial overcollateralization level for the bonds is expected to be approximately 106.21%. However, no minimum level of overcollaterization is required to be maintained. The bonds will be the only bonds or notes issued and payable from the trust estate.

INTEREST AND PRINCIPAL PAYMENTS

The bonds will receive quarterly interest payments and distributions of principal on the first business day of each March, June, September and December, beginning December 1, 2011. All distributions of principal will be made on a pro rata basis and will be treated by The Depository Trust Company in accordance with its rules and procedures as "Pro Rata Pass-Through Distribution of Principal."

RISK FACTORS

Consider carefully the information in the "Risk Factors" section herein.

LIMITED REVENUE OBLIGATIONS

The bonds will be limited revenue obligations payable solely from student loans, student loans contributed by the Authority as part of the initial overcollateralization and other assets pledged therefor in a discrete trust estate.

The bonds will not be obligations of the State of Oklahoma. Neither the faith and credit nor the taxing power of the State of Oklahoma is pledged to the payment of the bonds.

The bonds will not be personal obligations of the trustees of the Authority and will not be general obligations of the Authority. The Authority has no taxing power.

The bonds have not been registered under the Securities Act of 1933, as amended, and the Indenture has not been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon certain exemptions set forth in such acts. Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or passed upon the accuracy of adequacy of this Official Statement. Any representation to the contrary is unlawful.

The bonds are expected to be available for delivery in book-entry only form through The Depository Trust Company on or about June 29, 2011.

BofA Merrill Lynch

June 28, 2011

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ADDITIONAL INFORMATION

This Official Statement has been prepared by the Oklahoma Student Loan Authority solely for use in connection with the proposed offering of the Series 2011-1 Bonds described herein. This Official Statement does not constitute an offer of, or an invitation by or on behalf of, the Authority or Merrill Lynch, Pierce, Fenner & Smith Incorporated, as the underwriter of the Series 2011-1 Bonds (the "*Underwriter*") to subscribe for or purchase any of the Series 2011-1 Bonds in any circumstances or in any state or other jurisdiction where such offer or invitation is unlawful.

No Series 2011-1 Bonds may be sold without delivery of this Official Statement. The delivery of this Official Statement, and any sale made hereunder, will not, under any circumstances, create any implication that there has not been any change in the facts set forth in this Official Statement or in our affairs or in the affairs of any party described herein since the date hereof.

No dealer, broker, salesman or other person has been authorized by the Authority or by the Underwriter to give any information or to make any representation other than those contained in this Official Statement. If given or made, such information or representation must not be relied upon as having been authorized by the Authority or the Underwriter.

The Oklahoma State Regents for Higher Education, Oklahoma College Assistance Program, which is the primary guarantor of the financed student loans; Nelnet Servicing, LLC, which is the backup student loan servicer; BOKF, NA dba Bank of Oklahoma, which is the Trustee; and The Depository Trust Company provided the respective information describing themselves. We do not guarantee the accuracy or completeness of that information.

In making an investment decision, prospective investors must rely on their own independent investigation of the terms of the offering and weigh the merits and the risks involved with ownership of the Series 2011-1 Bonds. Prospective investors are *not* to construe the contents of this Official Statement, or any prior or subsequent communications from the Authority or the Underwriter or any of their officers, employees or agents as investment, legal, accounting, regulatory or tax advice. Prior to any investment in the Series 2011-1 Bonds, a prospective investor should consult with its own advisors to determine the appropriateness and consequences of such an investment in relation to that investor's specific circumstances.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction. However, the Underwriter does not guarantee the accuracy or completeness of such information.

Bank of America, N.A., an affiliate of the Underwriter, has a student loan purchase, sale and servicing agreement in effect with us. Also, we maintain depository, commercial banking and banking product relationships with Bank of America, N.A. The Underwriter also is the appointed broker-dealer for our Senior Taxable Auction Rate Bonds, Series 2001A-3, and is the appointed remarketing agent for our Senior Variable Rate Demand Obligations, Series 2008IIA-1, which Series 2008IIA-1 Bonds are being refunded with a portion of the proceeds of the Series 2011-1 Bonds.

In connection with this offering, the Underwriter may over-allot or effect transactions with a view to supporting the market price of the Series 2011-1 Bonds at levels above those that might otherwise prevail in the open market for a limited time. Such stabilizing, if commenced, may be discontinued at any time and must be brought to an end after a limited period.

There currently is no secondary market for the Series 2011-1 Bonds. There are no assurances that a secondary market will develop, or if it does develop that it will continue or be available at any time in the future.

The Authority does not intend to list the Series 2011-1 Bonds on any exchange, including any exchange in either Europe or the United States.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Official Statement contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "could," "would," "expect," "plan," "anticipate," "believe," "estimate," "project," "predict," "intend," "potential," and the negative of such terms or other similar expressions.

The forward-looking statements reflect our current expectations and views about future events. The forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Given these risks and uncertainties, you should not place undue reliance on the forward-looking statements.

You should understand that the following factors, among other things, could cause our results to differ materially from those expressed in forward-looking statements:

- changes in terms of financed student loans and the educational credit marketplace arising from the implementation of applicable laws and regulations and from changes in these laws and regulations that may reduce the volume, average term, costs and yields on education loans under the Federal Family Education Loan Program;
- changes in the general interest rate environment and in the securitization market for student loans, which may increase the costs or limit the marketability of financings;
- losses from student loan defaults; and
- changes in prepayment rates and credit spreads.

Many of these risks and uncertainties are discussed in greater detail under the caption "RISK FACTORS" herein.

You should read this Official Statement and the documents that are referenced in this Official Statement completely and with the understanding that our actual future results may be materially different from what we expect. We may not update the forward-looking statements, even though our situation may change in the future, unless we have obligations under the federal securities laws to update and disclose material developments related to previously disclosed information. All of the forward-looking statements are qualified by these cautionary statements.

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Summary of Terms

The following summary is a general overview of the terms of the Series 2011-1 Bonds. The summary does not contain all of the information that you need to consider in making your investment decision. You should consider the more detailed information in this Official Statement, including the Appendices, carefully before you invest.

References in this Official Statement to "*we*," "*us*," "*our*," the "*Issuer*," "*OSLA*" or the "*Authority*" refer to Oklahoma Student Loan Authority. This Official Statement contains forward looking statements that involve risks and uncertainties. See the caption "SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS" in this Official Statement. Certain terms used in this Official Statement are defined in "APPENDIX A – GLOSSARY OF TERMS" herein.

The Series 2011-1 Bonds

The $205,200,000 Oklahoma Student Loan Authority Student Loan Bonds and Notes Taxable LIBOR-Indexed Floating Rate Bonds, Series 2011-1 (the "*Series 2011-1 Bonds*").

Principal Parties and Dates

Issuer (also We, Us, Our, OSLA or Authority)

- Oklahoma Student Loan Authority

Administrator

- Oklahoma Student Loan Authority

Servicer

- Oklahoma Student Loan Authority

Backup Servicer

- Nelnet Servicing, LLC

Guarantee Agencies

- Oklahoma State Regents for Higher Education, Oklahoma College Assistance Program (see the caption "GUARANTEE AGENCIES" herein and Appendix E for additional information); and
- Other guarantee agencies (see the caption "GUARANTEE AGENCIES" herein and the caption "INSURANCE AND GUARANTEES" in Appendix B.

Trustee

- BOKF, NA dba Bank of Oklahoma, Oklahoma City, Oklahoma

Collection Periods

The initial Collection Period will begin on the date of issuance and end on October 31, 2011 (for the December 1, 2011 quarterly distribution date). Each subsequent Collection Period will be the three full calendar months immediately following the preceding Collection Period.

Distribution Dates

Distribution dates for the Series 2011-1 Bonds will be the first Business Day of each March, June, September and December as described in this Official Statement, beginning December 1, 2011. These dates are sometimes referred to herein as "*quarterly distribution dates*." The calculation date for each quarterly distribution date generally will be on or before the seventh business day before such quarterly distribution date.

Certain fees and expenses of the trust estate (such as the servicing fees and administration fees) may be paid on a monthly basis on the first Business Day of each month. These dates are sometimes referred to herein as "*monthly payment dates*." The calculation date for each monthly payment date generally will be the seventh business day before such monthly payment date.

Interest Accrual Periods

The initial interest accrual period for the Series 2011-1 Bonds begins on the date of issuance and ends on November 30, 2011. For all other quarterly distribution dates, the interest accrual period will begin on the prior quarterly distribution date and end on the day before such quarterly distribution date.

Cut-off Dates

The cut-off date for the portfolio of Federal Family Education Loan Program ("*FFEL Program*" or "*FFELP*") student loans to be pledged by the Authority to the Trustee on the "*date of issuance*" for the Series 2011-1 Bonds (which is expected to be on or about June 29, 2011) is May 31, 2011. For any student loans pledged to the Trustee by the Authority after the date of issuance, the cut-off date will be the date of such pledge. The student loans pledged by the Authority to the Trustee under the Indenture and not released from the lien thereof or sold or transferred to the extent permitted by the Indenture, are sometimes referred to herein as the "*financed student loans*."

The information presented in this Official Statement under the caption "CHARACTERISTICS OF THE FINANCED STUDENT LOANS" relating to the student loans the Authority expects to pledge to the Trustee on the date of issuance is as of May 31, 2011, which is referred to as the "*statistical cut-off date*." The Authority believes that the information set forth in this Official Statement with respect to the student loans as of the statistical cut-off date is representative of the characteristics of the student loans as they will exist on the date of issuance for Series 2011-1 Bonds.

Description of the Series 2011-1 Bonds

General

The Series 2011-1 Bonds are special, limited obligations of the Authority payable solely from the trust estate pledged therefor under the Indenture. The Series 2011-1 Bonds will receive payments primarily from collections on a pool of all FFEL Program student loans held by the Authority and pledged to the Trustee under the Indenture.

The Series 2011-1 Bonds will be issued in denominations of $100,000 and in integral multiples of $1,000 in excess thereof.

Interest on the Series 2011-1 Bonds will be payable to the record owners of the Series 2011-1 Bonds as of the close of business on the day before the related quarterly distribution date.

Interest on the Series 2011-1 Bonds

The Series 2011-1 Bonds will bear interest, except for the initial interest accrual period, at an annual rate equal to three-month LIBOR plus the spread shown on the cover hereof.

The Trustee will calculate the rate of interest on the Series 2011-1 Bonds on the second business day prior to the start of the applicable interest accrual period. The LIBOR rate for the Series 2011-1 Bonds for the initial interest accrual period will be calculated by reference to the following formula:

> x + [(a/b * (y-x)] plus 1.15%, as calculated by the Trustee, where:
>
> x = five-month LIBOR;
>
> y = six-month LIBOR;
>
> a = 2 (the actual number of days from the maturity date of five-month LIBOR to the first quarterly distribution date); and
>
> b = 30 (the actual number of days from the maturity date of five-month LIBOR to the maturity date of six-month LIBOR).

Interest accrued on the outstanding principal balance of the Series 2011-1 Bonds during each interest accrual period will be paid on the following distribution date.

The Maximum Rate of interest on the Series 2011-1 Bonds will not exceed an average rate of 14% per annum from the date of issuance.

Interest Distributions on the Series 2011-1 Bonds

The amount of interest payable on a quarterly distribution date for the Series 2011-1 Bonds is equal to the sum of (a) the interest accrued during the interest accrual period as described above under "Interest on the Series 2011-1 Bonds"), and (b) the related "*Interest Shortfall*" (described below), if any, for such quarterly distribution date, as based on the actual number of days in such interest accrual period divided by 360 (rounded to the fifth decimal place).

"Interest Shortfall" payable on a quarterly interest payment date for the Series 2011-1 Bonds is equal to the excess, if any, of (a) the interest due and payable on the Series 2011-1 Bonds on the immediately preceding quarterly distribution date over (b) the amount of interest actually distributed to the owners of the Series 2011-1 Bonds on such preceding quarterly distribution date, plus interest on the amount of such excess interest due to the owners of the Series 2011-1 Bonds, to the extent permitted by law, at the interest rate borne by the Series 2011-1 Bonds from such immediately preceding quarterly distribution date to, but excluding, the current quarterly distribution date.

Principal Distributions

Principal distributions generally will be allocated, on a *pro rata* basis, on each quarterly distribution date in an amount equal to the principal distribution amount. The "*principal distribution amount*" is equal to the excess of (i) the Pool Balance as of the last day of the Collection Period preceding the related Collection Period, less (ii) the Pool Balance as of the last day of the related Collection Period, plus the amount, if any, of the principal distribution amount due for the Series 2011-1 Bonds on the prior quarterly distribution date that was not paid.

In addition, supplemental payments of principal will be allocated, on a *pro rata* basis, from any Available Funds remaining in the Collection Account at the end of the preceding Collection Period after payment to the Authority of the Subordinate Administration Fees for such Collection Period. The amount of Subordinate Administration Fees to be paid on each quarterly distribution date to the Authority is based on the Parity Ratio as of the end of the preceding Collection Period. See the captions "DESCRIPTION OF THE SERIES 2011-1 BONDS – Principal Distributions" and "FEES AND EXPENSES" herein.

Final Maturity

The date on which the Series 2011-1 Bonds are due and payable in full is the June 1, 2040 quarterly distribution date.

The payment in full of the Series 2011-1 Bonds could occur earlier if, for example:

- there are prepayments on the financed student loans; or
- the Authority exercises its option to pay the Purchase Amount for all of the student loans remaining in the trust estate (which will not occur until a date when the Pool Balance is equal to or less than 10% of the initial Pool Balance).

"*Pool Balance*" for any date means the aggregate outstanding principal balance of the student loans held by the Authority on that date, including accrued interest that is expected to be capitalized, after giving effect to the following, without duplication:

- all payments received by the Authority through that date from borrowers;
- all amounts received by the Authority through that date from purchases of financed student loans released from the lien of the Indenture;
- all liquidation proceeds and realized losses on the financed student loans through that date;
- the amount of any adjustment to balances of the financed student loans that any Servicer makes under a servicing agreement through that date; and
- the amount by which guarantor reimbursements of principal on defaulted student loans through that date are reduced from 100% to 97%, or other applicable percentage, as required by the risk sharing provisions of the Higher Education Act.

The final principal due on each Series 2011-1 Bond shall be payable only upon presentation and surrender of such Series 2011-1 Bond.

No Additional Bonds

The Indenture is a discrete trust estate and does not permit the issuance of any bonds additional to the Series 2011-1 Bonds.

Description of the Authority and the Trust Estate

General

The Authority is an express trust established for the benefit of the State of Oklahoma. See "GENERAL DESCRIPTION OF THE OKLAHOMA STUDENT LOAN AUTHORITY (OSLA)" in Appendix C hereto.

As described under caption "USE OF PROCEEDS," certain of the proceeds from the sale of the Series 2011-1 Bonds, and certain other amounts made available to the Authority, will be used to make the initial deposit to the Debt Service Reserve Account. Certain of the remaining proceeds from the sale of the Series 2011-1 Bonds and certain other amounts made available to the Authority will be used to acquire student loans presently pledged by the Authority under a separate trust estate and which, together with other student loans to be pledged by the Authority, are described under the caption "CHARACTERISTICS OF THE FINANCED STUDENT LOANS" herein. The financed student loans expected to be so acquired on the date of issuance will be pledged to the Trustee and will be subject to the lien of the Indenture.

Credit Enhancement

The only sources of funds for payment of the Series 2011-1 Bonds issued under the Indenture are the financed student loans and investments pledged to the Trustee under the Indenture and the payments the Authority receives on those financed student loans and investments.

Credit enhancement for the Series 2011-1 Bonds will include overcollateralization, the pledge of additional student loans, and the Debt Service Reserve Account. See the caption "CREDIT ENHANCEMENT" herein. After the issuance of the Series 2011-1 Bonds and the payment of costs of issuance, the pledge of the financed student loans expected to be made to the Trustee on the date of issuance and the monies in funds and accounts under the Indenture, the ratio of the trust estate assets to the Outstanding Amount of the Series 2011-1 Bonds as of the date of issuance is expected to be approximately 106.21%.

Trust Estate Assets

The assets of the trust estate securing the Series 2011-1 Bonds issued under the Indenture will be a discrete trust estate that will include:

- student loans originated under the FFEL Program pledged to the Trustee;
- collections and other payments received on account of the financed student loans; and
- money and investments held in funds and accounts created under the Indenture, including the Acquisition Account, the Collection Account, the Department Rebate Fund and the Debt Service Reserve Account.

The Authority will acquire the student loans to be pledged under the Indenture in the ordinary course of its student loan financing business. All of the student loans pledged to the Trustee under the Indenture are, as of the time of such pledge, guaranteed by a guarantee agency and reinsured by the U.S. Department of Education (sometimes referred to herein as the "*Department of Education*" or the "*Department*"). See the caption "GUARANTEE AGENCIES" herein. Except under limited circumstances set forth in the Indenture, financed student loans may not be transferred out of the trust estate. For example, in limited circumstances described herein, the Authority or a Servicer may be required to purchase a financed student loan out of the trust estate or replace such financed student loan. In addition, if necessary for administrative purposes, the Authority may sell financed student loans free from the lien of the Indenture, so long as the sale price for any financed student loan is not less than the Purchase Amount for such financed student loan and the collective aggregate principal balance of all such sales does not exceed 5.00% of the initial Pool Balance and the collective aggregate principal balance of all such sales in any calendar year does not exceed 1.00% of the Pool Balance as of January 1 of such calendar year (or as of the date of issuance with respect to the first calendar year). See the caption "SUMMARY OF PROVISIONS OF THE INDENTURE – Sale of Financed Student Loans" herein.

The Authority will also pledge to the Trustee all of the rights and remedies that it has under any agreement pursuant to which a financed student loan was acquired by the Authority and any rights and remedies under any servicing agreement relating to the financed student loans.

Financed Student Loans and the Acquisition Account

FFEL Program loans that have been identified and are described under the caption "CHARACTERISTICS OF THE FINANCED STUDENT LOAN" herein are expected to be pledged to the Trustee on the date of issuance. In addition, amounts on deposit in the Acquisition Account will be used to pay the costs of issuance of the Series 2011-1 Bonds. If, for any reason, any funds remain in the Acquisition Account on October 31, 2011, such funds will be transferred to the Collection Account.

The Collection Account

The Trustee will deposit into the Collection Account, upon receipt, all revenues derived from financed student loans and money or investments of the Authority on deposit with the Trustee, amounts received under any joint sharing agreement and all amounts transferred from the Department Rebate Fund, the Acquisition Account and the Debt Service Reserve Account. Money on deposit in the Collection Account will be used to make any required payments under any applicable joint sharing agreement and to pay the Authority's operating expenses (which include amounts owed to the Department of Education and the guarantee agencies, amounts due under any joint sharing agreement, administration fees, servicing fees, backup servicing fees, rating agency fees, and trustee fees) and interest and principal on the Series 2011-1 Bonds. See the caption "—Flow of Funds" below and "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2011-1 BONDS – Collection Account; Flow of Funds" herein.

The Debt Service Reserve Account

The Authority will deposit the "*Specified Debt Service Reserve Account Balance*" amount into the Debt Service Reserve Account on the date of issuance. See the caption "USE OF PROCEEDS" herein. The Debt Service Reserve Account is to be maintained as long as the Series 2011-1 Bonds are outstanding at an amount equal to the greater of 0.25% of the Outstanding Amount of the Series 2011-1 Bonds as of the last day of the related Collection Period, or $307,800, or such lesser amount with the consent of the registered owners representing not less than a majority of the Outstanding Amount of the Series 2011-1 Bonds.

On each quarterly distribution date or monthly payment date, to the extent that money in the Collection Account is not sufficient to pay amounts owed to the Department of Education, to the guarantee agencies or under any applicable joint sharing agreement; administration fees; servicing fees; trustee fees; and the interest then due on the Series 2011-1 Bonds, then an amount equal to the deficiency will be transferred from the Debt Service Reserve Account to the Collection Account. To the extent the amount in the Debt Service Reserve Account falls below the Specified Debt Service Reserve Account Balance, the Debt Service Reserve Account will be replenished on each quarterly distribution date from funds available in the Collection Account as described under the caption "—Flow of Funds" below and under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2011-1 BONDS – Collection Account; Flow of Funds" herein. Funds on deposit in the Debt Service Reserve Account in excess of the Specified Debt Service

Reserve Account Balance will be transferred to the Collection Account. Other than such excess amounts, principal payments due on the Series 2011-1 Bonds will be made from the Debt Service Reserve Account only (1) on the final maturity date for the Series 2011-1 Bonds or (2) on any quarterly distribution date when the market value of securities and cash in the Debt Service Reserve Account is sufficient to pay the remaining principal amount of and accrued interest on the Series 2011-1 Bonds (after making payments from the Collection Account).

Department Rebate Fund

The Trustee will establish a Department Rebate Fund as part of the trust estate. The Higher Education Act requires holders of student loans first disbursed on or after April 1, 2006 and before July 1, 2010 to rebate to the Department of Education interest received from borrowers on such loans that exceed the applicable special allowance support levels. The Authority expects that the Department of Education will reduce the special allowance and interest benefit payments payable to the Authority by the amount of any such rebates owed by the Authority. However, in certain circumstances, the Authority may owe a payment to the Department of Education. If the Authority believes that it is required to make any such payment, the Authority will direct the Trustee to deposit into the Department Rebate Fund from the Collection Account the estimated amounts of any such payments. Money in the Department Rebate Fund will be transferred to the Collection Account to the extent amounts have been deducted by the Department of Education from payments otherwise due to the Authority or the balance in the Department Rebate Fund exceeds the expected rebate obligation, or will be paid to the Department of Education if necessary to discharge the Authority's rebate obligation. See APPENDIX B - "DESCRIPTION OF THE FFEL PROGRAM."

Characteristics of the Student Loan Portfolio

On the date of issuance, the Authority will pledge to the Trustee a portfolio of student loans originated under the FFEL Program having, as of the statistical cut-off date, an aggregate outstanding principal balance of approximately $211,932,822, plus total accrued interest in the approximate amount of $3,842,806 that is expected to be capitalized. As of the statistical cut-off date, the weighted average annual borrower interest rate of the student loans to be pledged to the Trustee on the date of issuance (excluding special allowance payments) was approximately 5.81% and their weighted average remaining term to scheduled maturity was approximately 166 months. The portfolio of student loans expected to be pledged by the Authority to the Trustee on the date of issuance is described more fully under the caption "CHARACTERISTICS OF THE FINANCED STUDENT LOANS" herein.

No Recycling of Available Funds

The Indenture is a discrete trust estate and does not permit recycling of Available Funds to purchase additional student loans.

Joint Sharing Agreement

A joint sharing agreement among the Authority, Bank of America, N.A. and BOKF, NA dba Bank of Oklahoma, as trustee under the Indenture and certain other bond resolutions of the Authority has been entered into for purposes of allocating payments from, and liabilities to, the Department of Education on student loans among the trust estate established by the Authority under the Indenture and other trust estates established by the Authority under separate bond resolutions.

Flow of Funds

Servicing fees and expenses and administration fees and expenses may be paid to the Administrator (initially the Oklahoma Student Loan Authority) on each monthly payment date from money available in the Collection Account. The amount of the initial servicing fees and administration fee payable in clauses 3rd and 4th below is specified under the caption "FEES AND EXPENSES" herein. Each month, money available in the Collection Account will also be used to pay: (i) amounts due to the Department of Education, any guarantee agency, or the trustee under another trust indenture if required pursuant to the joint sharing agreement; (ii) amounts required to be deposited to the Department Rebate Fund; and (iii) amounts needed to repurchase student loans or pay other administrative expenses specified under the caption "FEES AND EXPENSES" herein. On each quarterly distribution date, prior to an event of default, money in the Collection Account will be used to make the deposits and distributions, to the extent funds are available, as set forth in the following chart:

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	COLLECTION ACCOUNT
1st (pro rata)	To make any payments (other than servicing fees and administration fees) permitted to be made on a monthly basis as described above
2nd	Trustee (Trustee fees and expenses and any prior unpaid trustee fees and expenses)
3rd	Servicer (initially the Oklahoma Student Loan Authority) (Servicing fees and expenses for the related Collection Period and any prior unpaid servicing fees and expenses)
4th	Administrator (initially the Oklahoma Student Loan Authority) (Administration fees and expenses for the related Collection Period and any prior unpaid administration fees and expenses)
5th (pro rata)	Series 2011-1 Bondholders (Interest on Series 2011-1 Bonds)
6th	Debt Service Reserve Account (Amounts necessary to restore the Debt Service Reserve Account to the Specified Debt Service Reserve Account Balance)
7th (pro rata)	Series 2011-1 Bondholders (Principal payments, in the amount of the principal distribution amount, will be allocated on a pro rata basis)
8th	Administrator (Subordinate administration fees and expenses and any prior unpaid subordinate administration fees and expenses)
9th (pro rata)	Series 2011-1 Bondholders (Any remaining amounts, on a pro rata basis, until the Series 2011-1 Bonds are paid in full)
10th	Authority (Any excess amount released to the Authority)

Flow of Funds After Events of Default

Following the occurrence of an event of default that results in an acceleration of the maturity of the Series 2011-1 Bonds, and after the payment of certain fees and expenses, payments of interest on the Series 2011-1 Bonds will be made, *pro rata*, without preference or priority of any kind, and then payments of principal on the Series 2011-1 Bonds will be made, *pro rata*, without preference or priority of any kind, until all of the Series 2011-1 Bonds are paid in full. See the caption "SUMMARY OF PROVISIONS OF THE INDENTURE —Remedies on Default" herein.

Servicing and Administration

The Authority (in such capacity, the "*Servicer*") will act as a servicer with respect to all of the financed student loans pursuant to a servicing agreement between the Authority, as issuer, and the Authority, as Servicer, to which the Trustee is a third-party beneficiary. The Authority, as a Servicer, will assume responsibility under its servicing agreement for servicing and making collections on the financed student loans serviced by it.

Nelnet Servicing, LLC will act as the initial backup servicer (the "*Backup Servicer*") and, in such role, will also act as successor Servicer with respect to the financed student loans upon the occurrence of certain events described herein under the caption "SERVICING OF THE FINANCED STUDENT LOANS – Backup Servicer and Backup Servicing Agreement" herein.

The Administrator (initially the Oklahoma Student Loan Authority) will be paid a monthly administration fee for performing the administrative duties under the Indenture and each Servicer will be paid a monthly servicing fee for the financed student loans it services as set forth under the caption "FEES AND EXPENSES" herein. If the Trustee is deemed to have notice (as described below) of a substantial failure by the Authority to perform any of its duties and obligations under the Indenture, and any such substantial failure has not been cured thereunder within 30 days after written notice by the Trustee to the Authority of such substantial failure (or if such cure will take in excess of 30 days, such addition period as is required for such cure so long as the Authority is diligently pursuing such cure), the Trustee shall endeavor to engage, as soon as practicable, a replacement Administrator to administer all, or any necessary portion, of the duties and obligations of the Authority hereunder, pursuant to a written administration agreement among the Authority, the Trustee and the replacement Administrator setting forth the duties and obligations of the replacement Administrator, and the replacement Administrator shall be entitled to receive the Administration Fee as compensation for its services under the written administration agreement. Upon the Trustee's written request, the Authority shall enter into such written administrative agreement. For purposes of this provision, the Trustee shall solely determine "substantial failure," "such additional period as is required," "diligently pursuing such cure," "as soon as practicable" and "necessary portion," and such determinations by the Trustee (the "*Determinations*") shall be conclusive. Notwithstanding anything to the contrary, the Trustee shall not be liable to any registered owner, the Authority or any other Person for failure to engage a replacement Administrator or for its Determinations. For purposes of this provision, the Trustee shall not be required to take notice or be deemed to have notice of any failure by the Authority to perform any of its duties and obligations under the Indenture, unless the Trustee shall be specifically notified in writing of such failure by the Authority or the registered owners of at least ten percent (10%) of the Outstanding Amount of the Series 2011-1 Bonds. Any successor Administrator must be approved by registered owners representing not less than a majority of the Outstanding Amount of the Series 2011-1 Bonds.

The Backup Servicer has agreed to provide backup servicing pursuant to the terms of the Amended and Restated Backup Third Party Servicing Agreement in the event that: (1) a Servicer determines that it will no longer service any financed student loans and provides 150 days' written to the Backup Servicer, the Authority and the Trustee of such determination; or (2) a Servicer is in material violation of its Servicing Agreement under which the financed student loans are serviced, as determined by the Authority or the Trustee, at the written direction of the registered owners of a majority of the Outstanding Amount of the Series 2011-1 Bonds, which violation has not been cured thereunder within 30 days after written notice of such violation to such Servicer (or if such cure will take in excess of 30 days, such additional period as is required for such cure so long as the Servicer is diligently pursuing such cure), and the Trustee (at the written direction of the Authority or the registered owners of a majority of the Outstanding Amount of the Series 2011-1 Bonds) provides 150 days' written notice to the Authority and Backup Servicer of the determination that all of the financed student loans then directly serviced by such Servicer shall be serviced under the Backup Servicing Agreement. The Authority covenants to maintain a Backup Servicing Agreement with a third party servicer with respect to any financed student loans directly serviced by the Servicer, including the Authority, while any Series 2011-1 Bonds remain Outstanding unless the Authority receives the consent of the registered owners of a majority of the Outstanding Amount of the Series 2011-1 Bonds to the termination of the Backup Servicing Agreement.

Optional Purchase

The Authority may, but is not required to, purchase the remaining financed student loans in the trust estate ten business days prior to any quarterly distribution date when the Pool Balance is equal to or less than 10% of the initial Pool Balance. If this purchase option is exercised, the financed student loans will be released from the lien of the Indenture and the proceeds will be used on the corresponding quarterly distribution date to repay all outstanding Series 2011-1 Bonds, which will result in early retirement of the Series 2011-1 Bonds.

If the Authority exercises its purchase option, the purchase price is subject to a prescribed minimum. The prescribed minimum purchase price is the amount that, when combined with amounts on deposit in the funds and accounts held under the Indenture, would be sufficient to:

- reduce the Outstanding Amount of the Series 2011-1 Bonds on the related quarterly distribution date to zero;

- pay to the registered owners of the Series 2011-1 Bonds the interest payable on the related quarterly distribution date; and

- pay any unpaid administration fees and expenses (including unpaid subordinate administration fees), servicing fees and expenses, trustee fees and expenses, and amounts owed to the Department of Education.

Book-Entry Registration

The Series 2011-1 Bonds will be delivered in book-entry form only through The Depository Trust Company. You will not receive a certificate representing your Series 2011-1 Bonds except in very limited circumstances. See the caption "BOOK-ENTRY REGISTRATION" herein.

Federal Income Tax Consequences

In the opinion of Kutak Rock LLP, Bond Counsel, interest on the Series 2011-1 Bonds is includable in gross income for federal income tax purposes. The Series 2011-1 Bonds, and the income therefrom, are exempt from taxation in the State of Oklahoma. For a more complete description, see "TAX MATTERS" herein.

Ratings of the Series 2011-1 Bonds

The Series 2011-1 Bonds are expected to be rated as follows:

Rating Agency (S&P/Fitch)

"AAA (sf)"/"AAA"

A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the assigning rating agency. See the caption "RATINGS" herein.

Policies Affecting Revenues

We offered various types of borrower incentive benefits in previous years that many of the financed student loans are, or will be, eligible to receive. Except for our automatic electronic payment benefit named EZ Pay Discount, the various borrower benefits were discontinued for student loans first disbursed on and after July 1, 2008. See the caption "THE FINANCED STUDENT LOANS" herein for more information on our borrower benefit programs. Effective April 1, 2011, the EZ Pay Discount program will be discontinued for borrowers who are not participating in the program as of such date.

CUSIP Number

The CUSIP Number for the Series 2011-1 Bonds is **679110 EC6.**

Federal Regulation of FFEL Program

The Health Care and Education Reconciliation Act of 2010 (the "*Reconciliation Act*") eliminated the FFEL Program origination of new FFELP loans after June 30, 2010. Consequently, beginning July 1, 2010, the Authority and its OSLA Network participants are no longer originating new FFEL Program loans to service or own. All new loans will be originated by the federal government, as lender, under the federal Direct Loan Program. However, the Authority is pursuing qualification as a federal Direct Loan Program servicer under the provisions for eligible not-for-profit servicers under the Reconciliation Act. The Authority has been determined to meet the basic eligibility requirements as a not for profit servicer by the Department. Determination of whether an entity is qualified under the terms of the Reconciliation Act will be made by the Department as part of a formal solicitation process.

In addition, the education loan industry is highly regulated. The Department of Education is the federal government department that is the primary regulator. In addition to the federal government's elimination of new FFEL Program loans, the Department of Education competes directly with us through its Direct Loan Program. The future effect of that competition will be the potential for the Direct Loan Program to consolidate the Stafford and PLUS loans that we own.

References to Web Sites

Internet or web site addresses herein are provided as a convenience for purchasers of the Series 2011-1 Bonds. The Authority does *not* adopt any information that may be provided at these addresses and disclaims any responsibility for such information. The information at such addresses is not to be construed as part of this Official Statement.

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RISK FACTORS

Potential investors in the Series 2011-1 Bonds should consider the following risk factors together with all other information in this Official Statement in deciding whether to purchase the Series 2011-1 Bonds. The following discussion of possible risks is not meant to be an exhaustive list of the risks associated with the purchase of the Series 2011-1 Bonds and does not necessarily reflect the relative importance of the various risks.

Additional risk factors relating to an investment in the Series 2011-1 Bonds are described throughout this Official Statement, whether or not specifically designated as risk factors. There can be no assurance that other risk factors will not become material in the future.

The Series 2011-1 Bonds are a long-term investment but are based upon a LIBOR short-term index plus a spread

The interest rate on the Series 2011-1 Bonds is based on three-month LIBOR plus a fixed spread, as described herein. As a result, the interest rate on the Series 2011-1 Bonds is based on a short-term interest rate that is recalculated quarterly on each LIBOR determination date, as described herein, plus a fixed spread. See the caption "DESCRIPTION OF THE SERIES 2011-1 BONDS – Interest Payments" herein for more information on how interest payments on the Series 2011-1 Bonds are calculated. The interest rate on the Series 2011-1 Bonds may fluctuate significantly over the life of the Series 2011-1 Bonds.

The Series 2011-1 Bonds, however, are a long-term investment in that there is currently no secondary market for the Series 2011-1 Bonds, and they are not subject to any optional tender or liquidity devices. Furthermore, there are no assurances that a secondary market will develop or, if it does develop, that it will continue or be available at any time in the future.

The interest rate on the Series 2011-1 Bonds is subject to a Maximum Rate limitation

The interest rate on the Series 2011-1 Bonds cannot exceed an average rate of 14% over the life of the Series 2011-1 Bonds. In the event interest rates rise significantly which results in the average interest rate on the Series 2011-1 Bonds (calculated from the date of issuance of the Series 2011-1 Bonds to a quarterly distribution date) to exceed 14% per annum, the interest paid on such quarterly distribution date will be reduced by the amount necessary to cause the average interest rate on the Series 2011-1 Bonds to equal 14% per annum.

You may have difficulty selling your Series 2011-1 Bonds

There currently is no secondary market for the Series 2011-1 Bonds. There are no assurances that any market will develop or, if it does develop, that it will continue or will provide investors with a sufficient level of liquidity of investment. If a secondary market for the Series 2011-1 Bonds does develop, the spread between the bid price and the asked price for the

Series 2011-1 Bonds may widen, thereby reducing the net proceeds to you from the sale of your Series 2011-1 Bonds.

The Authority does not intend to list the Series 2011-1 Bonds on any exchange, including any exchange in either Europe or the United States. Under current market conditions, you may not be able to sell your Series 2011-1 Bonds when you want to do so (you may be required to bear the financial risks of an investment in the Series 2011-1 Bonds for an indefinite period of time) or you may not be able to obtain the price that you wish to receive. The market value of the Series 2011-1 Bonds may fluctuate and movements in price may be significant.

The Series 2011-1 Bonds are not a suitable investment for all investors

The Series 2011-1 Bonds are not a suitable investment if you require a regular or predictable schedule of payments or payment on any specific date. The Series 2011-1 Bonds are complex investments that should be considered only by investors who, either alone or with their financial, tax and legal advisors, have the expertise to analyze the prepayment, reinvestment, default and market risk, the tax consequences of an investment, and the interaction of these factors.

The Series 2011-1 Bonds are payable solely from the trust estate and you will have no other recourse against the Authority

Interest and principal on the Series 2011-1 Bonds will be paid solely from the funds and assets held in the discrete trust estate created under the Indenture. The only financed student loans to be pledged to the Trustee are those to be pledged on or shortly after the date of issuance, and other than approximately $61,763,826 in principal of student loans (as of the May 31, 2011 statistical cut-off date) to be acquired from our network lenders, there will be no subsequent acquisitions of or recycling of financed student loans into the trust estate. No insurance or guarantee of the Series 2011-1 Bonds will be provided by any government agency or instrumentality, by any insurance company or by any other person or entity. Therefore, your receipt of payments on the Series 2011-1 Bonds will depend solely on:

- the amount and timing of payments and collections on the financed student loans and interest paid or earnings on the funds held in the accounts established pursuant to the Indenture; and

- amounts on deposit in the Collection Account, the Debt Service Reserve Account and other funds and accounts held in the trust estate.

You will have no recourse against any party if the trust estate is insufficient for repayment of the Series 2011-1 Bonds.

Funds available in the Debt Service Reserve Account are limited, and, if depleted, there may be shortfalls in payments to registered owners

The Debt Service Reserve Account will be funded at the Specified Debt Service Reserve Account Balance on the date of issuance.

Amounts on deposit in the Debt Service Reserve Account will be replenished to the extent of Available Funds so that the amount on deposit in the Debt Service Reserve Account will be maintained at the Specified Debt Service Reserve Account Balance. Funds may be transferred out of the Debt Service Reserve Account from time to time as described under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2011-1 BONDS" herein.

In the event that the funds on deposit in the Debt Service Reserve Account are exhausted and there are insufficient Available Funds in the Collection Account, the Series 2011-1 Bonds will bear any risk of loss.

Certain amendments to the Indenture and other actions may be taken with Rating Agency Notification or by less than all of the registered owners of the Series 2011-1 Bonds and without your approval

The Indenture permits the Authority and the Trustee to change servicers based upon the receipt of a rating notification (as defined in APPENDIX A – GLOSSARY OF TERMS herein), without the consent of the registered owners of the Series 2011-1 Bonds. Changes may be made to the Indenture or other actions taken without the consent of the registered owners of the Series 2011-1 Bonds. See the caption "SUMMARY OF PROVISIONS OF THE INDENTURE – Supplemental Indentures – Supplemental Indentures Not Requiring Consent of Registered Owners" herein.

Under the Indenture, holders of specified percentages of the Outstanding Amount of the Series 2011-1 Bonds may amend or supplement or waive provisions of the Indenture without the consent of the other holders. You have no recourse if the holders vote and you disagree with the vote on these matters. The holders may vote in a manner which impairs the ability to pay principal and interest on your Series 2011-1 Bonds.

The rate of payments on the financed student loans may affect the maturity and yield of the Series 2011-1 Bonds

Financed student loans may be prepaid at any time without penalty. If the Authority receives prepayments on the financed student loans, those amounts will be used to make principal payments as described below under the caption "SECURITY AND SOURCES OF PAYMENT

FOR THE SERIES 2011-1 BONDS – Collection Account; Flow of Funds" herein, which could shorten the average life of the Series 2011-1 Bonds. Factors affecting prepayment of loans include general economic conditions, prevailing interest rates and changes in the borrower's job, including transfers and unemployment. Refinancing opportunities that may provide more favorable repayment terms, including those offered under the Direct Loan Program consolidation loan program and borrower incentive programs, also affect prepayment rates.

Scheduled payments with respect to the financed student loans disbursed may be reduced and the maturities of financed student loans may be extended as authorized by the Higher Education Act. Also, periods of deferment and forbearance may lengthen the remaining term of the student loans and the average life of the Series 2011-1 Bonds.

President Obama's 2012 fiscal year budget proposal permits students with both FFELP Loans and Direct Loans to convert their existing FFELP Loans to the Department of Education's Direct Loan program during the period from January 1, 2012 through September 30, 2012 through moving their FFELP Loans and the servicing thereon to the Department of Education. The terms and conditions of borrowers' existing student loans would continue. Holders of such FFELP Loans, such as the Authority, would be paid 100 percent of the outstanding principal and interest balance on any student loans converted, and such payment would be treated as a prepayment of the financed student loan under the Indenture. Borrowers would be eligible for an incentive of a reduction of their FFELP Loan balance of up to two (2) percent to convert their FFELP Loans to the Department of Education's Direct Loan program. No assurance can be given as to whether or not such a provision will be included in the final budget approved by Congress and, if enacted, the Authority cannot presently determine how many of its financed student could be affected by such a conversion.

The rate of principal payments to you on the Series 2011-1 Bonds will be directly related to the rate of payments of principal on the financed student loans. Changes in the rate of prepayments may significantly affect your actual yield to maturity, even if the average rate of principal prepayments is consistent with your expectations.

In general, the earlier a prepayment of principal of a loan, the greater the effect may be on your yield to maturity. The effect on your yield as a result of principal payments occurring at a rate higher or lower than the rate anticipated by you during the period immediately following the issuance of the Series 2011-1 Bonds may not be offset by a subsequent like reduction, or increase, in the rate of principal payments on the Series 2011-1 Bonds. You will bear entirely any reinvestment risks resulting from a faster or slower incidence of prepayment of the financed student loans or as a result of redemption by lot.

The Series 2011-1 Bonds may have basis risk which could affect payment of principal and interest on the Series 2011-1 Bonds

There is a degree of basis risk associated with the Series 2011-1 Bonds. Basis risk associated with the Series 2011-1 Bonds is the risk that shortfalls might occur because the interest rates of the financed student loans and those of the Series 2011-1 Bonds adjust on the basis of different indexes or at different times and have a fixed spread component. Most student loan revenue bonds are sensitive to spreads between commercial paper rates, the index for most of the financed student loans, and LIBOR rates, the index for the Series 2011-1 Bonds. Such spreads have been more volatile than historical levels since the credit market disruption began in 2007. If a shortfall were to occur, payment of principal or interest on the Series 2011-1 Bonds could be adversely affected.

Different rates of change in interest rate indexes may affect trust estate cash flow

The interest rates on the Series 2011-1 Bonds may fluctuate from one interest accrual period to another in response to changes in LIBOR. The student loans that will be financed with the proceeds from the sale of the Series 2011-1 Bonds bear interest either at fixed rates or at rates which are generally based upon the bond-equivalent yield of the 91-day U.S. Treasury Bill rate. In addition, the financed student loans may be entitled to receive special allowance payments from the Department of Education based upon the 91-day U.S. Treasury Bill rate or a three-month commercial paper rate. See the captions "CHARACTERISTICS OF THE FINANCED STUDENT LOANS" herein and in APPENDIX B - "DESCRIPTION OF THE FFEL PROGRAM."

If there is a decline in the rates payable on financed student loans, the amount of funds representing interest deposited into the Collection Account may be reduced. If the interest rate payable on the Series 2011-1 Bonds does not decline in a similar manner and time, the Authority may not have sufficient funds to pay interest on the Series 2011-1 Bonds when due. Even if there is a similar reduction in the rate applicable to the Series 2011-1 Bonds, there may not necessarily be a reduction in the other amounts required to be paid by the Authority, such as administrative and servicing fees and expenses, causing interest payments to be deferred to future periods.

Similarly, if there is a rapid increase in the interest rate payable on the Series 2011-1 Bonds without a corresponding increase in rates payable on the financed student loans, the Authority may not have sufficient funds to pay interest on the Series 2011-1 Bonds when due. Sufficient funds may not be available in future periods to make up for any shortfalls in the current payments of interest on the Series 2011-1 Bonds or expenses of the trust estate.

As of the statistical cut-off date, approximately 20.27% of the financed student loans described under the caption "CHARACTERISTICS OF THE FINANCED STUDENT LOANS" were disbursed prior to April 1, 2006. For loans disbursed prior to April 1, 2006, lenders are entitled to retain interest income in excess of the special allowance support level in instances when the loan rate exceeds the special allowance support level.

However, lenders are *not* allowed to retain interest income in excess of the special allowance support level on loans first disbursed on or after April 1, 2006 and before July 1, 2010, and are required to rebate any such "excess interest" to the federal government on a quarterly basis. This modification effectively limits lenders' returns to the special allowance support level and could require a lender to rebate excess interest accrued but not yet received. For fixed rate loans, the excess interest owed to the federal government will be greater when 91-day U.S. Treasury Bill rates and commercial paper rates are relatively low, causing the special allowance support level to fall below the loan rate.

Furthermore, FFELP loans disbursed on or after October 1, 2007, and before July 1, 2010, are also subject to a reduced special allowance payment formula. As of the statistical cut-off date, approximately 29.34% of the financed student loans described under the caption "CHARACTERISTICS OF THE FINANCED STUDENT LOANS" were disbursed on or after October 1, 2007. See "DESCRIPTION OF THE FFEL PROGRAM" in Appendix B hereto for more information on the special allowance payment formulas applicable with respect to FFELP loans. There can be no assurance that such factors or other types of factors will not occur or that, if they occur, such occurrence will not materially adversely affect the sufficiency of the trust estate to pay the principal of and interest on the Series 2011-1 Bonds, as and when due.

Turmoil in the credit markets

There have been changes in the national credit markets since the fall of 2007 that have dramatically changed the way that the Authority does business. Since its inception, the Authority regularly financed its student loan purchases on a long-term basis through the issuance of revenue bonds secured by the student loans it had purchased with the proceeds of such bonds. Due to the turmoil in the credit markets, the cost of asset-backed securities financings has increased and their availability has decreased. Some of the issues that have made asset-backed borrowings more difficult include: the collapse of the auction rate securities market, the downgrade of national bond insurers, limited availability of credit support and liquidity in the market, the requirement by those credit and liquidity providers that are in the market of increasingly higher amounts of equity and higher fees payable to such credit and liquidity providers in financings, and the establishment by the credit rating agencies of significantly more rigorous assumptions and requirements.

This difficulty in obtaining long-term financing has severely limited the Authority's ability to purchase student loans and has negatively impacted the Authority's business relationships with its long-time lender partners.

Due to the limited recourse nature of the trust estate for the Series 2011-1 Bonds, the turmoil in the credit markets should not impact the payment of the Series 2011-1 Bonds unless it causes: (1) erosion in the finances of the Authority to such an extent that it cannot honor any repurchase, administration, or similar obligations under the Indenture; or (2) causes the interest rate on the Series 2011-1 Bonds to increase more than the interest rates and subsidies received by the Authority on the financed student loans.

Changes to the Higher Education Act, including the enactment of the Health Care and Education Reconciliation Act of 2010, changes to other applicable law and other Congressional action may affect your Series 2011-1 Bonds and the financed student loans

On March 30, 2010, the Reconciliation Act was enacted into law. Effective July 1, 2010, the Reconciliation Act eliminated the origination of new FFELP loans after June 30, 2010. Beginning July 1, 2010, all loans made under the Higher Education Act are originated under the

Federal Direct Student Loan Program (the "*Direct Loan Program*"). The terms of existing FFELP loans are not materially affected by the Reconciliation Act.

In addition to the passage of the Reconciliation Act, Title IV of the Higher Education Act and the regulations promulgated by the Department of Education thereunder have been the subject of frequent and extensive amendments and reauthorizations in recent years. See APPENDIX B - "DESCRIPTION OF THE FFEL PROGRAM" for more information on the Higher Education Act.

There can be no assurance that the Higher Education Act or other relevant federal or state laws, rules and regulations may not be further amended or modified in the future in a manner that could adversely affect the Authority or its student loan programs, the trust estate created under the Indenture, the financed student loans, or the financial condition of or ability of the Authority, the Servicers or the guarantee agencies to comply with their obligations under the various transaction documents or the Series 2011-1 Bonds offered hereby.

Future changes could also have a material adverse effect on the revenues received by the guarantors that are available to pay claims on defaulted financed student loans in a timely manner. In addition, if legislation were to be passed in the future requiring the sale of the financed student loans held in the trust estate to the federal government, proceeds from such sale would be deposited to the Collection Fund and used to pay the notes in advance of their current expected maturity date. No assurance can be given as to the amount that would be received from such sale or whether such amount would be sufficient to pay all principal and accrued interest due on the Series 2011-1 Bonds, as there is no way to know what purchase price would be paid by the federal government for the financed student loans.

The Authority cannot predict the effects of the Reconciliation Act or whether any other changes will be made to the Higher Education Act or other relevant federal laws, and rules and regulations promulgated by the Secretary of Education in future legislation, or the effect of such legislation on the Authority, the Servicers, the guarantee agencies, the financed student loans or the Authority's loan programs.

The Authority may be subject to student loan industry investigations

Since 2007, a number of state attorneys general have announced or are reportedly conducting broad investigations of possible abuses in the student loan industry by various lenders and higher education institutions ("*institutions*"). The primary issues under review appear to include revenue sharing arrangements between lenders and institutions, the limiting by institutions of a borrower's ability to borrow from the lender of his or her choice, lenders' undisclosed plans to sell student loans to other lenders, undisclosed agreements between lenders and institutions regarding "opportunity loans" to students with little or no credit history, potential conflicts of interest in connection with the placement of lenders on "preferred lender" lists at institutions, and other arrangements between lenders and institutions which could adversely affect student borrowers. "Preferred lender lists" are lists of lenders recommended by the institutions' financial aid departments or other organizations to students and parents seeking financial aid.

The Attorney General of New York was the first official to conduct such investigations and has reported agreements with dozens of institutions and several lenders. Other states followed quickly thereafter. Settlements have followed with certain institutions and several lenders; often, the settlements require the institutions and lenders to adhere to a school code of conduct (collectively, the "*School Codes of Conduct*") intended to prevent potential conflicts of interest. Generally, these School Codes of Conduct prohibit institutions, as well as their employees, from receiving remuneration from lenders and employees from participating on lender advisory boards in exchange for compensation. Further, the employees of a lender are not allowed to staff the financial aid office of an institution, and lenders may not provide opportunity loans that might prejudice other student loan borrowers. The School Codes of Conduct go into great detail regarding the composition of preferred lender lists and required disclosure regarding the institution's decision-making process with respect to the lists and any agreements of lenders on the preferred lender lists to sell student loans to another lender.

Most of the Authority's student loans have been made to students in Oklahoma, or in Arkansas. However, the Authority has acquired loans made to students across the country, but it has not been contacted by the Attorney General of the State of Oklahoma or other state attorneys general to respond to such investigations. Since such processes are typically confidential, the Authority will not necessarily be able to advise of any such contacts or its involvement in such matters. The activity and number of investigations nationally appears to have greatly diminished.

The Department of Education has adopted regulations that impact the practices which are the subject of the foregoing investigations. The Authority believes it is in material compliance with the regulations. See the caption "Changes to the Higher Education Act, including the recent enactment of the Healthcare and Education Reconciliation Act of 2010, changes to other applicable law and other Congressional action may affect your notes and the financed student loans" above.

General economic conditions

The United States economy has experienced a downturn or slowing of growth that started in the last five or six months of 2008. Although there were some indications in early 2011 that the downturn may be slowing or reversing, it is unclear at this time whether the downturn or slower growth has ended or if it may return, continue or worsen. A downturn in the economy resulting in substantial layoffs either regionally or nationwide may result in an increase in delays by borrowers in paying financed student loans, thus causing increased default claims to be paid by guarantee agencies. It is impossible to predict the status of the economy or unemployment levels or at which point a downturn in the economy would significantly reduce revenues to the Authority or the guarantee agencies' ability to pay default claims. General economic conditions may also be affected by other events including the prospect of increased hostilities abroad. Certain such events may have other effects, the impacts of which are difficult to project.

The United States military build-up may result in delayed payments from borrowers called to active military service

The build-up of the United States military in the past decade, plus the extensive activation of national guard units, has increased the number of citizens who are in active military service. The Servicemembers Civil Relief Act limits the ability of a lender under the FFELP to take legal action against a borrower during the borrower's period of active duty and, in some cases, during an additional three month period thereafter.

The Authority does not know how many student loans have been or may be affected by the application of the Servicemembers Civil Relief Act. Payments on financed student loans may be delayed as a result of these requirements, which may reduce the funds available to the Authority to pay principal and interest on the Series 2011-1 Bonds.

Higher Education Relief Opportunities for Students Act of 2003 may result in delayed payments from borrowers

The Higher Education Relief Opportunities for Students Act of 2003 ("*HEROS Act of 2003*") signed into law on August 18, 2003 authorizes the Secretary of Education to waive or modify any statutory or regulatory provisions applicable to student financial aid programs under Title IV of the Higher Education Act as the Secretary deems necessary for the benefit of "affected individuals" who:

- are serving on active military duty or performing qualifying national guard duty during a war or other military operation or national emergency;
- reside or are employed in an area that is declared by any federal, state or local office to be a disaster area in connection with a national emergency; or
- suffered direct economic hardship as a direct result of war or other military operation or national emergency, as determined by the Secretary.

The Secretary is authorized to waive or modify any provision of the Higher Education Act to ensure that:

- such recipients of student financial assistance are not placed in a worse financial position in relation to that assistance;
- administrative requirements in relation to that assistance are minimized;
- calculations used to determine need for such assistance accurately reflect the financial condition of such individuals;
- provision is made for amended calculations of overpayment; and

- institutions of higher education, eligible lenders, guarantee agencies and other entities participating in such student financial aid programs that are located in, or whose operations are directly affected by, areas that are declared to be disaster areas by any federal, state or local official in connection with a national emergency may be temporarily relieved from requirements that are rendered infeasible or unreasonable.

The number and aggregate principal balance of student loans that may be affected by the application of the HEROS Act of 2003 is not known at this time. Accordingly, payments the Authority receives on financed student loans made to a borrower who qualifies for such relief may be subject to certain limitations. If a substantial number of borrowers become eligible for the relief provided under the HEROS Act of 2003, there could be an adverse effect on the total collections on the financed student loans and the Authority's ability to pay principal and interest on the Series 2011-1 Bonds.

Consumer protection laws may affect enforceability of financed student loans

Numerous federal and state consumer protection laws, including various state usury laws and related regulations, impose substantial requirements upon lenders and servicers involved in consumer finance. Some states impose finance charge ceilings and other restrictions on certain consumer transactions and require contract disclosures in addition to those required under federal law. These requirements impose specific statutory liability that could affect an assignee's ability to enforce consumer finance contracts such as the student loans. In addition, the remedies available to the Trustee or the registered owners upon an event of default under the Indenture may not be readily available or may be limited by applicable state and federal laws.

You will rely on the Authority, as Servicer, or the Backup Servicer for the servicing of the financed student loans

You will be relying on the Authority to service all of the financed student loans. The Authority also will engage the Backup Servicer as of the date of issuance to act upon the occurrence of certain events described herein under the caption "SERVICING OF THE FINANCED STUDENT LOANS - Backup Servicer and Backup Servicing Agreement" herein. The Authority also acts as custodian with respect to the financed student loans.

The cash flow projections relied upon by the Authority in structuring the issuance of the Series 2011-1 Bonds were based upon assumptions with respect to servicing costs of the Authority and the Backup Servicer's costs to act as Backup Servicer. The cash flow projections assume an annual rate of inflation of 3% for loan servicing fees beginning in June of 2016. However, no assurance can be made that the costs to the Authority and the Backup Servicer for servicing the financed student loans serviced by it will not increase, or that the Authority would be successful in entering into servicing agreements with other servicers that would be acceptable to the rating agencies at the assumed level of servicing cost if the current servicing agreement or the Backup Servicing Agreement is terminated.

Although the Authority is obligated to service the financed student loans in accordance with the terms of its servicing agreement, and the Backup Servicer is obligated to service the financed student loans, if necessary, in accordance with the terms of the Backup Servicing Agreement, the timing of payments to be actually received with respect to the financed student loans will be dependent upon the ability of the Authority, and, if necessary, the Backup Servicer to adequately service the financed student loans serviced by each entity. In addition, the registered owners will be relying on the compliance by the Authority and the Backup Servicer with applicable federal and state laws and regulations.

Bankruptcy or insolvency of a Servicer could result in payment delays to you

The Authority will act as the Servicer with respect to the financed student loans pursuant to a servicing agreement and the Backup Servicer will standby, and act in certain events, with respect to servicing the financed student loans pursuant to the Backup Servicing Agreement. In the event of a default by the Servicer or the Backup Servicer resulting from events of insolvency or bankruptcy, a court, conservator, receiver or liquidator may have the power to prevent the appointment of a successor servicer and delays in collections in respect of those affected financed student loans may occur. Any delay in the collections of financed student loans may delay payments to you.

A default by a Servicer could adversely affect the Series 2011-1 Bonds

If the Authority, as Servicer, defaults on its obligations to service the financed student loans, the Backup Servicer would become the successor Servicer for those financed student loans. If the Backup Servicer defaults on its obligations to service the financed student loans, the Authority or the Trustee may remove the Backup Servicer without the consent of any other party, subject to satisfaction of the conditions set forth in the Indenture. In the event of the removal of the Servicer or the Backup Servicer and the appointment of a successor servicer, there may be additional costs associated with the transfer of servicing to the successor servicer, including but not limited to, an increase in the servicing fees the successor servicer charges. In addition, the Authority cannot predict the ability of the successor servicer to perform the obligations and duties under any servicing agreement.

If the Authority or a Servicer fails to comply with the Department of Education's regulations, payments on the Series 2011-1 Bonds could be adversely affected

The Department of Education regulates each servicer of federal student loans. Under these regulations, a third-party servicer is jointly and severally liable with its client lenders (including the Authority) for liabilities to the Department of Education arising from its violation of applicable requirements. In addition, if any lender or servicer fails to meet standards of financial responsibility or administrative capability included in the regulations, or violates other requirements, the Department of Education may impose penalties or fines and limit, suspend, or terminate the lender's ability to participate in or a servicer's eligibility to contract to service loans originated under FFELP before July 1, 2010.

If the Authority (as lender) were so fined, or its FFELP eligibility were limited, suspended or terminated, payment on the Series 2011-1 Bonds could be adversely affected. If any Servicer were so fined or held liable, or its eligibility were limited, suspended, or terminated, its ability to properly service the financed student loans and to satisfy any remedies owed by it to the Authority under a servicing agreement relating to financed student loans could be adversely affected. In addition, if the Department of Education terminates a Servicer's eligibility, a servicing transfer will take place and there may be delays in collections and temporary disruptions in servicing. Any servicing transfer may temporarily adversely affect payments to you.

Failure to comply with loan origination and servicing procedures for financed student loans may result in loss of guarantee and other benefits

The Authority and the entities servicing its loans must meet various requirements in order to maintain the federal guarantee on the financed student loans. These requirements establish servicing requirements and procedural guidelines and specify school and borrower eligibility criteria.

A Guarantee Agency may reject a loan for claim payment due to a violation of the FFEL Program due diligence collection and servicing requirements. In addition, a Guarantee Agency may reject claims under other circumstances, including, for example, if a claim is not timely filed or adequate documentation is not maintained. Once a financed student loan ceases to be guaranteed, it is ineligible for federal interest benefit and special allowance payments.

If a financed student loan is rejected for claim payment by a guarantee agency, the Authority, through its servicers, continues to pursue the borrower for payment or institute a process to reinstate the guarantee. Guarantee Agencies may reject claims as to portions of interest for certain violations of the due diligence collection and servicing requirements even though the remainder of a claim may be paid.

Examples of errors that cause claim rejections include isolated missed collection calls or failures to send collection letters as required. Violations of due diligence collection and servicing requirements can result from human error. Violations can also result from computer processing system errors or from problems arising in connection with the implementation of a new computer platform or the conversion of additional loans to a servicing system.

The Department of Education has implemented school eligibility requirements, including default rate limits. In order to maintain eligibility in the FFEL Program, schools must maintain default rates below specified levels and both guarantee agencies and lenders are required to insure that loans are made to students attending schools that meet default criteria. If the

Authority fails or the Servicer fails to comply with any of the above requirements, the Authority could incur penalties or lose the federal guarantee on some or all of the financed student loans.

The inability of the Authority, a Servicer or a Selling Lender to meet their respective purchase obligations may result in losses on your Series 2011-1 Bonds

Under some circumstances, the Authority may have the right to require a Servicer or the lender selling a financed student loan to purchase, a financed student loan. This right against the Servicer arises generally if a financed student loan ceases to be guaranteed or insured (and a guarantee or insurance claim is not paid by a guarantee agency or by the United States) and if the same is not cured within the applicable cure period. This right against a Servicer or a selling lender arises generally as the result of a breach of certain covenants with respect to such student loan, in the event such breach materially adversely affects the interests of the Authority in that financed student loan and is not cured within the applicable cure period. There is no guarantee that a Servicer or a selling lender will have the financial resources to make a purchase or substitution. In this case, you will bear any resulting loss.

In addition, the Authority assigned and pledged to the Trustee its rights and remedies under any student loan purchase agreement under which financed student loans were acquired. The Trustee could pursue any rights of the Authority against these third parties with respect to the financed student loans. Any limitations on the rights and remedies specified in these agreements may impair the Authority's ability to pay principal and interest on your Series 2011-1 Bonds, and there is no guarantee that any third-party to any of the above referenced agreements will have the financial resources to honor their respective obligations under those agreements.

Limitation on enforceability of remedies against the Authority could result in payment delays or losses

The remedies available to the Trustee or the registered owners upon an event of default under the Indenture are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code, the remedies provided in the Indenture and such other documents may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2011-1 Bonds and the Indenture will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, moratorium, insolvency or other similar laws affecting the rights of creditors generally.

In addition, the Higher Education Act provides that a security interest in FFELP loans may be perfected by the filing of notice of such security interest in the manner in which security interests in accounts may be perfected by applicable state law, which, under the Oklahoma Uniform Commercial Code, is accomplished by filing a financing statement with the Oklahoma County Clerk. Nonetheless, if through fraud, inadvertence or otherwise, a third-party lender or purchaser acting in good faith were to obtain possession of any of the promissory notes evidencing the financed student loans (or, in the case of a master promissory note, a copy thereof), any security interest of the Trustee in the related financed student loans could be preempted. The Authority currently maintains control and shall continue to maintain control of all financed student loans that are evidenced by an electronically signed note in compliance with applicable federal and state laws. Custody of all other promissory notes relating to financed student loans will be maintained by the Authority, or a custodial agent on its behalf, or by the Servicer.

Certain factors relating to security

The Authority has covenanted in the Indenture that the assets constituting the trust estate pledged by the Authority under the Indenture are and will be owned by the Authority free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, of equal rank with or subordinate to the respective pledges created by the Indenture, and that all action on the part of the Authority to that end has been duly and validly taken.

The Authority acquires most of its student loans by purchasing such loans from other lenders. When purchasing student loans, the Authority customarily obtains warranties from the sellers as to certain matters, including that the loans were originated in accordance with the Higher Education Act and that the loans will be transferred to the Authority free of any liens. Notwithstanding the foregoing, under applicable law, security interests in such loans may exist which may not be ascertainable from available sources. Therefore, no absolute assurance can be given that liens other than the lien of the Indenture do not and will not exist.

The use of master promissory notes for the financed student loans may compromise the Trustee's security interest

Loans made under the FFEL Program may be evidenced by a master promissory note. Once a borrower executes a master promissory note with a lender, additional student loans made by the lender to such borrower are evidenced by a confirmation sent to the borrower, and all student loans are governed by the single master promissory note.

A student loan evidenced by a master promissory note may be sold independently of the other student loans governed by the master promissory note. If the Authority acquires a student loan governed by a master promissory note and does not obtain possession of the master promissory note, other parties could claim an interest in the student loan. This could occur if the holder of the master promissory note were to take an action inconsistent with the Authority's rights to a financed student loan, such as delivery of a duplicate copy of the master promissory note to a third-party for value. Although such action would not defeat the Authority's rights to the financed student loan or impair the security interest held by the Trustee for your benefit, it could delay receipt of principal and interest payments on the loan.

You may incur losses or delays in payment on your Series 2011-1 Bonds if borrowers do not make timely payments or default on their financed student loans

For a variety of economic, social and other reasons, all the payments that are actually due on financed student loans may not be made at all or may not be made in a timely fashion. Borrowers' failures to make timely payments of the principal and interest due on the financed student loans will affect the revenues of the trust estate for the Authority which may reduce the amounts available to pay principal and interest due on the Series 2011-1 Bonds.

The cash flow from the financed student loans and the Authority's ability to make payments due on the Series 2011-1 Bonds will be reduced to the extent interest is not currently payable on the financed student loans. The borrowers on most student loans are not required to make payments during the period in which they are in school and for certain authorized periods thereafter, as described in the Higher Education Act. The Department of Education will make all interest payments while payments are deferred under the Higher Education Act on certain subsidized student loans first disbursed before July 1, 2010 that qualify for interest benefit payments. For all other student loans first disbursed before July 1, 2010, interest generally will be capitalized and added to the principal balance of the student loans. The financed student loans will consist of student loans for which payments are deferred as well as student loans for which the borrower is currently required to make payments of principal and interest. The proportions of the financed student loans for which payments are deferred and currently in repayment will vary during the period that the Series 2011-1 Bonds are outstanding.

In general, a guarantee agency reinsured by the Department of Education will guarantee 100% of each student loan originated before October 1, 1993, 98% of each student loan originated on or after October 1, 1993 and before July 1, 2006, and 97% of each student loan originated on or after July 1, 2006 and before July 1, 2010. As a result, if a borrower of a financed student loan defaults, the Authority may, with respect to certain loans, experience a loss of approximately 2% or 3% of the outstanding principal and accrued interest on each of the defaulted loans depending upon when it was first disbursed. The Authority does not have any right to pursue the borrower for the remaining portion that is not subject to the guarantee. If defaults occur on the financed student loans and the credit enhancement described herein is not sufficient, you may suffer a delay in payment or a loss on your investment.

The Trustee may be forced to sell the financed student loans at a loss after an event of default

Generally, if an event of default occurs under the Indenture, the Trustee may sell, and, at the direction of registered owners (in varying percentages as specified in the Indenture), must sell the financed student loans. However, the Trustee may not find a purchaser for the financed student loans or the market value of the financed student loans plus other assets in the trust estate might not equal the principal amount of outstanding Series 2011-1 Bonds plus accrued interest. Competition currently existing in the secondary market for student loans made under the FFEL Program before July 1, 2010 also could be reduced, resulting in fewer potential buyers of the financed student loans and lower prices available in the secondary market for the financed student loans. You may suffer a loss if the Trustee is unable to find purchasers willing to pay prices for the financed student loans sufficient to pay the principal amount of the Series 2011-1 Bonds plus accrued interest.

The Series 2011-1 Bonds may be repaid early due to an optional purchase, which may affect your yield, and you will bear investment risk

The Series 2011-1 Bonds may be prepaid before you expect them to be in the event of an optional purchase (when the Pool Balance is equal to or less than 10% of the initial Pool Balance) of the financed student loans as described under "DESCRIPTION OF THE SERIES 2011-1 BONDS – Optional Purchase" herein. Such an event would result in the early retirement of the Series 2011-1 Bonds outstanding on that date. If this happens, your yield on the Series 2011-1 Bonds may be affected and you will bear the risk that you cannot reinvest the money you receive in comparable investments at an equivalent yield.

The characteristics of the portfolio of financed student loans may change

The characteristics of the pool of student loans expected to be pledged to the Trustee on the date of issuance are described herein as of the statistical cut-off date. However, the actual characteristics of the student loans at any given time will change due to factors such as the repayment of the student loans in the normal course of business or the occurrence of delinquencies or defaults. The characteristics that may differ include the composition of the student loans, the distribution by loan type, the distribution by interest rate, the distribution by principal balance and the distribution by remaining terms. You should consider potential variances when making your investment decision concerning the Series 2011-1 Bonds. See the caption "CHARACTERISTICS OF THE FINANCED STUDENT LOANS" herein.

Student loans are unsecured and the ability of the guarantee agencies to honor their guarantees may become impaired

The Higher Education Act requires that all student loans be unsecured. As a result, the only security for payment of the financed student loans are the guarantees provided by the guarantee agencies.

A deterioration in the financial status of a guarantee agency and its ability to honor guarantee claims on defaulted financed student loans could delay or impair that guarantee agency's ability to make claims payments to the Trustee. The financial condition of a guarantee agency can be adversely affected if it submits a large number of reimbursement claims to the Department of Education, which results in a reduction of the amount of reimbursement that the Department of Education is obligated to pay a guarantee agency.

The Department of Education may also require a guarantee agency to return its Reserve Accounts to the Department of Education upon a finding that the reserves are unnecessary for that guarantee agency to pay its program expenses or to serve the best interests of the federal student loan program. The inability of any guarantee agency to meet its guarantee obligations could reduce the amount of money available to pay principal and interest to you as the owner of the Series 2011-1 Bonds or delay those payments past their due date.

If the Department of Education has determined that a guarantee agency is unable to meet its guarantee obligations, the student loan holder may submit claims directly to the Department of Education and the Department of Education is required to pay the full guarantee claim amount due with respect to such claims. See the caption "GUARANTEE AGENCIES" herein. However, the Department of Education's obligation to pay guarantee claims directly in this fashion is contingent upon the Department of Education making the determination that a guarantee agency is unable to meet its guarantee obligations. The Department of Education may not ever make this determination with respect to a guarantee agency and, even if the Department of Education does make this determination, payment of the guarantee claims may not be made in a timely manner.

Payment offsets by a guarantee agency or the Department of Education could prevent the Authority from paying you the full amount of the principal and interest due on your Series 2011-1 Bonds

The Authority will use the same Department of Education lender identification number for the financed student loans to be included in the trust estate as it uses for other student loans it holds. The billings submitted to the Department of Education and the claims submitted to guarantee agencies for the financed student loans will be consolidated with the billings and claims for payments for student loans that are not included in the trust estate but use the same lender identification number. Payments on those billings by the Department of Education as well as claim payments by the applicable guarantee agencies will be made to the Authority, or to a Servicer on behalf of the Authority, in lump sum form. Those payments must be allocated by the Authority to the trust estate and to other trust estates of the Authority that reference the same lender identification number.

If the Department of Education or a guarantee agency determines that the Authority owes it a liability on any student loan held by it, the Department of Education or the applicable guarantee agency may seek to collect that liability by offsetting it against payments due to the Authority in respect of the financed student loans pledged to secure your Series 2011-1 Bonds. Any offsetting or shortfall of payments due to the Authority could adversely affect the amount of funds available to the trust estate and thus the Authority's ability to pay you principal and interest on the Series 2011-1 Bonds. The Authority has entered into a "joint sharing agreement" with BOKF, NA dba Bank of Oklahoma, as trustee under the Indenture and certain other bond resolutions of the Authority, and Bank of America, N.A. in order to allocate payments from, and liabilities to, the Department of Education on student loans among the trust estate established by the Authority under the Indenture and the trust estates established by the Authority under the other bond resolutions and financing arrangements.

Commingling of payments on student loans could prevent the Authority from paying you the full amount of the principal and interest due on your Series 2011-1 Bonds

Payments received on the financed student loans generally are deposited into an account in the name of the Authority or the applicable Servicer each business day. Payments received on the financed student loans may not always be segregated from payments the Authority, or the applicable Servicer, receives on other student loans it owns (with respect to the Authority) or services (with respect to a Servicer), and payments received on the financed student loans that are part of the trust estate may not be segregated from payments received on the Authority's other student loans that are not part of the trust estate.

Such amounts that relate to the financed student loans once identified by the Authority or applicable Servicer as such are transferred to the Trustee for deposit into the Collection Account within two business days of receipt. If the Authority or applicable Servicer fails to transfer such funds to the Trustee, registered owners may suffer a loss. See the caption "SERVICING OF THE FINANCED STUDENT LOANS" herein.

Incentive or borrower benefit programs may affect your Series 2011-1 Bonds

The financed student loans may be subject to various borrower incentive programs. Any incentive program that effectively reduces borrower payments or principal balances on financed student loans may result in the principal amount of financed student loans amortizing faster than anticipated. The Authority cannot accurately predict the number of borrowers that will utilize the borrower benefits provided under the borrower benefit programs currently offered by the Authority. The greater the number of borrowers that utilize such benefits with respect to financed student loans, the lower the total loan receipts on such financed student loans.

The Series 2011-1 Bonds are expected to be issued only in book-entry form

The Series 2011-1 Bonds are expected to be initially represented by one or more certificates registered in the name of Cede & Co., the nominee for DTC, and will not be registered in your name or the name of your nominee. Unless and until definitive securities are issued, holders of the Series 2011-1 Bonds will not be recognized by the Trustee as registered owners as that term is used in the Indenture. Until definitive securities are issued, holders of the Series 2011-1 Bonds will only be able to exercise the rights of registered owners indirectly through DTC and its participating organizations. See the caption "BOOK-ENTRY REGISTRATION" herein.

The ratings of the Series 2011-1 Bonds are not a recommendation to purchase and may change

It is a condition to issuance of the Series 2011-1 Bonds that they be rated as indicated on the cover hereof. Ratings are based primarily on the creditworthiness of the underlying financed student loans, the amount of credit enhancement and the legal structure of the transaction.

The ratings are not a recommendation to you to purchase, hold or sell the Series 2011-1 Bonds inasmuch as the ratings do not comment as to the market price or suitability for you as an investor. An additional rating agency may rate the Series 2011-1 Bonds, and that rating may not be equivalent to the initial rating described in this Official Statement. Ratings may be increased, lowered or withdrawn by any rating agency at any time if in the rating agency's judgment circumstances so warrant. A downgrade in the rating of your Series 2011-1 Bonds is likely to decrease the price a subsequent purchaser will be willing to pay for your Series 2011-1 Bonds.

Certain actions relating to the servicing of the financed student loans may be taken by the Authority or the Trustee with a rating notification. The definition of "Rating Notification" permits the Authority to take certain actions if it provides notice to the rating agencies, other than S&P, regarding such action and the rating agencies do not indicate within the specified time period that such action would cause a downgrade of the applicable rating. Such inaction by a rating agency cannot, however, be viewed as an approval of the requested action of the Authority by any rating agency. Furthermore, such inaction would not limit the ability of the rating agency to downgrade its rating on the basis of such action by the Authority.

The Authority cannot predict the timing of any ratings actions, nor can the Authority predict whether the ratings assigned to the Authority's outstanding student loan revenue bonds or the Series 2011-1 Bonds offered hereby will be downgraded.

Termination of new FFEL Program student loan originations

Beginning July 1, 2010, eligible lenders, including the Authority and its OSLA Network Lenders, were no longer allowed to originate FFEL Program student loans as a result of the Reconciliation Act. Beginning July 1, 2010, all federal student loans are originated solely by the federal government pursuant to the Direct Loan Program. This occurrence is likely to reduce the Authority's servicing revenues and increase its unit servicing costs as the loan portfolio being serviced diminishes over time.

If circumstances necessitate a transfer of servicing of financed student loans to the Backup Servicer, a disruption could occur that results in reductions or delays in cash flow to the Trust Estate. To the extent the Debt Service Reserve Account is insufficient to cover any shortfalls, the Authority's ability to make payments of principal and interest on the Series 2011-1 Bonds and pay servicing fees and administrative costs may be adversely affected.

New Loan Servicing Plans

The Student Aid and Fiscal Responsibility Act of 2009 ("*SAFRA*"), Title II of the Reconciliation Act, became law on March 30, 2010. SAFRA requires the Secretary of the Department of Education to contract with each eligible and qualified not-for-profit servicer ("*NFP servicers*") to service loans. The Authority responded to a request for information and was among the first twelve NFP servicers that the Department determined met the NFP servicer eligibility criteria under SAFRA.

The Authority recently received and executed a Memorandum of Understanding ("*MOU*") with the Department with respect to servicing federally owned student loan assets. If the Authority is awarded an Authorization to Operate and a servicing contract, the Authority could begin servicing of Federal Direct Loan assets by the middle of the calendar year 2012. For additional information, see the caption "OPERATING BUSINESS - Potential Direct Loan Servicing" and "LOAN SERVICING – Federal Direct Loan Servicing Plans" in Appendix C of this Official Statement.

The Department is expected to allocate 100,000 borrower accounts to each qualified NFP servicer. An allocation of 100,000 borrower accounts represents a significant increase to the Authority, which was currently servicing approximately 94,600 borrowers as of December 31, 2010 in its existing FFELP servicing portfolio. No assurance can be given that we will become a NFP servicer, or that if we do become a NFP servicer, that it will be a sustainable business model.

The Authority also performed significant due diligence on third party remote user Direct Loan Program servicing platforms provided by organizations that have already been awarded federal servicing contracts with the Department. We expect that utilizing a Department approved Direct Loan servicing platform as a remote user will significantly reduce the required capital expenditures and streamline the process of becoming a qualified NFP servicer. In the Department's announcement that the Authority would be permitted to enter into an MOU, Nelnet was identified as the subcontractor. The Authority is in the process of negotiating a remote access hosted system licensing agreement with Nelnet.

Internal Revenue Service Audits of Tax-Exempt Issuers

In 2008, the Internal Revenue Service announced that it was beginning a program of randomly examining tax-exempt student loan bond transactions. Published reports have described various investigations, audits and other actions with respect to the student loan industry. None of the Authority's bonds or notes has been selected for examination; however, the Authority is not able to predict whether any bonds or notes of the Authority will not be selected for such examinations. If any bonds or notes of the Authority are selected for such examination, no assurance can be given that such an examination will not have an adverse effect on the financial condition of the Authority.

OKLAHOMA STUDENT LOAN AUTHORITY

General

We are an express trust created in accordance with the Oklahoma Trusts for Furtherance of Public Functions Act by a Trust Indenture dated August 2, 1972 for the benefit of the State of Oklahoma pursuant to the provisions of the Oklahoma Student Loan Act, Title 70 Oklahoma Statutes 2001, Sections 695.1 *et seq*, as amended (the "*Authorizing Act*").

We are an eligible not-for-profit holder for purposes of receiving Special Allowance Payments on student loans at the not-for-profit holder's rate provided for in the Higher Education Act. This status was confirmed by the Department of Education for the quarter ending December 31, 2007, and subsequently confirmed for billing quarters beyond the quarter ending December 31, 2007, assuming that specific conditions continue to be met.

For a description of us, see APPENDIX C – GENERAL DESCRIPTION OF THE OKLAHOMA STUDENT LOAN AUTHORITY (OSLA).

Definitions of certain terms used in this Official Statement are included in APPENDIX A – GLOSSARY OF TERMS, or elsewhere herein.

New Discrete Trust Estate

The Series 2011-1 Bonds will be issued pursuant to the provisions of the Authorizing Act and an Amended and Restated Series 2011-1 Bond Resolution adopted by the trustees of the Authority on June 28, 2011 (the "*Bond Resolution*"). The Bond Resolution provides, among other things, for the execution and delivery of an Indenture of Trust dated as of June 1, 2011 (the "*Indenture*") between the Authority and BOKF, NA dba Bank of Oklahoma, as the "*Trustee*," to create a discrete trust.

The Indenture will create a pledge of revenues, funds, FFEL Program financed student loans and other assets to the Trustee, as a Trust Estate for the benefit of the registered owners of all Series 2011-1 Bonds. In addition, the Indenture will grant a security interest in the Trust Estate to the Trustee for the benefit of those parties.

Recent Financial Situation

During the Fall of 2007 and to date, financial markets have been disrupted significantly. Aspects of this disruption have adversely impacted asset backed securities, including student loan asset backed securities. The disruptions affect bonds and notes issued by us in the past, due to severe deterioration for obligations credit enhanced by monoline bond insurers and to very limited market availability of credit and liquidity support. These events have caused us to suffer significantly increased debt service costs and a need to defease or refinance our debt as a response to market conditions by issuing new obligations, separate from other trusts outstanding already. These other outstanding trusts are:

- the senior-subordinate 1995 Master Bond Resolution, as Supplemented, which includes numerous parity supplemental bond resolutions;

- the 2008 Master Bond Resolution II, as Supplemented;
- the Series 2010 Indenture; and
- the Straight-A Funding conduit financing note trust estate backed by a Federal Financing Bank liquidity facility and loan puts to the Department.

Except for the 2008 Master Bond Resolution II, as Supplemented, the trusts described above will continue to be outstanding after the adoption of the Bond Resolution, execution of the Indenture and issuance of the Series 2011-1 Bonds.

Each trust is a separate limited obligation of ours, with separate assets and obligations; and each existing trust will be a separate trust from the Indenture. We may create additional new trusts in the future with assets and obligations separate from the Indenture and the existing trusts.

The Series 2011-1 Bonds, and the interest thereon, are not obligations of the State of Oklahoma. Neither the faith and credit nor the taxing power of the State of Oklahoma is pledged to the payment of the principal of, or interest on, the Series 2011-1 Bonds. The Series 2011-1 Bonds, and the interest thereon, are not personal obligations of the trustees of the Authority and are not general obligations of the Authority. The Authority has no taxing power.

Availability of Documentation

The descriptions in this Official Statement of the Series 2011-1 Bonds and of the documents authorizing and securing the Series 2011-1 Bonds do not purport to be definitive or comprehensive. All references herein to those documents are qualified in their entirety by reference to the Series 2011-1 Bonds and the documents.

A copy of the Indenture is available during the initial offering period upon request to the Authority or the Trustee at the addresses shown below:

BOKF, NA dba Bank of Oklahoma, as Trustee
9520 North May Avenue, Suite 100
Oklahoma City, Oklahoma 73120
Attention: Corporate Trust Services; or

Oklahoma Student Loan Authority
525 Central Park Drive, Suite 600
Oklahoma City, Oklahoma 73105-1706
Attention: President

Initial Collateralization

After application of the proceeds of the Series 2011-1 Bonds as described herein, and the deposit of equity contributions and payment of costs of issuance, it is expected that the pledge of the financed student loans (including student loans to be contributed by the Authority) expected to be made to the Trustee on the date of issuance plus the monies on deposit in the funds and accounts under the Indenture, including the Specified Debt Service Reserve Account Balance, will provide an initial collateralization of Trust Estate assets to the Outstanding Amount of the Series 2011-1 Bonds at approximately 106.21%.

The Indenture does not require that any particular level of collateralization be maintained.

Cash Flow Projections

We do not expect to issue the Series 2011-1 Bonds unless we believe, based on our analysis of cash flow projections, that Available Funds will be sufficient to pay principal of and interest on the Series 2011-1 Bonds when due, and also to pay all related expenses, including, without limitation, all amounts owed to the Department of Education, all rebate and excess interest amounts and all administration, servicing and trustee fees and expenses until the final maturity or prepayment of the Series 2011-1 Bonds.

The Underwriter prepared the cash flow projections for us based on information that we provided to them.

The cash flow projections utilize assumptions, that we believe are reasonable, and various limitations or requirements under the Indenture, including:

- the composition of, yield on and prepayment and collection experience for the financed student loans;
- the expenses we incur in the FFEL Program;
- the rate of return on monies to be invested in various Funds and Accounts;
- borrower behavioral incentive loan programs that we offer; and
- the occurrence of future events and conditions.

While the assumptions are, and will be, derived from our experience in the administration of the FFEL Program, actual circumstances can and most likely will differ from the assumptions. Such differences may be material.

See "CHARACTERISTICS OF THE FINANCED STUDENT LOANS" herein for information and certain assumptions about the financed student loans that we expect to acquire, to transfer from the trust estate for the Series 2008A Bonds, and to hold in the Trust Estate.

We cannot assure you that we will receive interest and principal payments from the financed student loans as anticipated, that we will realize the reinvestment rates assumed on amounts in the various Funds and Accounts, or that we will receive Interest Benefit Payments or Special Allowance Payments in the amounts and at the times anticipated. Furthermore, future events over which we have no control may adversely affect our actual receipt of Available Funds. Read the information under the caption "RISK FACTORS" carefully.

Recycling

The Indenture is a discrete trust estate and does not permit recycling of Available Funds to purchase additional student loans.

Termination of the FFEL Program

SAFRA, Title II of the Reconciliation Act, became law on March 30, 2010. Beginning July 1, 2010, eligible lenders, including the Authority, were no longer allowed to originate FFEL

Program student loans as a result of the legislation. Beginning July 1, 2010, all federal student loans are solely originated by the federal government pursuant to the Direct Loan Program.

At the time of enactment of SAFRA, the only student loans originated by the Authority were FFEL Program student loans. The Authority has a small portfolio of private, credit based education loans, but discontinued its SHELF™ private student loan origination effective July 1, 2008. Based on these circumstances and facts, the impact of the SAFRA legislation on the Authority could be materially adverse as its FFELP portfolio is paid off by existing borrowers without replacement of new loans to service.

Transition Plans for Direct Loan Servicing

SAFRA requires the Secretary of the Department of Education to contract with eligible and qualified NFP servicers to service loans. The Department began the process to identify eligible NFP servicers by issuing a sources sought notice, the SAFRA Not For Profit Eligibility Information Request – Solicitation Number: NFP-SS-2010, requesting interested organizations to submit information demonstrating eligibility against the criteria specified in SAFRA (e.g., the organization was a NFP servicer entity and serviced FFELP loans on July 1, 2009).

The Authority responded to the information request and was among the first twelve NFP servicers that the Department determined met the NFP servicer eligibility criteria under SAFRA.

We applied to the Department of Education on December 1, 2010, to be permitted to proceed to develop a Memorandum of Understanding. On February 2, 2011, the Department published a determination that we were permitted to enter into a Memorandum of Understanding to pursue an Authorization to Operate and a contract award as a NFP Servicer. Nelnet was identified as a subcontractor. The Authority is in the process of negotiating a remote access hosted system license agreement with Nelnet.

The Authority recently received and executed a Memorandum of Understanding with the Department. No assurance can be given, however, that the Authority actually will be awarded an Authorization to Operate and a contract to become a NFP Servicer to service Direct Student Loans.

The Department is expected to allocate 100,000 borrower accounts to each qualified NFP servicer. An allocation of 100,000 borrower accounts represents a significant increase to the Authority, which was servicing approximately 94,600 borrowers as of December 31, 2010 in its existing FFELP servicing portfolio.

For additional information on this subject, see the caption "LOAN SERVICING – Federal Direct Loan Servicing Plans" in Appendix C hereto.

USE OF PROCEEDS

We will use the proceeds of the Series 2011-1 Bonds, together with an equity contribution to the Trust Estate: (1) to current refund all obligations outstanding under our Master Bond Resolution II; (2) to acquire Eligible Loans from our various OSLA Network participants; (3) to fund the initial Specified Debt Service Reserve Account Balance; (4) to make a deposit to the Collection Account; and (5) to pay underwriting fees and other costs of issuance.

There is an aggregate outstanding principal amount of $144,955,000 of bonds outstanding under the Master Bond Resolution II (the "*Series 2008A Bonds*"). The Series 2008A Bonds will be redeemed at par plus accrued interest shortly after the issuance of the Series 2011-1 Bonds. Funds for payment of accrued interest will be paid from the related trust account of the Series 2008A Bonds and other amounts available to the Authority.

The expected sources and uses of funds are shown in the table that follows:

Estimated Sources of Funds:	
Principal Amount of the Series 2011-1 Bonds	$205,200,000
Additional Equity Contribution	2,429,012
Total	$207,629,012
Estimated Uses of Funds:	
Refund Series 2008A Bonds[1]	$138,625,693
Deposit proceeds to Debt Service Reserve Account[2]	513,000
Deposit proceeds to Acquisition Account to purchase student loans	60,904,865
Deposit Equity Contribution to Acquisition Account	2,429,012
Deposit proceeds to Collection Account[3]	3,636,770
Pay costs of issuance, including underwriting fee[4]	1,519,672
Total	$207,629,012

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[1] Approximately $147,766,602 in principal amount of financed student loans (as of the May 31, 2011 statistical cut-off date) will be transferred from the Master Bond Resolution II trust estate and into the Acquisition Account upon the deposit of an amount sufficient to pay the $144,955,000 outstanding principal amount of bonds under the Master Bond Resolution II with the proceeds of the Series 2011-1 Bonds and other amounts available to the Authority.

[2] The initial Specified Debt Service Reserve Account Balance will be 0.25% of the principal amount of the Series 2011-1 Bonds, which is an amount equal to $513,000.

[3] Deposit to the Collections Account created by the Indenture for liquidity.

[4] Estimated assets in the Trust Estate, after payment of costs of issuance, are expected to provide an initial collateralization of approximately 106.21% of the principal amount of the Series 2011-1 Bonds.

SERVICING OF THE FINANCED STUDENT LOANS

General

The Authority, as a Servicer, will service all of the financed student loans expected to be pledged as part of the trust estate under the Indenture. The loan servicing will be pursuant to the Authority's, as Servicer, servicing agreement with the Authority, as Issuer of the Series 2011-1 Bonds, to which the Trustee is a third-party beneficiary. Furthermore, Nelnet Servicing LLC will act as Backup Servicer with respect to the financed student loans.

A FFEL Program loan servicer is required under the Higher Education Act, the rules and regulations of the guarantee agencies and the Indenture to cause the servicing and collection of the financed student loans to be conducted with due diligence and with collection practices no less extensive and forceful than those generally in use among financial institutions with respect to other consumer debt.

The Higher Education Act also requires the exercise of reasonable care and diligence in the making and servicing of student loans originated under the Higher Education Act and provides that the Secretary may disqualify an "eligible lender" (which could include the Trustee as holder of student loans acquired under the Higher Education Act) from further federal insurance if the Secretary is not satisfied that the foregoing standards have been or will be met. An eligible lender may not relieve itself of its responsibility for meeting these standards by delegation of its responsibility to any servicing agent and, accordingly, if any servicer fails to meet such standards, the Authority's ability to realize the benefits of insurance may be adversely affected.

The Higher Education Act requires that a guarantee agency ensure that due diligence will be exercised by an eligible lender in making and servicing student loans originated under the Higher Education Act guaranteed by such guarantee agency. Each guarantee agency establishes procedures and standards for due diligence to be exercised by the servicer and by eligible lenders which service loans subject to such guarantee agencies' guarantee. If a Servicer does not comply with the established due diligence standards, the Authority's ability to realize the benefits of any guarantee may be adversely affected.

OSLA as a Servicer

We service our own loans and those of other eligible lenders. We are required to perform all services and duties customary to the servicing of education loans in compliance with all standards and procedures provided for in the Higher Education Act. We have serviced FFEL Program loans since 1994.

We service education loans internally using loan servicing system software licensed to us on a perpetual basis by Idaho Financial Associates, Inc., now 5280 Solutions LLC, Boise, Idaho, a wholly owned subsidiary of Nelnet, Inc., and hardware and other software owned, developed or licensed by us. We began originating education loans using that system on January 28, 2002 and converted servicing of the portfolio that we serviced remotely as of March 1, 2002.

See the section "LOAN SERVICING" in Appendix C for additional information about our loan servicing activities.

We also perform loan servicing for 43 other eligible lenders that are members of the OSLA Student Lending Network (the "*OSLA Network*"). The OSLA Network members offer the loans that we service to us for purchase.

The Authority may from time to time enter into other servicing agreements and arrangements in accordance with the terms of the Indenture; provided, that the Authority has covenanted in the Indenture to have a Backup Servicing Agreement with a third-party servicer while any Series 2011-1 Bonds remain Outstanding unless the Authority receives the consent of the registered owners of a majority of the Outstanding Amount of the Series 2011-1 Bonds to the termination of the Backup Servicing Agreement.

The following is certain additional information with respect to Authority's Servicing Agreement and the Backup Servicing Agreement.

Authority Servicing Agreement

The Servicing Agreement (the "*Servicing Agreement*") is between the Authority, as Issuer, and the Authority, in its capacity as Servicer, to which the Trustee is a third-party beneficiary, and will be dated as of the date of issuance.

Duties of Servicer. The Authority has delegated all servicing operations of its financed student loans to the Servicer. The Servicer will manage, service, administer, make collections and calculate any amounts owed by or to the Department of Education with respect to the financed student loans in compliance with all applicable federal and state laws, including all applicable laws, rules, regulations and other requirements of the Higher Education Act and the applicable Guarantors. The Servicer is responsible for remitting to the Trustee all payments received on the financed student loans.

In the Servicing Agreement, the Authority, in its capacity as Servicer, agrees to pay for a loss on a financed student loan which relates to the Servicer's acts or omissions in servicing after a one-year cure period to the extent of losses on rejected default claims by purchase of the financed student loan from the Trust Estate created by the Indenture.

Term of the Servicing Agreement. The Servicing Agreement will be for a five year term with annual renewals thereafter unless either party terminates the Agreement upon 180 days' written notice. The Servicing Agreement will be assigned to the Trustee as part of the security for the Series 2011-1 Bonds.

The Servicing Agreement may be terminated at the option of the Authority or the Servicer upon 60 days written notice to the other party of the occurrence of, and failure to cure, any of the following events:

(i) A default occurs in the payment of any monetary obligation when due thereunder and such default continues for ten days after notice to the other party;

(ii) Any representation or warranty in the Servicing Agreement proves to have been incorrect in any material respect or is breached in any material respect and is not corrected or cured within 30 days after written notice thereof;

(iii) Either party fails to perform or observe in any material respect, any other material provision, covenant or agreement in the Servicing Agreement, and such failure or default continues for a period of 30 days after written notice thereof, except that if the breaching or defaulting party is taking reasonable steps to cure the event, and the event is curable within a reasonable time, then it will not be cause for termination;

(iv) The Servicer or the Authority: (1) applies for or consents to the appointment of a conservator, receiver, trustee, liquidator or the like for itself or its property; (2) is unable, or admits in writing its inability, to pay its debts as they mature; (3) makes a general assignment for the benefit of creditors; (4) is adjudicated as bankrupt or insolvent; (5) files a voluntary petition in bankruptcy, or a petition or answer seeking reorganization or an arrangement with creditors, or to take advantage of any insolvency law, or an answer admitting the material allegations of a petition filed against it in any bankruptcy, reorganization, or insolvency proceedings; or (6) takes corporate action for the purpose of effecting any of the foregoing and it is reasonably expected that such party will be unable to perform its obligations hereunder; or

(v) An order, judgment, or decree is entered without the application, approval, or consent of the other party by any court or governmental agency of competent jurisdiction, approving a petition seeking reorganization of the Servicer or the Authority or appointing a conservator, receiver, trustee, liquidator, or the like for the Servicer or the Authority or for all or a substantial part of its assets and such order, judgment, or decree continues unstayed or in effect for any period of 30 consecutive days; or an involuntary petition is filed against the Servicer or the Authority in bankruptcy, reorganization or insolvency proceedings and the same is not dismissed within 60 days and it is reasonably expected that such party will be unable to perform its obligations thereunder.

Any such termination of the Servicing Agreement will not relieve either party of its liability to the other that accrues prior to such termination for breach, default or other cause, or for any obligation therein that specifically survives the termination of the Agreement.

Backup Servicer and Backup Servicing Agreement

In connection with the issuance of a prior series of bonds secured by a separate trust estate (the "*Prior Bonds*"), the Authority (in its capacity as the issuer of the Prior Bonds and as the initial Servicer) entered into a Backup Third Party Servicing Agreement (the "*Original Backup Servicing Agreement*") with Nelnet Servicing, LLC (the "*Backup Servicer*"). In connection with the issuance of the Series 2011-1 Bonds, the Authority (in its capacity as the issuer of the Series 2011-1 Bonds and as the initial Servicer for the financed student loans securing the Series 2011-1 Bonds) will enter into an Amended and Restated Backup Third Party Servicing Agreement, dated as of the date of issuance of the Series 2011-1 Bonds (the "*Backup Servicing Agreement*") with the Backup Servicer, amending and restating the Original Backup

Servicing Agreement for the sole purpose of adding the portfolio of financed student loans securing the Series 2011-1 Bonds. The Trustee is a third party beneficiary of the Backup Servicing Agreement. Although the Backup Servicing Agreement will govern the financed student loans securing the Series 2011-1 Bonds and the portfolio securing the Prior Bonds, the provisions of the Backup Servicing Agreement will apply independently to the two portfolios.

The Backup Servicing Agreement constitutes a Backup Servicing Agreement for purposes of the Indenture. In general, the Backup Servicing Agreement sets forth the terms and conditions under which all financed student loans being serviced by the Authority would be converted to servicing under the Backup Servicer's servicing system (a "*Portfolio Conversion*").

The Authority agrees in the Backup Servicing Agreement that it will maintain all relevant computer and information systems to be reasonably consistent and compatible with the Backup Servicer's electronic conversion processes or exchange file formats in anticipation of a Portfolio Conversion. The Backup Servicer will, upon the request of the Authority, deliver a written notice to the Authority indicating all known inconsistencies and incompatibilities of the relevant computer and information systems of the Authority that could materially and adversely affect the Backup Servicer's ability to perform its obligations under the Backup Servicing Agreement.

Conversion Events. Under the Backup Servicing Agreement, the Backup Servicer will become the Servicer for the financed student loans upon the occurrence of either of the following "Conversion Events": (i) the Servicer determines it does not want to continue servicing the financed student loans and provides 150 days written notice of its determination to the Backup Servicer, the Authority and the Trustee, or (ii) the Servicer is in material violation of its Servicing Agreement under which the financed student loans are serviced, as determined by the Authority or the Trustee (at the written direction of the holders of a majority of the Outstanding Amount of the Series 2011-1 Bonds), which violation has not been cured within the period permitted by the Indenture (generally 30 days after written notice of such violation has been provided to the Servicer), and the Trustee (at the written direction of the Authority or the holders of a majority of the Outstanding Amount of the Series 2011-1 Bonds) provides 150 days written notice to the Backup Servicer that primary servicing function of the financed student loans will be transferred to the Backup Servicer due to the occurrence of the Servicer's material violation.

Under the Backup Servicing Agreement, in the event of a Conversion Event, the Servicer is required to send written notice as soon as practicable after becoming aware of the same to the Authority, the Trustee and the Backup Servicer. Upon the Backup Servicer's receipt of the notice, the Servicer and the Backup Servicer will work together to achieve a Portfolio Conversion. Within 150 days of the Backup Servicer's receipt of the notice and in accordance with the schedule provided by the Backup Servicer, the Servicer shall have transmitted the necessary electronic files, copies and/or records (or such other format acceptable to Backup Servicer) to the Backup Servicer to enable the Backup Servicer to convert each financed student loan currently serviced by the Servicer to the Backup Servicer's system for servicing. The Backup Servicer is required to notify the Servicer, the Authority and the Trustee that the Portfolio Conversion has been completed within two (2) Business Days after such completion. The Servicer is responsible for the continued servicing of the financed student loans until the Portfolio Conversion is completed. The Backup Servicer has no obligations with respect to any Student Loans at any time prior to conversion of such Student Loans to the Backup Servicer's system for servicing, other than to remain prepared to convert the financed student loans to the Backup Servicer's system for servicing by the Backup Servicer. A Portfolio Conversion does not necessarily include delivery of all records relating to the financed student loans, to the extent such records are not required for completion of the Portfolio Conversion.

Although the Authority and the Backup Servicer have 150 days to make the above-described transfer, the time for the Backup Servicer to begin servicing the financed student loans may be in excess of 180 days from the initial occurrence of the events described above under "Conversion Events" due to various cure periods and notice requirements in the Indenture and the Backup Servicing Agreement. While the Backup Servicer may be willing and able to begin servicing sooner than the committed timeframe, it has no legal obligation to do so.

Term of the Backup Servicing Agreement. The Backup Servicing Agreement has an initial term for a period of five (5) years; provided that the term will extend for successive one (1) year periods, unless, prior to any Conversion Event, any party thereto notifies the other parties of its intent to terminate the agreement by written notice provided to such other parties at least 180 days prior to the next scheduled termination date. The term of the agreement will automatically extend, without any further act of the parties, until the payment in full of all the financed student loans which have been the subject of a Portfolio Conversion.

The Backup Servicing Agreement may be terminated at the option of the Authority without charge, upon the occurrence of any of the following (each a "Backup Servicer Termination Event"):

> (i) Backup Servicer's failure to perform or observe any of the material provisions or covenants of the Backup Servicing Agreement which materially and adversely affects the Servicer's ability to perform its obligations thereunder;
>
> (ii) if the Backup Servicer (A) discontinues business, or (B) generally does not pay its debts as such debts become due, or (C) makes a general assignment for the benefit of creditors, or (D) admits by answer, default or otherwise the material allegations of petitions filed against it in any bankruptcy, reorganization, insolvency or other proceedings (whether federal or state) relating to relief of debtors, or (E) suffers or permits to continue unstayed and in effect for 30 consecutive days, any judgment, decree or order, entered by a court of competent jurisdiction, which approves a petition seeking its reorganization or appoints a receiver, custodian, trustee, interim trustee or liquidator for itself or all or a substantial part of its assets, or take or omit any action in order thereby to affect any of the foregoing;
>
> (iii) the occurrence of an event or a change in circumstances that would have a material adverse effect on the ability of the Backup Servicer to perform its obligations under the Backup Servicing Agreement; or
>
> (iv) Backup Servicer fails to remain eligible to service student loans under the Higher Education Act, the related regulations, any applicable state and federal law and the terms and conditions of the Backup Servicing Agreement.

In the event of the occurrence of an event set forth in (i) or (iii) above, the Backup Servicer will have the right to cure any such breach or error to the full satisfaction of the Authority, the Servicer or the Trustee within 60 days of the earlier of (A) receipt by the Backup Servicer of written notice of such breach or error or (B) actual discovery of such breach or error by the Backup Servicer.

Upon a Backup Servicer Termination Event, the Authority has the right, in its discretion, to direct the Backup Servicer to convert the financed student loans to another backup servicer's system in a commercially reasonable manner. The Backup Servicer's cost of this de-conversion will be borne by the Backup Servicer, and the Authority will be responsible for any costs charged by the subsequent Backup Servicer.

The Backup Servicing Agreement may be terminated at the option of Backup Servicer upon the occurrence of any of the following:

(i) The Servicer's failure to perform or observe any of the material provisions or covenants of the Backup Servicing Agreement which materially and adversely affects Backup Servicer's ability to perform its obligations thereunder;

(ii) In the event that the Backup Servicer determines that it is no longer able to perform its obligations as a backup third party servicer, upon one hundred eighty (180) days written notice to the Authority, the Authority and the Trustee;

(iii) In the event that the Servicer fails to maintain its relevant computer and information systems to be reasonably consistent and compatible with the Backup Servicer's electronic system in anticipation of a Portfolio Conversion; or

(iv) Failure of the Authority to make certain payments under the Backup Servicing Agreement.

In the event of the occurrence of an event set forth in (i) above, the Authority has the right to cure any such breach or error to the Backup Servicer's full satisfaction within sixty (60) days of written notice of such breach or error. In the event such breach is not cured within the cure period, the Backup Servicer may terminate the Backup Servicing Agreement.

Upon a termination event set forth above in (i) to (iv) above, the Authority has the right, in its discretion, to direct the Backup Servicer to convert the financed student loans to another backup servicer's system in a commercially reasonable manner. The cost of this conversion is likely to be borne by the Trust Estate or the Authority.

The provisions of the Backup Servicing Agreement relating to financed student loans subject to a Portfolio Conversion shall remain in effect, unless otherwise terminated as described above, until such financed student loans are paid in full.

Limited Liability of the Backup Servicer for Servicing Errors. If Backup Servicer takes or fails to take any action in connection with servicing the financed student loans (whether or not such action or inaction amounts to negligence) which causes any financed student loan to be denied the benefit of any applicable interest subsidy payment, special allowance payment or guarantee, the Backup Servicer is permitted a reasonable time to cause such benefits to be reinstated. If such benefits are not reinstated within twelve (12) months of such denial, the Backup Servicer is obligated to purchase the applicable financed student loans at an amount equal to the amount the guaranty agency would otherwise have paid but for Backup Servicer's error or omission.

Certain General Information Regarding the Backup Servicer. Nelnet began its education loan servicing operations on January 1, 1978, and provides student loan servicing that includes application processing, underwriting, fund disbursement, customer service, account maintenance, federal reporting and billing collections, payment processing, default aversion, claim filing and recovery/collection services. These activities are performed internally for

Nelnet's portfolio and for third-party clients including the federal government. Nelnet has offices located in, among other cities, Aurora, Colorado and Lincoln, Nebraska, and, as of March 31, 2011 employed approximately 2,151 employees. As of March 31, 2011, Nelnet serviced approximately $66.4 billion of commercially owned and government-owned student loans.

FEES AND EXPENSES

The annual fees payable by the Authority are set forth in the table below. In addition, the Authority and the Trustee are paid or reimbursed for their expenses. The priority of payment of such fees and expenses is described below under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2011-1 BONDS – Collection Account; Flow of Funds" herein.

Fees	Recipient	Amount
Administration Fee	Oklahoma Student Loan Authority	0.10% [1]
Servicing Fee	Oklahoma Student Loan Authority	0.49% [2]
Trustee Fee	BOKF, NA dba Bank of Oklahoma	Up to 0.007% [3]
Other Administrative Expenses	Backup Servicer, Rating Agency Surveillance, Audit, etc.	$65,000 per year

[1] As a percentage of the aggregate outstanding principal balance of the Financed Eligible Loans as of the beginning of the immediately preceding month. One-twelfth of the amount referenced above is payable on each monthly payment date. The administration fee and subordinate administration fee (described in the following paragraph) are subject to a cumulative annual minimum of $50,000.

[2] Monthly servicing fees paid from the trust estate are paid monthly according to schedules set forth in the Servicing Agreement and may be increased annually beginning in June of 2016 by 3% annually. For the first full month of the transaction, the servicing fees will be approximately 0.49% per annum of the principal balance of the student loans.

[3] The initial trustee fee will be 0.007% per annum of the principal amount of the Series 2011-1 Bonds outstanding at the end of the immediately preceding quarterly distribution date and is payable on each quarterly distribution date, with a minimum annual fee of $2,000.

If sufficient Available Funds remain in the Collection Fund at the end of a Collection Period (see "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2011-1 BONDS – Collection Account; Flow of Funds"), the Authority also will receive a Subordinate Administration Fee (in addition to the Administration Fee described above) on each quarterly distribution date calculated monthly based on the aggregate outstanding principal balance of the Financed Eligible Loans (the "*Outstanding Loan Balance*") as of the end of each month with the preceding Collection Period as follows:

Parity Ratio	Subordinate Administration Fee
At least equal to 106.0% but less than 110.0%	0.05% of Outstanding Loan Balance
At least equal to 110.0% but less than 115.0%	0.10% of Outstanding Loan Balance
At least equal to 115.0% but less than 120.0%	0.15% of Outstanding Loan Balance
At least equal to 120.0% but less than 125.0%	0.20% of Outstanding Loan Balance
At least equal to 125.0%	0.25% of Outstanding Loan Balance

No Subordinate Administration Fee will be paid if the Parity Ratio is less than 106.0% as of the end of the prior Collection Period, and the Subordinate Administration Fee will be reduced by the amount that the Administration Fee described above exceeds 0.10% per annum, calculated monthly based on the Outstanding Loan Balance as of the end of each month within the preceding Collection Period.

THE FINANCED STUDENT LOANS

The financed student loans will be guaranteed as provided for in the Higher Education Act. Currently, the guarantee percentage ranges from 97% to 100% of the outstanding principal amount of the loans depending upon the first disbursement dates on such student loans. We expect that substantially all of the financed student loans will be guaranteed at 97%. See the caption titled “Insurance and Guarantees” in APPENDIX B – DESCRIPTION OF THE FFEL PROGRAM.

We have previously acquired or originated a portfolio of student loans in the trust estate for the Series 2008A Bonds. This portfolio of student loans will be transferred to the Trust Estate established pursuant to the Indenture upon the deposit of an amount sufficient to pay the Series 2008A Bonds under the 2008 Master Bond Resolution II. In addition, on or shortly after the date of delivery of the Series 2011-1 Bonds, we expect to acquire approximately $61,763,826 in principal amount of student loans (as of the May 31, 2011 statistical cut-off date) from our OSLA Network participants. We also expect to deposit cash and additional student loans that we currently own which were first disbursed on or after October 1, 2007, and which will be contributed by us as part of the initial over-collateralization. See "CHARACTERISTICS OF THE FINANCED STUDENT LOANS" herein for additional information about the characteristics of the financed student loans.

A significant amount (approximately 40.19%) of the financed student loans will be Federal Consolidation Loans. Under the Higher Education Act, we are required to pay monthly to the federal government an annualized rebate of 1.05% of the principal and accrued interest amount of Federal Consolidation Loans that we hold. Federal Consolidation Loans made on or after July 1, 2003, and on or before June 30, 2008, are eligible for the Reduction of Eligible Account Principal (“*REAP*”) program. REAP provides a non-recurring 1.00% principal reduction if the eligible borrower makes the first six payments of principal and interest on time. Federal Consolidation Loans that we hold are not eligible for the TOP™ Program described below.

Except for Federal Consolidation Loans, substantially all other financed student loans that were first disbursed on or before June 30, 2008, will be eligible for our Timely on Payments

(*"TOP™"*) program. TOP is the identifying trademark for our behavioral incentive loan program for borrowers who can qualify for savings on their loans in repayment. TOP has two types of borrower savings -

- TOP 1-2-3 Principal Reduction is available under certain conditions if the eligible borrower makes the first three payments of principal and interest on time. Once achieved, the borrower receives a non-recurring reduction of 1.00% of the eligible principal amount.

- TOP Interest Rate Discount is available under certain conditions if the eligible borrower makes the first 12 payments of principal and interest on time. Once achieved, the borrower receives a 1.50% interest rate discount. The interest rate discount is permanent.

In addition, we have offered repayment borrowers our *EZ Pay™ Interest Rate Discount* if they agree to recurring automatic debits to make their monthly loan payments. The EZ Pay Interest Rate Discount plan gives the borrower a 1.00% interest rate discount if the loan was first disbursed on or before June 30, 2008, and an interest rate discount of 0.25 of 1% if the borrower's loan was first disbursed on or after July 1, 2008. The borrower can be disqualified for the EZ Pay Interest Rate Discount under certain circumstances. Effective April 1, 2011, the EZ Pay Interest Rate Discount program will be discontinued for borrowers who are not participating in the interest rate discount program as of such date.

Many of the financed student loans will be eligible for, or have already achieved, borrower benefits offered by us previously. To the extent borrowers qualify for our borrower savings programs, Available Funds will be reduced. Based on information provided by us, these borrower benefit programs have been accounted for in the cash flow projections prepared by the Underwriter. See the information below under the caption "OKLAHOMA STUDENT LOAN AUTHORITY - Cash Flow Projections" herein and the caption "RISK FACTORS" herein for additional information.

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CHARACTERISTICS OF THE FINANCED STUDENT LOANS
(As of the Statistical Cut-Off Date)

As of May 31, 2011, the statistical cut-off date, the characteristics of the pool of student loans the Authority expects to pledge to the Trustee pursuant to the Indenture on the date of issuance were collectively as described below. The aggregate outstanding principal balance of the student loans in each of the following tables includes the principal balance due from borrowers, but does not include total accrued interest of approximately $3,842,806 that is expected to be capitalized upon commencement of repayment. The percentages set forth in the tables below may not always add to 100% and the balances shown may not always add to the total shown due to rounding.

The aggregate characteristics of the entire pool of student loans expected to be pledged on the date of issuance, including the composition of the student loans and the related borrowers, the related guarantors, the distribution by student loan type, the distribution by interest rate, the distribution by principal balance and the distribution by remaining term to scheduled maturity, may vary from the information presented below since the information presented below is as of the statistical cut-off date, and the date that the financed student loans will be pledged to the Trustee under the Indenture will occur after that date.

The Authority offered a variety of borrower incentive programs for student loans originated or acquired by it that, among other things, provide for an interest rate reduction for borrowers that make payments on their loans electronically or that make their payments timely. See the caption "THE FINANCED STUDENT LOANS" herein.

The following material was supplied by the Underwriter based on its analysis of the financed student loan portfolio. Investors may receive additional loan data information relating to the pool of student loans pledged under the Indenture by submitting a request to the Authority at www.oslafinancial.com.

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Composition of the Financed Student Loan Portfolio
(As of the Statistical Cut-off Date)

Summary

Aggregate Outstanding Principal Balance	$211,932,822
Accrued Interest to be Capitalized	$3,842,806
Number of Borrowers [1]	23,417
Average Outstanding Principal Balance Per Borrower	$9,050
Number of Loans	44,736
Average Outstanding Principal Balance Per Loan	$4,737
Weighted Average Remaining Term to Scheduled Maturity (Months) [2]	166
Weighted Average Payments Made (Months)	18
Weighted Average Annual Borrower Interest Rate [3]	5.81%
Weighted Average Special Allowance Payment Repayment Margin to 3-Month Commercial Paper	2.34%
Weighted Average Special Allowance Payment Repayment Margin to 91-Day Treasury Bill	3.07%

[1] A single borrower can have more than one loan.

[2] The weighted average remaining term to scheduled maturity shown in the table above was determined from the statistical cut-off date to the scheduled maturity date of the applicable student loan, including any current deferral or forbearance periods, but without giving effect to any deferral or forbearance periods that may be granted in the future.

[3] The weighted average annual borrower interest rate shown in the table above was determined without including any special allowance payments or any rate reductions that may be earned by borrowers in the future.

Distribution of the Financed Student Loans by Loan Type
(As of the Statistical Cut-off Date)

Loan Type	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Stafford - Subsidized	21,846	$ 63,349,622	29.89%
Stafford - Unsubsidized	15,442	61,393,905	28.97
Consolidation - Unsubsidized	3,599	45,203,086	21.33
Consolidation - Subsidized	3,555	39,977,967	18.86
PLUS	239	1,294,286	0.61
Grad Plus	55	713,957	0.34
Total	44,736	$211,932,822	100.00%

Distribution of the Financed Student Loans by Range of Annual Borrower Interest Rate
(As of the Statistical Cut-off Date)

Range of Annual Borrower Interest Rate	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Less than or equal to 2.00%	5	$ 38,969	0.02%
2.01% - 3.00%	8,300	26,643,460	12.57
3.01% - 4.00%	1,523	11,138,670	5.26
4.01% - 5.00%	2,289	25,439,487	12.00
5.01% - 6.00%	3,234	18,758,663	8.85
6.01% - 7.00%	27,738	109,269,300	51.56
7.01% - 8.00%	1,077	14,388,997	6.79
Greater than 8.00%	570	6,255,277	2.95
Total	44,736	$211,932,822	100.00%

Distribution of the Financed Student Loans by School Type
(As of the Statistical Cut-off Date)

School Type	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
4-Year Institution	26,234	$ 99,586,360	46.99%
Unknown[1]	7,154	85,181,053	40.19
2-Year Institution	9,011	21,144,619	9.98
Proprietary	2,337	6,020,791	2.84
Total	44,736	$211,932,822	100.00%

[1] The Authority's loan servicing system does not track Federal Consolidation Loans by school type.

Distribution of the Financed Student Loans by SAP Interest Rate Index
(As of the Statistical Cut-off Date)

SAP Interest Rate Index	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
90-day CP Index	43,492	$206,233,617	97.31%
91-day T-Bill Index	1,244	5,699,205	2.69
Total	44,736	$211,932,822	100.00%

Distribution of the Financed Student Loans by Borrower Payment Status
(As of the Statistical Cut-off Date)

Borrower Payment Status	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
In School	5,901	$ 18,203,698	8.59%
Grace	3,367	10,681,950	5.04
Deferment	8,207	35,709,633	16.85
Forbearance	3,160	21,574,579	10.18
Repayment (First Year)	10,174	45,715,341	21.57
Repayment (Second Year)	4,145	20,062,299	9.47
Repayment (Third Year)	3,417	18,758,431	8.85
Repayment (More than 3 Years)	5,671	38,061,942	17.96
Claims Filed	694	3,164,949	1.49
Total	44,736	$211,932,822	100.00%

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Distribution of the Financed Student Loans by Number of Days Delinquent
(As of the Statistical Cut-off Date)

Number of Days Delinquent	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Less than or equal to 30	37,777	$181,441,988	85.61%
31 – 60	1,077	5,050,906	2.38
61 – 90	1,063	4,553,386	2.15
91 – 120	613	2,549,576	1.20
121 – 150	496	2,576,270	1.22
151 – 180	960	3,930,172	1.85
181 – 210	622	2,562,143	1.21
211 – 240	509	2,281,637	1.08
Greater than 240	1,619	6,986,744	3.30
Total	44,736	$211,932,822	100.00%

Distribution of the Financed Student Loans by Date of Disbursement
(Dates Correspond to Changes in Guarantee Percentages)
(As of the Statistical Cut-off Date)

Date of Disbursement[1]	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
July 1, 2006 and after	34,057	$163,908,888	77.34%
Oct. 1, 1993 – June 30, 2006	10,679	48,023,935	22.66
Total	44,736	$211,932,822	100.00%

[1] FFEL Program loans disbursed on or after October 1, 1993 and before July 1, 2006 are 98% guaranteed by the applicable guarantee agency. FFEL Program loans for which the first disbursement is made on or after July 1, 2006 are 97% guaranteed by the applicable guarantee agency. See APPENDIX B – "DESCRIPTION OF THE FFEL PROGRAM."

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Distribution of the Financed Student Loans by Date of Disbursement
(Dates Correspond to Changes in Special Allowance Payment)
(As of the Statistical Cut-off Date)

Date of Disbursement[1]	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Pre April 1, 2006	9,678	$ 42,955,611	20.27%
Apr. 1, 2006 - Sept. 30, 2007	20,051	106,787,047	50.39
Oct. 1, 2007 and after	15,007	62,190,164	29.34
Total	44,736	$211,932,822	100.00%

[1] For FFEL Program loans disbursed on or after April 1, 2006, if the stated interest rate is higher than the rate applicable to such FFEL Program loan including Special Allowance Payments, the holder of the loan must credit the difference to the Department of Education. FFEL Program loans disbursed on or after October 1, 2007 have a higher Special Allowance Payment margin for eligible not-for-profit lenders, such as the Authority, than for for-profit lenders, but have a 40 bps to 70 bps lower Special Allowance Payment margin than loans originated on or after January 1, 2000 and before October 1, 2007. See APPENDIX B – "DESCRIPTION OF THE FFEL PROGRAM."

Distribution of the Financed Student Loans by
Range of Outstanding Principal Balance
(As of the Statistical Cut-off Date)

Range of Outstanding Principal Balance	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Less than or equal to $2,000.00	14,531	$ 17,052,318	8.05%
$2,000.01 - $4,000.00	14,842	43,925,414	20.73
$4,000.01 - $6,000.00	7,168	35,484,828	16.74
$6,000.01 - $8,000.00	2,319	15,888,136	7.50
$8,000.01 - $10,000.00	1,911	16,913,420	7.98
$10,000.01 - $15,000.00	1,773	21,699,209	10.24
$15,000.01 - $20,000.00	791	13,715,448	6.47
$20,000.01 - $25,000.00	473	10,573,305	4.99
$25,000.01 - $30,000.00	299	8,205,486	3.87
$30,000.01 - $40,000.00	350	12,095,768	5.71
$40,000.01 - $50,000.00	154	6,725,374	3.17
$50,000.01 - $60,000.00	45	2,459,511	1.16
Greater than $60,000.00	80	7,194,605	3.39
Total	44,736	$211,932,822	100.00%

Distribution of the Financed Student Loans by
Range of Remaining Term to Scheduled Maturity
(As of the Statistical Cut-off Date)

Range of Remaining Term to Scheduled Maturity (in months)	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Less than or equal to 24	155	$ 125,963	0.06%
25 – 36	234	228,263	0.11
37 – 48	273	391,972	0.18
49 – 60	370	615,188	0.29
61 – 72	770	1,473,640	0.70
73 – 84	1,786	4,735,707	2.23
85 – 96	3,453	10,652,254	5.03
97 – 108	5,300	18,309,595	8.64
109 – 120	26,513	93,373,269	44.06
121 – 144	1,112	7,680,879	3.62
145 – 168	689	6,212,070	2.93
169 – 192	945	10,245,296	4.83
193 – 216	664	9,139,825	4.31
217 – 240	682	11,342,673	5.35
241 – 300	1,438	21,776,080	10.27
Greater than 300	352	15,630,148	7.38
Total	44,736	$211,932,822	100.00%

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The following Table shows the geographic distribution of the student loans based on the permanent billing addresses of the borrowers as shown on the Authority's records:

Distribution of the Financed Student Loans by Geographic Location
(As of the Statistical Cut-off Date)

Geographic Location	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Oklahoma	32,726	$147,599,420	69.64%
Texas	3,007	17,743,359	8.37
Arkansas	2,297	9,908,893	4.68
Kansas	1,389	4,706,949	2.22
Missouri	568	2,883,021	1.36
California	489	2,804,042	1.32
Colorado	351	1,961,780	0.93
Florida	292	1,741,109	0.82
New York	177	1,433,707	0.68
Georgia	244	1,406,817	0.66
Illinois	227	1,260,894	0.59
Louisiana	275	1,204,624	0.57
North Carolina	178	1,191,318	0.56
Virginia	172	1,084,764	0.51
Tennessee	138	1,068,999	0.50
Arizona	153	1,020,668	0.48
Washington	146	882,871	0.42
Ohio	153	813,042	0.38
Maryland	130	786,388	0.37
Pennsylvania	102	748,898	0.35
Other	1,522	9,681,261	4.57
Total	44,736	$211,932,822	100.00%

Distribution of the Financed Student Loans by Servicer
(As of the Statistical Cut-off Date)

Servicer	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Oklahoma Student Loan Authority	44,736	$211,932,822	100.00%
Total	44,736	$211,932,822	100.00%

Distribution of the Financed Student Loans by Guarantee Agency
(As of the Statistical Cut-off Date)

Guarantee Agency	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Oklahoma College Assistance Program	40,668	$193,653,553	91.37%
Student Loan Guarantee Foundation of Arkansas	2,058	8,933,991	4.22
Texas Guaranteed Student Loan Corporation	915	6,516,432	3.07
USA Funds	756	1,828,635	0.86
National Student Loan Program	217	640,749	0.30
Louisiana Student Financial Assistance Comm.	122	359,462	0.17
Total	44,736	$211,932,822	100.00%

INFORMATION REPORTS

For each Collection Period, the Authority will post on its web site a report setting forth information with respect to the Series 2011-1 Bonds and financed student loans as of the end of such period, including the following:

- descriptions of portfolio characteristics;
- identification of remaining Series 2011-1 Bonds balances;
- description of amounts applied from the Collection Account, including the distribution allocable to principal and interest for the Series 2011-1 Bonds;
- current fees payable by the trust estate; and
- limited descriptions of activity in the Available Funds.

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GUARANTEE AGENCIES

The material in this Section of the Official Statement is a brief overview. It does not purport to be complete information on the Guarantee Agencies, including the Oklahoma State Regents for Higher Education, Oklahoma College Assistance Program that is the primary guarantor of education loans held by us.

Reference is made to "APPENDIX E – GENERAL DESCRIPTION OF THE OKLAHOMA COLLEGE ASSISTANCE PROGRAM (OCAP)" for descriptive information on the Oklahoma State Guarantee Agency and to the "Insurance and Guarantees" section of "APPENDIX B – DESCRIPTION OF THE FFEL PROGRAM."

Guarantee of Loans

Pursuant to a contract (a "*Guarantee Agreement*") with each Guarantee Agency, we are entitled to a claim payment from the Guarantee Agency for 97% to 100% of any proven loss resulting from default, death, permanent and total disability, or discharge in bankruptcy of the borrower.

However, in servicing a portfolio of education loans, we are required to use due diligence in the servicing and collection of loans and to use collection practices no less extensive and forceful than those generally in use among financial institutions in order to maintain the guarantee on the loan. In order to satisfy the due diligence requirements in servicing loans, we must adhere to specific activities in a timely manner beginning with the receipt of the loan application and continuing throughout the life of the loan. See the section "LOAN SERVICING" in Appendix C.

Under the Higher Education Act, a Guarantee Agency deems default to mean the borrower's failure to make an installment payment when due or to comply with other terms of a note or agreement under circumstances in which the holder may reasonably conclude that the borrower no longer intends to honor the repayment obligation and in which the failure persists for 270 days in the case of a loan payable in monthly installments or for 330 days in the case of a loan payable in less frequent installments.

Reinsurance of Loans

Each respective Guarantee Agency has entered into a guarantee agreement and a supplemental guarantee agreement pertaining to the Secretary's reimbursement for amounts expended by the Guarantee Agency to discharge its guarantee obligation. The supplemental guarantee agreement is subject to annual renegotiation and to termination for cause by the Secretary.

The formula for reinsurance amounts ranges from 100% to 75% depending on the time the student loan was made, the claims "trigger rate" of the applicable guarantee agency, whether it is a lender of last resort loan, and whether the claim is for default, bankruptcy, death or disability.

Federal Payment of Claims

If the Secretary determines that a Guarantee Agency is unable to meet its obligations, the holder of loans guaranteed by the Guarantee Agency may submit insurance claims directly to the Secretary. The Secretary will pay the holder the full insurance obligation of the Guarantee Agency. Such arrangements will continue until the Secretary is satisfied that the guarantee obligations have been transferred to another guarantee agency who can meet those obligations or a successor will assume the outstanding obligations. However, there can be no assurance that the Secretary will make such a determination or will do so in a timely manner.

The Higher Education Act also provides that the Secretary is authorized, on terms and conditions satisfactory to the Secretary, to make advances to a guarantee agency in order to assist the guarantee agency in meeting its immediate cash needs and to ensure uninterrupted payment of default claims by lenders.

Oklahoma College Assistance Program

Approximately 91.37% of the financed student loans are guaranteed by the Oklahoma State Regents for Higher Education (the "*State Regents*") acting as the Oklahoma State Guarantee Agency and operating the Oklahoma College Assistance Program ("*OCAP*"). The State Regents administer and utilize the Guarantee Fund established in the State Treasury by Title 70 Oklahoma Statutes 2001, Sections 622 and 623, as amended (the "*Guarantee Fund*") to guarantee FFEL Program loans.

Numerous eligible lenders make education loans guaranteed by the State Regents' OCAP. The Guarantee Fund administered by the State Regents is not a reserve for our bonds or notes or our education loans only, but is an insurance reserve established in respect to any claims that might be submitted by any participating eligible lender with regard to education loans Guaranteed by the State Regents' OCAP.

The State Regents' OCAP is a separate legal entity from us, and the members of the State Regents and the trustees of the Authority do not overlap. In addition, our administrative management and the management of the OCAP are separate. For a description of the State Regents' Oklahoma College Assistance Program, see Appendix E hereto.

CREDIT ENHANCEMENT

Credit enhancement for the Series 2011-1 Bonds includes overcollateralization, cash on deposit in the Debt Service Reserve Account, and cash on deposit in other funds and accounts in the trust estate.

As described under the caption "USE OF PROCEEDS" herein, on the date of issuance, the Specified Debt Service Reserve Account Balance will be deposited to the credit of the Debt Service Reserve Account. Certain of the remaining proceeds, and other amounts available to the

Authority, will be used to release FFELP loans presently pledged by the Authority under a separate trust estate. Such released FFELP loans, together with other FFELP loans that are expected to be acquired by the Authority or pledged by the Authority on the date of issuance, will be pledged to the Trustee upon such release or pledge, as applicable.

After the issuance of the Series 2011-1 Bonds and the deposit of the proceeds thereof and certain other amounts made available to the Authority, and the deposit to the Debt Service Reserve Account, the pledge of the financed student loans to the Trustee expected to be made on or shortly after the date of issuance, and the payment of the costs of issuance, the ratio of the initial Pool Balance and the amounts on deposit in the Debt Service Reserve Account and other funds and accounts of the Trust Estate to the aggregate principal amount of the Series 2011-1 Bonds outstanding on the date of the issuance is expected to be as shown in the caption "OKLAHOMA STUDENT LOAN AUTHORITY – Initial Collateralization" herein. All the FFELP loans expected to be released, acquired or pledged on the date of issuance have been identified as of the statistical cut-off date and are described herein under the caption "CHARACTERISTICS OF THE FINANCED STUDENT LOANS" herein.

On the date of issuance, a deposit in an amount equal to the Specified Debt Service Reserve Account Balance will be made to the Debt Service Reserve Account. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2011-1 BONDS" herein. The Debt Service Reserve Account is intended to enhance the likelihood of timely distributions of interest to the registered owners of the Series 2011-1 Bonds and to decrease the likelihood that the registered owners of the Series 2011-1 Bonds will experience losses. To the extent of Available Funds, the Debt Service Reserve Account will be replenished so that amounts on deposit therein do not fall below the Specified Debt Service Reserve Account Balance.

Credit enhancement will not provide protection against all risks of loss and may not guarantee payment to registered owners of the Series 2011-1 Bonds of all amounts to which they are entitled. If losses or shortfalls occur that exceed the amount covered by the credit enhancement or that are not covered by the credit enhancement, registered owners of the Series 2011-1 Bonds will bear their allocable share of deficiencies.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2011-1 BONDS

General

The Series 2011-1 Bonds will be special, limited obligations of the Authority secured by and payable solely from the discrete trust estate pledged by the Authority to the Trustee under the Indenture. The following assets will serve as security for the Series 2011-1 Bonds:

- student loans deposited to or acquired with moneys in the Acquisition Account and pledged to the Trustee;
- revenues, consisting of all principal and interest payments, proceeds, charges and other income received by the Trustee or the Authority on account of any financed student loan, including payments of and any insurance proceeds with respect to, interest, interest benefit payments and any special allowance payments with

respect to any financed student loan, and investment income from all funds created under the Indenture and any proceeds from the sale or other disposition of the financed student loans; and

- all moneys and investments held in the funds created under the Indenture.

Funds

The following funds will be created by the Trustee under the Indenture for the benefit of the registered owners:

- Acquisition Account;
- Collection Account;
- Department Rebate Fund; and
- Debt Service Reserve Account.

Financed student loans, evidenced by promissory notes, will be owned in the name of the Authority and will be pledged to the Trustee and credited to the trust estate in the books and records of the applicable Servicer.

Money transferred from a Servicer to the Trustee on account of the financed student loans will be deposited into the Collection Account for distribution in accordance with the terms of the Indenture. The Trustee will invest money held in funds created under the Indenture in investment securities (as defined in the Indenture) at the direction of the Authority. Investment securities may be purchased by or through the Trustee and its affiliates. Money in any fund created under the Indenture may be pooled for purposes of investment.

Fund Deposits

As described under the caption "USE OF PROCEEDS" herein, certain of the proceeds from the sale of the Series 2011-1 Bonds will be used to make the initial deposit to the Debt Service Reserve Account described below. Certain of the remaining proceeds and other amounts available to the Authority will be used to acquire certain FFELP loans presently pledged by the Authority under a separate trust estate. Such acquired FFELP loans, together with certain other FFELP loans, will be pledged to the Trustee and credited to the Trust Estate in the books and records of the applicable Servicer. All such FFELP loans expected to be released or pledged on the date of issuance have been identified and are described under the caption "CHARACTERISTICS OF THE FINANCED STUDENT LOANS" herein.

Acquisition Account; Pledge of Student Loans

On the date of issuance, cash will be deposited into the Acquisition Account created under the Indenture to pay cost of issuing the Series 2011-1 Bonds, and financed student loans released and pledged to the Trustee as described under the caption "USE OF PROCEEDS" herein will be transferred to the Acquisition Account. All funds remaining on deposit in the Acquisition Account after October 31, 2011 will be transferred to the Collection Account.

Debt Service Reserve Account

On the date of issuance, a deposit will be made to the Debt Service Reserve Account in an amount equal to the Specified Debt Service Reserve Account Balance. On each quarterly distribution date or monthly payment date, to the extent that money in the Collection Account is not sufficient to pay certain of the Authority's operating expenses, including amounts owed to the Department of Education, the guarantee agencies, or under any applicable joint sharing agreement, administration fees and expenses, servicing fees and expenses, trustee fees and expenses and the interest then due on the Series 2011-1 Bonds, the amount of the deficiency will be transferred from the Debt Service Reserve Account.

Money withdrawn from the Debt Service Reserve Account will be restored through transfers from the Collection Account as available. The Debt Service Reserve Account is subject to the Specified Debt Service Reserve Account Balance.

The Debt Service Reserve Account is intended to enhance the likelihood of timely distributions of interest to the registered owners of the Series 2011-1 Bonds and to decrease the likelihood that the registered owners of the Series 2011-1 Bonds will experience losses. In some circumstances, however, the Debt Service Reserve Account could be reduced to zero. Amounts on deposit in the Debt Service Reserve Account in excess of the Specified Debt Service Reserve Account Balance will be transferred to the Collection Account. Other than such excess amounts, principal payments due on a Series 2011-1 Bond will be made from the Debt Service Reserve Account only (a) on the final maturity date for the Series 2011-1 Bonds or (b) on any quarterly distribution date when the market value of securities and cash in the Debt Service Reserve Account is sufficient to pay the remaining principal amount of and accrued interest on the Series 2011-1 Bonds (after making payments from the Collection Account).

Department Rebate Fund

The Trustee will establish the Department Rebate Fund as part of the trust estate. The Higher Education Act requires holders of student loans first disbursed on or after April 1, 2006 and before July 1, 2010 to rebate to the Department of Education interest received from borrowers on such loans that exceeds the applicable special allowance support levels. The Authority expects that the Department of Education will reduce the special allowance and interest benefit payments payable to the Authority by the amount of any such rebates owed by the Authority. However, in certain circumstances, the Authority may owe a payment to the Department of Education. If the Authority believes that it is required to make any such payment, the Authority will direct the Trustee to deposit into the Department Rebate Fund from the Collection Account the estimated amounts of any such payments. Money in the Department Rebate Fund will be transferred to the Collection Account to the extent amounts have been deducted by the Department of Education from payments otherwise due to the Authority or the balance in the Department Rebate Fund exceeds the expected rebate obligation, or will be paid to the Department of Education if necessary to discharge the Authority's rebate obligation. See the caption "DESCRIPTION OF THE FFEL PROGRAM — Special Allowance Payments" in Appendix B hereto.

Collection Account; Flow of Funds

The Trustee will credit to the Collection Account all Available Funds, including revenues derived from financed student loans; all proceeds of any sale of financed student loans; all amounts received under any joint sharing agreement; any amounts transferred from the Acquisition Account, the Debt Service Reserve Account, and the Department Rebate Fund; any earnings on investment of moneys held in such funds; and any other amounts the Authority instructs to be deposited therein.

Servicing fees and expenses and administration fees and expenses will be paid to the Servicers and the Administrator (initially the Oklahoma Student Loan Authority) on each monthly payment date from money available in the Collection Account. The amount of the initial servicing fee and administration fee payable in the third and fourth bullet points below is specified under the caption "FEES AND EXPENSES" herein. Each month, money available in the Collection Account will also be used to pay: (i) amounts due to the Department of Education, any guarantee agency, or the trustee under another trust indenture if required pursuant to the joint sharing agreement; (ii) amounts required to be deposited to the Department Rebate Fund; and (iii) amounts needed to repurchase student loans or pay other administrative expenses specified under the caption "FEES AND EXPENSES" herein. On each quarterly distribution date, prior to an event of default, money in the Collection Account will be used to make the following deposits and distributions, to the extent funds are available;

- to make any payments (other than servicing fees and administration fees) permitted to be made on a monthly basis a described above, on a *pro rata* basis;

- to the Trustee, the trustee fees and expenses and any prior unpaid trustee fees and expenses;

- to the Servicer (initially the Oklahoma Student Loan Authority), the servicing fees and expenses for the related Collection Period and any prior unpaid servicing fees and expenses;

- to the Administrator (initially the Oklahoma Student Loan Authority), the administration fees and expenses for the related Collection Period and any prior unpaid administration fees and expenses;

- to the registered owners of the Series 2011-1 Bonds, to pay interest due on such Series 2011-1 Bonds, on a *pro rata* basis;

- to the Debt Service Reserve Account, the amount, if any, necessary to restore the Debt Service Reserve Account to the Specified Debt Service Reserve Account Balance;

- to the registered owners of the Series 2011-1 Bonds, the principal distribution amount, allocated on a *pro rata* basis until the Series 2011-1 Bonds have been paid in full;

- to the Administrator (initially the Oklahoma Student Loan Authority), the subordinate administration fee and any prior unpaid subordinate administration fees;
- to the registered owners of the Series 2011-1 Bonds, on a *pro rata* basis, any remaining funds until the Series 2011-1 Bonds are paid in full; and
- to the Authority, any excess (but only if no Series 2011-1 Bonds are outstanding).

Flow of Funds After Events of Default

Following the occurrence of an event of default that results in an acceleration of the maturity of the Series 2011-1 Bonds, and after the payment of certain fees and expenses, payments of interest on the Series 2011-1 Bonds will be made, *pro rata*, without preference or priority of any kind, and then payments of principal on the Series 2011-1 Bonds will be made, *pro rata*, without preference or priority of any kind, until all of the Series 2011-1 Bonds are paid in full. See the caption "SUMMARY OF PROVISIONS OF THE INDENTURE —Remedies on Default" herein.

Investment of Funds Held by Trustee

The Trustee will invest amounts credited to any fund established under the Indenture in investment securities described in Appendix A hereto pursuant to orders received from the Authority. In the absence of an order, and to the extent practicable, the Indenture requires the Trustee to invest amounts held under the Indenture in money market funds.

The Trustee is not responsible or liable for any losses of either principal or interest on investments made by it or for keeping all funds held by it fully invested at all times. Its only responsibility is to comply with investment instructions of the Authority or its designee in a non-negligent manner.

DESCRIPTION OF THE SERIES 2011-1 BONDS

General

The Series 2011-1 Bonds will be issued pursuant to the terms of the Indenture between the Authority and the Trustee. The Indenture and the Series 2011-1 Bonds will each be governed by the laws of the State of Oklahoma. The following summary describes the material terms of the Series 2011-1 Bonds and related provisions of the Indenture. However, it is not complete and is qualified in its entirety by the actual provisions of the Indenture and the Series 2011-1 Bonds. Certain other provisions of the Indenture are described under the captions "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2011-1 BONDS" and "SUMMARY OF PROVISIONS OF THE INDENTURE" herein.

Interest Payments

Interest will accrue on the Series 2011-1 Bonds at the interest rate described herein during each interest accrual period.

The initial interest accrual period for the Series 2011-1 Bonds begins on the date of issuance and ends on November 30, 2011. For all other quarterly distribution dates, the interest accrual period will begin on the prior quarterly distribution date and end on the day before such quarterly distribution date.

Interest on the Series 2011-1 Bonds will be payable to the registered owners on each quarterly distribution date commencing December 1, 2011. Subsequent quarterly distribution dates for the Series 2011-1 Bonds will be on the first Business Day of each March, June, September and December. Interest accrued but not paid on any quarterly distribution date will be due on the next quarterly distribution date together with an amount equal to interest on the unpaid amount at the interest rate borne by the Series 2011-1 Bonds from the quarterly distribution date on which such interest was not paid to, but excluding, the next quarterly distribution date.

The interest rate on the Series 2011-1 Bonds for each interest accrual period, except for the initial interest accrual period, will be equal to three-month LIBOR plus the spread shown on the cover hereof, but not in excess of the Maximum Rate. The LIBOR rate for the Series 2011-1 Bonds for the initial interest accrual period will be calculated by reference to the following formula and may not exceed the Maximum Rate:

x + [(a/b * (y-x)] plus 1.15%, as calculated by the Trustee, where:

x = five-month LIBOR;

y = six-month LIBOR;

a = 2 (the actual number of days from the maturity date of five-month LIBOR to the first quarterly distribution date); and

b = 30 (the actual number of days from the maturity date of five-month LIBOR to the maturity date of six-month LIBOR).

The Trustee will calculate the rate of interest on the Series 2011-1 Bonds on the LIBOR determination date described below.

The Maximum Rate of interest on the Series 2011-1 Bonds will not exceed an average rate of 14% per annum from the date of issuance.

The amount of interest payable on a quarterly distribution date for the Series 2011-1 Bonds is equal to the sum of (a) the interest accrued during the interest accrual period as described above, and (b) the related "*Interest Shortfall*" (described below), if any, for such quarterly distribution date, as based on the actual number of days in such interest accrual period divided by 360 (rounded to the fifth decimal place).

“Interest Shortfall” payable on a quarterly interest payment date for the Series 2011-1 Bonds is equal to the excess, if any, of (a) the interest due and payable on the Series 2011-1 Bonds on the immediately preceding quarterly distribution date over (b) the amount of interest actually distributed to the owners of the Series 2011-1 Bonds on such preceding quarterly distribution date, plus interest on the amount of such excess interest due to the owners of the Series 2011-1 Bonds, to the extent permitted by law, at the interest rate borne by the Series 2011-1 Bonds from such immediately preceding quarterly distribution date to, but excluding, the current quarterly distribution date.

Calculation of LIBOR

For each interest accrual period, LIBOR will be obtained by the Trustee by reference to the London interbank offered rate for deposits in U.S. Dollars having the relevant index maturity which appears on Reuters Screen LIBOR01 Page, or another page of this or any other financial reporting service in general use in the financial services industry, as of 11:00 a.m., London time, on the related LIBOR determination date. LIBOR, for purposes of calculating interest on the Series 2011-1 Bonds is equal to 100% of the applicable LIBOR. The LIBOR determination date will be the second business day before the beginning of each interest accrual period. If this rate does not appear on Reuters Screen LIBOR01 Page, or another page of this or any other financial reporting service in general use in the financial services industry, the rate for that day will be determined on the basis of the rates at which deposits in U.S. Dollars, having the relevant maturity and in a principal amount of not less than U.S. $1,000,000, are offered at approximately 11:00 a.m., London time, on that LIBOR determination date, to prime banks in the London interbank market by four major banks selected by the Trustee. The Trustee will request the principal London office of each of the four banks to provide a quotation of its rate. If the banks provide at least two quotations, the rate for that day will be the arithmetic mean of the quotations. If the banks provide fewer than two quotations, the rate for that day will be the arithmetic mean of the rates quoted by major banks in New York City, selected by the Trustee, at approximately 11:00 a.m., New York City time, on that LIBOR determination date, for loans in U.S. Dollars to leading European banks having the relevant maturity and in a principal amount of not less than U.S. $1,000,000. If the banks selected as described above are not providing quotations, the relevant maturity of LIBOR in effect for the applicable interest accrual period will be such relevant maturity of LIBOR in effect for the previous accrual period.

“*Business day*” means:

- for purposes of calculating LIBOR, any day on which banks in New York, New York and London, England are open for the transaction of international business; and

- for all other purposes, any day other than a Saturday, Sunday, holiday or other day on which the Federal Reserve Bank or banks located in Oklahoma City, Oklahoma, or the city in which the applicable corporate trust office of the Trustee is located (initially, Oklahoma City, Oklahoma), are authorized or permitted by law or executive order to close.

Principal Distributions

The aggregate outstanding principal balance on the Series 2011-1 Bonds will be due and payable on the quarterly distribution date occurring in June 2040.

The actual dates on which the final distribution on the Series 2011-1 Bonds will be made may be earlier than the maturity date set forth above as a result of a variety of factors.

The "*principal distribution amount*" is equal to the excess of (i) the Pool Balance as of the last day of the Collection Period preceding the related Collection Period, less (ii) the Pool Balance as of the last day of the related Collection Period, plus the amount, if any, of the principal distribution amount due on the prior quarterly distribution date that was not paid. In addition, supplemental principal payments will be made on the Series 2011-1 Bonds with Available Funds remaining in the Collection Account after the payment of any Subordinate Administration Fees. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2011-1 BONDS – Collection Account; Flow of Funds" herein. Other than amounts in excess of the specified Debt Service Reserve Account Balance transferred to the Collection Account, principal payments due on the Series 2011-1 Bonds will be made from the Debt Service Reserve Account only (a) on the final maturity date for the Series 2011-1 Bonds or (b) on any quarterly distribution date when the market value of securities and cash in the Debt Service Reserve Account is sufficient to pay the remaining principal amount of and accrued interest on the Series 2011-1 Bonds (after making payments from the Collection Account). Principal distributions will be effected by the Securities Depository, in accordance with its rules and procedures, as a "Pro Rata Pass-Through Distribution of Principal."

The principal on the final maturity date for the Series 2011-1 Bonds will be payable only upon presentation and surrender of such Series 2011-1 Bonds.

Optional Purchase

The Authority may, but is not required to, purchase from the trust estate the remaining financed student loans ten business days prior to any quarterly distribution date when the Pool Balance is equal to or less than 10% of the initial Pool Balance. If this purchase option is exercised, the financed student loans will be sold to the Authority free from the lien of the Indenture, and the proceeds will be used on the succeeding quarterly distribution date to repay all outstanding Series 2011-1 Bonds, which will result in early retirement of the Series 2011-1 Bonds.

If the Authority exercises its purchase option, the purchase price is subject to a prescribed minimum purchase price. The prescribed minimum purchase price is the amount that, when combined with amounts on deposit in the funds and accounts held under the Indenture, would be sufficient to:

- reduce the outstanding principal amount of the Series 2011-1 Bonds then outstanding on the related quarterly distribution date to zero;

- pay to the registered owners the interest payable on the related quarterly distribution date; and

- pay any unpaid administration fees and expenses (including unpaid subordinate administration expenses), servicing fees and expenses, trustee fees and expenses, and amounts due to the Department of Education.

"*Pool Balance*" for any date means the aggregate principal balance of the student loans held by the Authority on that date, including accrued interest that is expected to be capitalized, after giving effect to the following, without duplication:

- all payments received by the Authority through that date from borrowers;
- all amounts received by the Authority through that date from purchases of financed student loans released from the lien of the Indenture;
- all liquidation proceeds and realized losses on the financed student loans through that date;
- the amount of any adjustment to balances of the financed student loans that any Servicer makes under a servicing agreement through that date; and
- the amount by which guarantor reimbursements of principal on defaulted student loans through that date are reduced from 100% to 97%, or other applicable percentage, as required by the risk sharing provisions of the Higher Education Act.

Prepayment, Yield and Maturity Considerations

Generally, all of the financed student loans are pre-payable in whole or in part, without penalty, by the borrowers at any time, or as a result of a borrower's default, death, disability or bankruptcy and subsequent liquidation or collection of guarantee payments with respect to such loans. The rates of payment of principal on the Series 2011-1 Bonds and the yield on the Series 2011-1 Bonds may be affected by prepayments of the financed student loans. Because prepayments generally will be paid through to registered owners as distributions of principal on a pro rata basis, it is likely that the actual final payments on the Series 2011-1 Bonds will occur prior to the final maturity date for the Series 2011-1 Bonds. Accordingly, in the event that the financed student loans experience significant prepayments, the actual final payment on the Series 2011-1 Bonds may occur substantially before their final maturity date, causing a shortening of the weighted average life of the Series 2011-1 Bonds. Weighted average life refers to the average amount of time that will elapse from the date of issuance of a Series 2011-1 Bond until each dollar of principal of such Series 2011-1 Bond will be repaid to the investor.

The rate of prepayments on the financed student loans cannot be predicted and may be influenced by a variety of economic, social and other factors. Generally, the rate of prepayments may tend to increase to the extent that alternative financing becomes available on more favorable terms or at interest rates significantly below the interest rates payable on the financed student loans. A Servicer is obligated to purchase any financed student loan as a result of a breach of certain covenants with respect to such student loan, in the event such breach materially adversely affects the interests of the Authority in that financed student loan and is not cured within the applicable cure period.

However, scheduled payments with respect to the financed student loans may be reduced and the maturities of financed student loans may be extended, including pursuant to grace periods, deferral periods and forbearance periods. The rate of payment of principal on the Series 2011-1 Bonds and the yield on such Series 2011-1 Bonds may also be affected by the rate of defaults resulting in losses on the financed student loans that may have been liquidated, by the severity of those losses and by the timing of those losses, which may affect the ability of the guarantee agencies to make guarantee payments on such financed student loans. In addition, the maturity of certain of the financed student loans may extend beyond the final maturity date for the Series 2011-1 Bonds.

More information on weighted average lives, expected maturities and percentages of original principal remaining at each quarterly distribution date is set forth in APPENDIX D - "PREPAYMENTS, EXTENSIONS, WEIGHTED AVERAGE LIVES AND EXPECTED MATURITIES OF THE SERIES 2011-1 BONDS."

BOOK-ENTRY REGISTRATION

General

The Depository Trust Company, New York, NY, will act as the securities depository for the Series 2011-1 Bonds. The Series 2011-1 Bonds will be issued as fully registered securities registered in the name of Cede & Co., the partnership nominee of The Depository Trust Company, or such other name as may be requested by an authorized representative of The Depository Trust Company. One fully registered certificate will be issued for the Series 2011-1 Bonds, in the aggregate principal amount of thereof, and will be deposited with The Depository Trust Company.

The Depository Trust Company

The Depository Trust Company, the world's largest securities depository, is a limited purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934.

The Depository Trust Company holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that The Depository Trust Company's participants ("*Direct Participants*") deposit with it. The Depository Trust Company also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations.

The Depository Trust Company is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("*DTCC*"). DTCC is the holding company for The Depository Trust Company, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to The Depository Trust Company system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("*Indirect Participants*"). The Depository Trust Company has Standard & Poor's highest rating: AAA. The Depository Trust Company rules applicable to its participants are on file with the Securities and Exchange Commission. More information about The Depository Trust Company can be found at www.dtcc.com and www.dtc.org.

Purchases of Series 2011-1 Bonds under The Depository Trust Company system must be made by or through Direct Participants, which will receive a credit for the Series 2011-1 Bonds on The Depository Trust Company's records. The ownership interest of each Beneficial Owner is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from The Depository Trust Company of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction.

Transfers of ownership interests in the Series 2011-1 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2011-1 Bonds, except in the event that use of the book-entry system for the Series 2011-1 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2011-1 Bonds deposited by Direct Participants with The Depository Trust Company are registered in the name of The Depository Trust Company's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of The Depository Trust Company. The deposit of Series 2011-1 Bonds with The Depository Trust Company, and their registration in the name of Cede & Co. or such other nominee, do not affect any change in beneficial ownership. The Depository Trust Company has no knowledge of the actual Beneficial Owners of the Series 2011-1 Bonds; its records reflect only the identity of the Direct Participants to whose accounts the Series 2011-1 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by The Depository Trust Company to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2011-1 Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Series 2011-1 Bonds, such as redemptions, tenders, defaults and proposed amendments to the Series 2011-1 Bonds' documents. For example, Beneficial Owners may wish to ascertain that the nominee holding the

Series 2011-1 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither The Depository Trust Company nor Cede & Co. (nor any other The Depository Trust Company nominee) will consent or vote with respect to the Series 2011-1 Bonds unless authorized by a Direct Participant in accordance with The Depository Trust Company's MMI (Money Market Instrument) procedures. Under its usual procedures, The Depository Trust Company mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2011-1 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2011-1 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of The Depository Trust Company. The Depository Trust Company's practice is to credit Direct Participants' accounts, upon The Depository Trust Company's receipt of funds and corresponding detail information from the Authority or the Trustee, on payable date in accordance with their respective holdings shown on The Depository Trust Company's records. Payments by Direct or Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Direct or Indirect Participant and not of The Depository Trust Company, nor its nominee, the Trustee or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of The Depository Trust Company) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of The Depository Trust Company, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

The Depository Trust Company may discontinue providing its services as depository with respect to the Series 2011-1 Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2011-1 Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry transfers through The Depository Trust Company (or a successor securities depository). In that event, Series 2011-1 Bond certificates will be printed and delivered to The Depository Trust Company.

Disclaimer

The information in this section concerning The Depository Trust Company and its book-entry system have been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof. The Authority, Bond Counsel, the Trustee and the Underwriter, or any of their counsel, will have no responsibility or obligation to any of The Depository Trust Company, the Direct or Indirect Participants or the persons who are acting as their nominees, with respect to –

- the accuracy of any records maintained by The Depository Trust Company or any Direct or Indirect Participant;
- the payment by The Depository Trust Company or any Direct or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal amount of or interest on the Series 2011-1 Bonds;
- the delivery by The Depository Trust Company or any Direct or Indirect Participant of any notice to any Beneficial Owner that is required or permitted under the terms of the Bond Resolution to be given to holders of the Series 2011-1 Bonds; or
- any other action taken by The Depository Trust Company.

TRUSTEE

We will issue the Series 2011-1 Bonds pursuant to the Indenture. The Indenture will be between the Authority and BOKF, NA dba Bank of Oklahoma, as Trustee.

We maintain banking product relationships, such as lockbox services for loan payments, with the Trustee. The Trustee is the corporate trustee for our Master Bond Resolution II for which the outstanding series will be refunded and the Master Bond Resolution II will be defeased upon the issuance of the Series 2011-1 Bonds. The Trustee is also the corporate trustee for our 1992 General Student Loan Fund Trust, our 1995 Master Bond Resolution, and our Series 2010 Indenture, which are separate trust estates that will remain outstanding after the issuance of the Series 2011-1 Bonds. The Trustee served as the custodian for our Master Participation Agreement with the Department of Education under the Ensuring Continuing Access to Student Loans Act and contracted with us for servicing of those loans.

The Trustee has provided the following information about its organization for use in this Official Statement. The Authority does not guarantee or make any representation about the accuracy or completeness thereof, or the absence of material adverse change in such information or in the condition of the Trustee subsequent to the date hereof.

BOK Financial Corporation is a $24 billion regional financial services company based in Tulsa, Oklahoma. The company's stock is publicly traded on NASDAQ under the Global Select market listings (symbol: BOKF). BOK Financial Corporation's holdings include BOKF, NA, BOSC, Inc, Cavanal Hill Investment Management and Southwest Trust Company. BOKF, NA operates seven banking divisions: Bank of Albuquerque, Bank of Arizona, Bank of Arkansas, Bank of Kansas City, Bank of Oklahoma, Bank of Texas, and Colorado State Bank and Trust. BOKF, NA has full-service banks located in eight states. BOSC, Inc., the broker/dealer subsidiary, provides brokerage services in 10 states.

One of BOK Financial Corporation's notable strengths is its diverse revenue stream that provides stability throughout varying economic cycles. Fees and commissions consistently represent over 40% of total revenue. BOK Financial Corporation offers a broad range of financial products and services, including cash management services, mortgage banking, and brokerage and trading services to middle-market and small businesses, financial institutions and retail clients. BOK Financial Corporation's vision is to provide sophisticated nationally competitive products with personal responsive client service.

BOK Financial Corporation's Institutional Wealth Management group delivers sophisticated investment expertise, asset reporting, retirement plan solutions and trustee services with the attuned personal services of a local bank. Operating divisions of BOKF, NA include Bank of Albuquerque, Bank of Arizona, Bank of Arkansas, Bank of Oklahoma, Bank of Texas, Colorado State Bank and Trust and Bank of Kansas City and each bring together a multidisciplinary team with niche expertise in serving institutions, government entities, not-for-profits and corporations.

The Trustee has over 30 years of experience in the administration of taxable and tax-exempt debt issues and their related trust accounts. Currently, the Trustee and its affiliates are responsible for over 6,900 trust and agency accounts and relationships amounting to over $30 billion in trust assets, including over $11 billion in discretionary trust assets. The Corporate Trust Group of the Trustee administers over 600 municipal and corporate bond issues, amounting to over $24 billion in debt outstanding. The Trustee has served as trustee to the Authority for over $1 billion of various student loan issues, including tax-exempt and taxable auction rate bonds, variable rate notes, fixed rate bonds and floating rate notes.

Subject to the terms of the Indenture, the Trustee will act on behalf of the bondholders and represent their interests in the exercise of its rights under the Indenture. See "SUMMARY OF PROVISIONS OF THE INDENTURE - The Trustee" for additional information regarding the responsibilities of the Trustee. Except in an Event of Default, the Trustee will have no obligation to administer, service or collect the Financed Student Loans or to maintain or monitor the administration, servicing or collection of those loans.

SUMMARY OF PROVISIONS OF THE INDENTURE

The following is a summary of some of the provisions in the Indenture. This summary does not cover every detail contained in the Indenture and is subject to all of the terms and conditions of the Indenture in its entirety. Reference should be made to the Indenture for a full and complete statement of its provisions.

Parity and Priority of Lien

The provisions of the Indenture are generally for the equal benefit, protection and security of the registered owners of the of the Series 2011-1 Bonds.

The Available Funds and other money, financed student loans and other assets the Authority pledges under the Indenture will be free and clear of any pledge, lien, charge or encumbrance, other than that created by the Indenture.

Except as otherwise provided in the Indenture, the Authority:

- will not create or voluntarily permit to be created any debt, lien or charge on the financed student loans which would be on a parity with, subordinate to, or prior to the lien of the Indenture;
- will not take any action or fail to take any action that would result in the lien of the Indenture or the priority of that lien for the Series 2011-1 Bonds thereby secured being lost or impaired; and
- will pay or cause to be paid, or will make adequate provisions for the satisfaction and discharge of all lawful claims and demands which if unpaid might by law be given precedence to or any equality with the Indenture as a lien or charge upon the financed student loans.

Representations and Warranties

The Authority will represent and warrant in the Indenture that:

- it is duly authorized to issue the Series 2011-1 Bonds and to execute and deliver the Indenture and to make the pledge to the payment of the Series 2011-1 Bonds under the Indenture;
- all necessary action for the issuance of the Series 2011-1 Bonds and the execution and delivery of the Indenture has been duly and effectively taken; and
- the Series 2011-1 Bonds in the hands of the registered owners are and will be valid and enforceable obligations of the Authority secured by and payable solely from the trust estate.

Sale of Financed Student Loans

Except under limited circumstances described in the Indenture (including, but not limited to, the repurchase obligations described herein under the caption "—Servicing and Enforcement of the Servicing Agreements" below), financed student loans may not be sold, transferred or otherwise disposed of by the Authority while any Series 2011-1 Bonds are outstanding. However, if necessary for administrative purposes, the Authority may sell financed student loans free from the lien of the Indenture, so long as the sale price for any financed student loan is not less than the amount required to prepay in full such financed student loan under the terms thereof, including all accrued interest thereon and any unamortized premium, the collective aggregate principal balance of all such sales does not exceed 5.00% of the initial Pool Balance and the collective aggregate principal balance of all such sales in any calendar year does not exceed 1.00% of the Pool Balance as of January 1 of such calendar year (or as of the date of issuance with respect to the first calendar year).

Further Covenants

The Authority will cause financing statements to be filed in any jurisdiction necessary to perfect the security interest it grants under the Indenture. The Trustee will cause continuation statements to be filed in any jurisdiction necessary to maintain the security interest granted by the Authority under the Indenture.

Upon written request of the Trustee, the Authority will permit the Trustee or its agents, accountants and attorneys to, at the expense of the Authority, examine and inspect the property, books of account, records, reports and other data relating to the financed student loans, and will furnish the Trustee such other information as it may reasonably request. The Trustee will be under no duty to make any examination unless requested in writing to do so by the registered owners of 66-2/3% of the Outstanding Amount of the Series 2011-1 Bonds, and unless those registered owners have offered the Trustee security and indemnity satisfactory to it against any costs, expenses and liabilities which might be incurred in making any examination.

The Authority will keep and maintain proper books of account relating to its Program including all dealings or transactions of or in relation to the business and affairs of the Authority which relate to the Series 2011-1 Bonds. Within 180 days of the close of each fiscal year, the Authority will receive an audit of the Authority by an independent certified public accountant. A copy of each audit report showing in reasonable detail the financial condition of the Authority as at the close of each fiscal year will be filed with the Trustee within 180 days after the end of each Fiscal Year and will be available for inspection by any registered owner.

Servicing and Enforcement of the Servicing Agreements

The Authority will at all times appoint, retain and employ competent personnel for the purpose of carrying out its respective programs under the Authorizing Act and the Program and will establish and enforce reasonable rules, regulations, tests and standards governing the employment of such personnel. All persons employed by the Authority will be qualified for their respective positions.

The Authority will cause to be diligently enforced and taken all reasonable steps, actions and proceedings necessary for the enforcement of all material terms, covenants and conditions of all servicing agreements, including, without limitation, the prompt payment of all principal and interest payments and all other amounts due the Authority thereunder. Except to the extent expressly permitted by the Indenture, the Authority:

(a) will not permit the release of any material obligations of any Servicer under the related servicing agreement, except in conjunction with amendments or modifications permitted by the Indenture and will defend, enforce, preserve and protect the material rights of the Authority and the Trustee thereunder;

(b) will not consent or agree to or permit any amendment or modification of any servicing agreement which will materially adversely affect the rights or security of the Trustee or the registered owners; and

(c) will duly and punctually perform and observe each of its obligations to each Servicer under the related servicing agreement in accordance with the terms thereof.

Notwithstanding the foregoing, the Indenture does not prevent the Authority from taking any action to replace any Servicer or from consenting or agreeing to, or permitting, any amendments, modifications to, or waivers with respect to, any servicing agreement, subject to the conditions set forth in the Indenture.

If at any time any Servicer fails in any material respect to perform its obligations under its servicing agreement or under the Higher Education Act or if any servicing audit shows any material deficiency in the servicing of financed student loans by any Servicer, the Authority will, or will cause the Servicer to, cure the failure to perform or the material deficiency or remove such Servicer and appoint another Servicer.

The Backup Servicer, if applicable, has agreed to provide backup servicing pursuant to the terms of the Backup Servicing Agreement in the event that (1) a Servicer determines that it will no longer service any financed student loans and provides 150 days' written notice to the Backup Servicer, the Authority and the Trustee of such determination; or (2) a Servicer is in material violation of its Servicing Agreement under which the financed student loans are serviced, as determined by the Authority or the Trustee, at the written direction of registered owners of a majority of the Outstanding Amount of the Series 2011-1 Bonds, which violation has not been cured thereunder within 30 days after written notice of such violation to such Servicer (or if such cure will take in excess of 30 days, such addition period as is required for such cure so long as the Servicer is diligently pursuing such cure), and the Trustee (at the written direction of the Authority or the registered owners of a majority of the Outstanding Amount of the Series 2011-1 Bonds) provides 150 days' written notice to the Authority and Backup Servicer of the determination that all of the financed student loans then directly serviced by such Servicer shall be serviced under the Backup Servicing Agreement.

The Authority covenants to maintain a Backup Servicing Agreement with a third-party Servicer with respect to any financed student loans directly serviced by a Servicer, including the Authority, while any Series 2011-1 Bonds remain Outstanding unless the Authority receives the written consent of the registered owners of a majority of the Outstanding Amount of the Series 2011-1 Bonds to the termination of the Backup Servicing Agreement.

Additional Covenants With Respect to the Higher Education Act

The Trustee is an eligible lender under the Higher Education Act and covenants in the Indenture to maintain its status as an eligible lender.

The Authority is responsible for the following actions, among others, with respect to the Higher Education Act:

- administering, operating and maintaining the Authority's program with respect to student loans in such manner as to ensure that the Program and the financed student loans will benefit from the benefits available under the Higher Education Act and the federal program of reimbursement for student loans pursuant to the Higher Education Act, or from any other federal statute providing for such federal program;

- entering into any guarantee agreement, maintaining such guarantee agreement and diligently enforcing its rights thereunder and not voluntarily consenting to or permitting any rescission of or consenting to any amendment to or otherwise taking any action under or in connection with any guarantee agreement which in any manner would materially adversely affect the rights of the registered owners under the Indenture;

- causing to be diligently enforced, and causing to be taken all reasonable steps necessary or appropriate for the enforcement of all terms, covenants and conditions of all financed student loans and agreements in connection with the financed student loans, including the prompt payment of all principal and interest payments and all other amounts due to the Authority thereby and not releasing the obligations of any borrower or agreeing to, permitting, allowing or causing any amendment or modification of any financed student loan except to the extent permitted by the Indenture;
- maintaining the benefits of the guarantee agreements, certificates of insurance, the interest benefit payments and the special allowance payments to be held for the benefit of the Trustee and enforcing its rights under the guarantee agreements and not voluntarily permitting or consenting to any amendment or rescission or taking any action that would adversely affect the registered owners;
- complying with all United States and state statutes, rules, and regulations which apply to the Program and to the financed student loans; and
- taking all actions reasonably necessary to enforce all material provisions of any of its student loan purchase agreements requiring the seller to repurchase student loans which have lost or never had their guarantee due to actions or omissions of the seller.

Continued Existence; Successor

The Authority will preserve and keep in full force and effect its existence as a trust for the benefit of the State except as may otherwise be permitted by the Indenture. The Authority will not sell, transfer or otherwise dispose of all or substantially all of its assets (except financed student loans if such sale, transfer or disposition will discharge the Indenture in accordance therewith), consolidate with or merge into another entity, or permit one or more other entities to consolidate with or merge into it. These restrictions do not apply to a transaction where the transferee or the surviving or resulting entity, if other than the Authority, irrevocably and unconditionally assumes the obligation to perform and observe the Authority’s agreements and obligations under the Indenture.

Events of Default

The Indenture will define the following events as events of default:

- default in the due and punctual payment of any interest on any Series 2011-1 Bond when the same becomes due and payable and such default will continue for a period of five days;

- default in the due and punctual payment of the principal of any Series 2011-1 Bond when the same becomes due and payable on the final maturity date of the Series 2011-1 Bonds;

- default in the performance or observance of any other of the Authority's covenants, agreements or conditions contained in the Indenture or in the Series 2011-1 Bonds, and continuation of such default for a period of 90 days after written notice thereof is given to the Authority by a responsible officer of the Trustee; and

- the occurrence of an event of bankruptcy.

Remedies on Default

Possession of Trust Estate. Upon the happening of any event of default relating to the Authority, the Trustee may (other than with respect to solely a covenant default), and, at the written direction of the registered owners of at least a majority of the Outstanding Amount of the Series 2011-1 Bonds, will enter into and upon and take possession of any portion of the trust estate of the Authority that may be in the custody of others, and all property comprising the trust estate, exclude the Authority wholly therefrom and have, hold, use, operate, manage and control those assets. The Trustee may also, in the name of the Authority or otherwise, conduct such Authority's business and collect and receive all charges, income and revenues of the trust estate. After deducting all expenses incurred and all other proper outlays authorized in the Indenture, and all payments which may be made as reasonable compensation for its own services, and for the services of its attorneys, agents, and assistants, the Trustee will apply the rest and residue of the money received by the Trustee as follows:

> FIRST, to the Department of Education, any department rebate interest amount and monthly rebate fee due and owing thereto, to any guarantee agency amounts due and owing to such guarantee agency and to any party to any joint sharing agreement to which the Authority may be a party, any amounts due and owing thereto;
>
> SECOND, to the Trustee for fees and any costs and out-of-pocket expenses of the Trustee due and owing;
>
> THIRD, to the Administrator and the Servicers, any administrative fees and servicing fees due and payable;
>
> FOURTH, to the registered owners of the Series 2011-1 Bonds for amounts due and unpaid on the Series 2011-1 Bonds for interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Series 2011-1 Bonds for such interest;
>
> FIFTH, to registered owners of the Series 2011-1 Bonds for amounts due and unpaid on the Series 2011-1 Bonds for principal, ratably, without preference or priority of any kind, according to the amounts due and payable on the Series 2011-1 Bonds for principal; and

SIXTH, to the Authority.

Sale of Trust Estate. Upon the happening of any event of default and if the principal of all of the outstanding Series 2011-1 Bonds will have been declared due and payable, then the Trustee may, and at the written direction of the registered owners of at least a majority of the Outstanding Amount of the Series 2011-1 Bonds will, sell the trust estate to the highest bidder in accordance with the requirements of applicable law. In addition, the Trustee may proceed to protect and enforce the rights of the Trustee and the registered owners in the manner as counsel for the Trustee may advise, whether for the specific performance of any covenant, condition, agreement or undertaking contained in the Indenture, or in aid of the execution of any power therein granted, or for the enforcement of such other appropriate legal or equitable remedies as may in the opinion of such counsel, be more effectual to protect and enforce the rights aforesaid. The Trustee is required to take any of these actions if requested to do so in writing by the registered owners of at least a majority of the Outstanding Amount of the Series 2011-1 Bonds.

Notwithstanding the foregoing and whether or not the principal of all outstanding Series 2011-1 Bonds has been declared due and payable, the Trustee is prohibited from selling the financed student loans following an event of default, other than a default in the payment of any principal or any interest on any Series 2011-1 Bond, unless:

- The registered owners of all of the Series 2011-1 Bonds outstanding consent to such sale;
- The proceeds of such sale are sufficient to pay in full all outstanding Series 2011-1 Bonds at the date of such sale pursuant to terms of the Indenture describing discharge of the Indenture; or
- The Trustee determines that the collections on the financed student loans would not be sufficient on an ongoing basis to make all payments on such Series 2011-1 Bond as such payments would have become due if such Series 2011-1 Bonds had not been declared due and payable, and the Trustee obtains the consent of the registered owners of at least 66-2/3% in aggregate principal amount of the Series 2011-1 Bonds outstanding to such sale.

Appointment of Receiver. If an event of default occurs, if all of the outstanding Series 2011-1 Bonds under the Indenture have been declared due and payable, and if any judicial proceedings are commenced to enforce any right of the Trustee or of the registered owners under the Indenture or otherwise, then as a matter of right, the Trustee will be entitled to the appointment of a receiver for the trust estate.

Accelerated Maturity. If an event of default occurs and is continuing, the Trustee or the registered owners of a majority of the Outstanding Amount of the Series 2011-1 Bonds may declare all the outstanding Series 2011-1 Bonds to be immediately due and payable, together with accrued and unpaid interest thereon through the date of acceleration. Such declaration of acceleration may be rescinded before a judgment or decree for the payment of the money due has been obtained by the Trustee if (a) the registered owners of a majority of the Outstanding Amount of the Series 2011-1 Bonds provide written notice to the Authority and the Trustee, (b) the Authority has paid or deposited with the Trustee amounts sufficient to pay (i) all principal and interest due on all Series 2011-1 Bonds and all other amounts that would then be due under the Indenture or upon such Series 2011-1 Bonds if the event of default giving rise to such acceleration had not occurred and (ii) all sums paid or advanced by the Trustee under the Indenture and the reasonable compensation, expenses, disbursements and advances of the Trustee, any Servicer, and their agents and counsel and (c) any other event of default has been cured or waived.

Direction of Trustee. If an event of default occurs, the registered owners of a majority of the Outstanding Amount of the Series 2011-1 Bonds, upon indemnifying the Trustee for its fees and expenses, will have the right to direct and control the Trustee as to the method of taking any and all proceedings for any sale of any or all of the trust estate, or for the appointment of a receiver, if permitted by law, and may at any time cause any proceedings authorized by the terms of the Indenture to be discontinued or delayed.

Right to Enforce in Trustee. No registered owner will have any right as a registered owner to institute any suit, action or proceedings for the enforcement of the provisions of the Indenture or for the execution of any trust thereunder or for the appointment of a receiver or for any other remedy under the Indenture. All rights of action under the Indenture are vested exclusively in the Trustee, unless and until the Trustee fails for 30 days to institute an action, suit or proceeding after the registered owners of the requisite Outstanding Amount of the Series 2011-1 Bonds:

- will have given to the Trustee written notice of a default under the Indenture, and of the continuance thereof;
- will have made written request upon the Trustee and the Trustee will have been afforded reasonable opportunity to institute such action, suit or proceeding in its own name; and
- will have offered indemnity and security satisfactory to the Trustee against the costs, expenses, and liabilities to be incurred in or by an action, suit or proceeding in its own name.

Waivers of Events of Default. The Trustee will waive an event of default under the Indenture and its consequences and rescind any declaration of acceleration of the Series 2011-1 Bonds due under the Indenture upon the written request of the registered owners of at least a majority of the Outstanding Amount of the Series 2011-1 Bonds. However, any event of default in the payment of the principal of or interest due on any Series 2011-1 Bond issued under the Indenture may not be waived unless prior to the waiver or rescission, provision has been made for payment of all arrears of interest or principal and all expenses of the Trustee in connection with such default. A waiver or rescission of one default will not affect any subsequent or other default, or impair any rights or remedies consequent to any subsequent or other default.

The Trustee

Acceptance of Trust. The Trustee will accept the trusts imposed upon it by the Indenture and will perform those trusts, but only upon and subject to the following terms and conditions:

- except during the continuance of an event of default, the Trustee undertakes to perform only those duties as are specifically set forth in the Indenture;

- except during the continuance of an event of default, the Trustee, in the absence of bad faith on its part, may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of the Indenture; but in the case of any such certificates or opinions which by any provisions of the Indenture are specifically required to be furnished to the Trustee, the Trustee will be under a duty to examine the same to determine whether or not they conform as to form with the requirements of the Indenture and whether or not they contain the statements required under the Indenture;

- in case an event of default has occurred and is continuing, the Trustee, in exercising the rights and powers vested in it by the Indenture, will use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs; and

- before taking any action under the Indenture requested by registered owners, the Trustee may require that it be furnished an indemnity bond or other indemnity and security satisfactory to it by the registered owners, as applicable, for the reimbursement of all fees, costs and expenses (including those of its counsel and agents) to which it may be put and to protect it against liability arising from any action taken by the Trustee, except liability which results from the negligence or willful misconduct of the Trustee and negligence with respect to moneys deposited and applied pursuant to the Indenture, by reason of any action so taken by the Trustee.

Indenture Trustee May Act Through Agents. The Trustee may execute any of the trusts or powers under the Indenture and perform any duty thereunder, either itself or by or through its attorneys, agents, or employees. The Trustee will not be answerable or accountable for any default, neglect or misconduct of any such attorneys, agents or employees, if reasonable care has been exercised in the appointment. The Authority will pay all reasonable costs incurred by the Trustee and all reasonable compensation to all such persons as may reasonably be employed in connection with the trusts of the Indenture.

Duties of the Trustee. The Trustee will not make any representations as to the title of the Authority in the trust estate or as to the security afforded thereby and by the Indenture, or as to the validity or sufficiency of the Indenture or the Series 2011-1 Bonds issued thereunder. If no event of default as defined in the Indenture has occurred, the Trustee is required to perform only those duties specifically required of it under the Indenture. The Trustee will be protected in acting upon any notice, resolution, request, consent, order, certificate, report, appraisal, opinion, or document of the Authority, the Administrator or a Servicer or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with experts and with counsel (who may but need not be counsel for the Authority, for the Trustee, or for a registered owner or who may be Bond Counsel), and the opinion of such counsel will be full and complete authorization and protection in respect of any action taken or suffered, and in respect of any determination made by it under the Indenture in good faith and in accordance with the opinion of such counsel.

The Trustee will not be liable for any action taken, suffered or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by the Indenture; provided, however, that the Trustee will be liable for its negligence or willful misconduct in taking such action. The Trustee is authorized to enter into agreements with other persons, in its capacity as Trustee, in order to carry out or implement the terms and provisions of the Indenture. The Trustee will not be liable for any error of judgment made in good faith by a responsible officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts. The Trustee will not be liable with respect to any action taken, suffered or omitted to be taken in good faith in accordance with the Indenture or any other transaction document or at the direction of the registered owners evidencing the appropriate percentage of the aggregate principal amount of the outstanding Series 2011-1 Bonds relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under the Indenture or any other transaction document.

Indemnification of Trustee. The Trustee is generally under no obligation or duty to perform any act at the request of registered owners or to institute or defend any suit to protect the rights of the registered owners under the Indenture unless properly indemnified and provided with security to its satisfaction. The Trustee is not required to take notice, or be deemed to have knowledge, of any default or event of default of the Authority under the Indenture (other than an event of default described in the first two bullet points under the caption "—Events of Default" above) unless and until a responsible officer of the Trustee has been specifically notified in writing of the default or event of default by the registered owners of the required percentages in Outstanding Amount of the Series 2011-1 Bonds or the Authority.

However, the Trustee may begin suit, or appear in and defend suit, execute any of the trusts created by the Indenture, enforce any of its rights or powers under the Indenture, or do anything else in its judgment proper to be done by it as Trustee, without assurance of reimbursement or indemnity. In that case, the Trustee will be reimbursed or indemnified by the registered owners requesting that action, if any, or, to the extent permitted by law, by the Authority in all other cases, for all reasonable and documented fees, expenses, liabilities, outlays and counsel fees and other reasonable disbursements properly incurred unless such reasonable and documented fees, expenses, liabilities, outlays and counsel fees and other reasonable disbursements are adjudicated to have resulted from the negligence or willful misconduct of the Trustee or any other Trustee indemnified party (as defined below). To the extent permitted by law, the Trustee will not be liable for, and will be held harmless by the Authority from, any liability arising from following any Authority orders, instructions or other directions upon which it is authorized to rely under the Indenture or other agreement to which it is a party. The Trustee and its officers, directors, employees and agents (the "Trustee indemnified parties") will further, to the extent permitted by law, be indemnified for and held harmless by the Authority from and against any loss, liability or expense incurred without negligence or willful misconduct on the part of the Trustee or any other Trustee indemnified parties arising out of or in connection with the Trustee's acceptance or administration of the trust or its duties under the Indenture, including the reasonable costs and expenses of the Trustee indemnified parties in defending themselves against any claim or liability in connection with the exercise or performance of any of the

Trustee's duties under the Indenture. The obligations of the Authority under the Indenture are limited to amounts held under the Indenture and available therefore. If the Authority or the registered owners, as appropriate, fail to make such reimbursement or indemnification, the applicable Trustee indemnified party may reimburse itself, subject to the provisions of the Indenture, from any money in its possession under the provisions of the Indenture, subject only to the prior lien of the Series 2011-1 Bonds for the payment of the principal thereof and interest thereon from the Collection Account.

In no event will the Trustee be responsible or liable for any special, indirect, punitive or consequential loss or damages of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of such action. The rights, privileges, immunities and benefits given to the Trustee under the Indenture, including, without limitation, its right to be indemnified, are extended to, and will be enforceable by the Trustee. The provisions in the Indenture regarding indemnification of the Trustee will survive the resignation or removal of the Trustee and the termination of the Indenture.

Compensation of Trustee. Except as otherwise provided in the Indenture, the Authority will pay to the Trustee reasonable compensation for the services rendered by it under the Indenture, and also all of its advances, counsel fees and other expenses reasonably made or incurred in and about the execution and administration of the trust created by the Indenture. The Trustee and the Authority will agree to a trustee fee prior to the issuance of the Series 2011-1 Bonds, which trustee fee will be applicable so long as the Series 2011-1 Bonds are outstanding. If not paid by the Authority, the Trustee will have a lien on all money held pursuant to the Indenture, subject only to the prior lien of the Series 2011-1 Bonds for the payment of the principal and interest thereon from the Collection Account, unless the Trustee is adjudicated to have incurred liability in connection with its services under the Indenture due to the negligence or willful misconduct of the Trustee or any other Trustee indemnified party.

Resignation of Trustee. The Trustee and any successor to the Trustee may resign and be discharged by giving the Authority notice in writing specifying the date on which the resignation is to take effect; provided, however, that such resignation will only take effect on the day specified in such notice if a qualified successor Trustee has been appointed pursuant to the Indenture. If no successor Trustee has been appointed by that date or within 90 days of the Authority receiving the Trustee's notice, whichever is longer, then the Trustee may either (a) appoint a temporary successor Trustee meeting the eligibility requirements of a trustee under the Indenture; or (b) request a court of competent jurisdiction to (i) require the Authority to appoint a successor Trustee within three days of the receipt of citation or notice by the court or (ii) appoint a successor Trustee itself meeting the eligibility requirements of the Indenture.

Removal of Trustee. The Trustee or any successor to the Trustee may be removed:

- at any time by the registered owners of a majority of the Outstanding Amount of the Series 2011-1 Bonds;

- by the Authority for cause or upon the sale or other disposition of the Trustee or its trust functions; or

- by the Authority without cause so long as no event of default exists or has existed within the last 90 days.

In the event the Trustee is removed, removal will not become effective until:

- a successor Trustee has been appointed; and
- the successor Trustee has accepted that appointment.

Successor Trustee. If the Trustee or any successor to the Trustee resigns, is dissolved, is removed or otherwise is disqualified to act or is incapable of acting, or in case control of the Trustee or of any successor to the Trustee or of its officers is taken over by any public officer or officers, the Authority may appoint a successor Trustee. The Authority will cause notice of the appointment of a successor Trustee to be mailed to the registered owners of the Series 2011-1 Bonds at the address of each registered owner appearing on the bond registration books maintained by the Trustee, as registrar.

Every successor Trustee will be required to meet the following eligibility criteria (which also apply to the initial Trustee):

- will be a bank or trust company in good standing, organized and doing business under the laws of the United States or of a state therein;
- have a reported capital and surplus of not less than $50,000,000;
- will be authorized under the law to exercise corporate trust powers in the State, be subject to supervision or examination by a federal or state authority; and
- will be an eligible lender under the Higher Education Act so long as such designation is necessary to maintain guarantees and federal benefits under the Higher Education Act with respect to the financed student loans.

Merger of the Trustee. Any corporation or association into which the Trustee may be merged or with which it may be consolidated, or any corporation or association resulting from any merger or consolidation to which the Trustee will be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Trustee, will be the successor of the Trustee under the Indenture, provided such corporation or association is otherwise qualified and eligible under the Indenture, without the execution or filing of any paper of any further act on the part of any other parties thereto.

Supplemental Indentures

Supplemental Indentures Not Requiring Consent of Registered Owners. The Authority can agree with the Trustee to enter into any indentures supplemental to the Indenture for any of the following purposes without notice to or the consent of registered owners (except as provided below):

- to cure any ambiguity or formal defect or omission in the Indenture;

- to grant to or confer upon the Trustee for the benefit of the registered owners any additional benefits, rights, remedies, powers or authorities that may lawfully be granted to or conferred upon the registered owners or the Trustee;
- to subject to the Indenture additional revenues, properties or collateral;
- to modify, amend or supplement the Indenture or any indenture supplemental thereto in such manner as to permit the qualification of the Indenture or any indenture supplemental thereto under the Trust Indenture Act of 1939 or any similar federal statute or to permit the qualification of the Series 2011-1 Bonds for sale under the securities laws of the United States of America or of any of the states of the United States of America, and, if they so determine, to add to the Indenture or any indenture supplemental thereto such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute;
- to evidence the appointment of a separate or co-Trustee or a co-registrar or transfer agent or the succession of a new Trustee under the Indenture, or any additional or substitute guarantee agency or Servicer;
- to add such provisions to or to amend such provisions of the Indenture as may be necessary or desirable to implement the student loan business in conformance with the Higher Education Act so long as such additions or amendments are, in the judgment of the Authority, not to the material prejudice of the registered owners of any outstanding Series 2011-1 Bonds;
- to make any change as may be necessary in order to obtain and maintain for any of the Series 2011-1 Bonds an investment grade rating from a nationally recognized rating service, so long as such changes are, in the judgment of the Authority and the Trustee, not to the material prejudice of the registered owners of any outstanding Series 2011-1 Bonds;
- to make any changes necessary to comply with or to obtain more favorable treatment under any current or future law, rule or regulation, including, but not limited to, the Higher Education Act;
- to create any additional funds or accounts or subaccounts under the Indenture deemed by the Trustee to be necessary or desirable;or
- to make any other change which, in the judgment of the Trustee, is not to the material prejudice of the registered owners of any Series 2011-1 Bond outstanding under the Indenture.

Supplemental Indentures Requiring Consent of Registered Owners. Any amendment of the Indenture other than those listed above must be approved by the registered owners of not less than a majority of the Outstanding Amount of the Series 2011-1 Bonds then outstanding under the Indenture, provided that the changes described below may be made in a supplemental indenture only with the consent of the registered owners of all affected Series 2011-1 Bonds:

- an extension of the stated maturity date of the principal of or the interest on any Series 2011-1 Bonds;
- a reduction in the principal amount of any Series 2011-1 Bonds or the rate of interest thereon;
- a privilege or priority of any Series 2011-1 Bond or Series 2011-1 Bonds under the Indenture over any other Series 2011-1 Bond or Series 2011-1 Bonds except as otherwise provided in the Indenture;
- a reduction in the aggregate principal amount of the Series 2011-1 Bonds required for consent to such supplemental indenture; or
- the creation of any lien other than a lien ratably securing all of the Series 2011-1 Bonds at any time outstanding under the Indenture except as otherwise provided in the Indenture.

Additional Limitation on Modification of Indenture. None of the provisions of the Indenture will permit an amendment to the provisions of the Indenture which permits the transfer of all or part of the financed student loans or the granting of an interest therein to any person other than an eligible lender under the Higher Education Act or a Servicer, unless the Higher Education Act is modified so as to permit the same. No amendment or supplement to the Indenture will be effective unless there is delivered to the Trustee an opinion of Bond Counsel to the effect that an amendment or supplement to the Indenture was adopted in conformance with the Indenture.

Trusts Irrevocable

The trust created by the Indenture is irrevocable until the Series 2011-1 Bonds and interest thereon and all other payment obligations under the Indenture are fully paid or provision is made for their payment as provided in the Indenture.

Satisfaction of the Indenture

If the registered owners are paid all the principal of and interest due on their Series 2011-1 Bonds at the times and in the manner stipulated in the Indenture and if all other persons are paid any other amounts payable and secured under the Indenture, then the pledge of the trust estate will thereupon terminate and be discharged. The Trustee will execute and deliver to the Authority instruments to evidence the discharge and satisfaction, and the Trustee will pay all money held by it under the Indenture to the party entitled to receive it under the Indenture.

Series 2011-1 Bonds will be considered to have been paid if money for their payment or prepayment has been set aside and is being held in trust by the Trustee. Any outstanding Series 2011-1 Bond will be considered to have been paid if the Series 2011-1 Bond is to be prepaid on any date prior to its stated maturity and notice of prepayment has been given as provided in the Indenture and on said date there will have been deposited with the Trustee either money or certain non-callable governmental obligations which are unconditionally and fully guaranteed by the United States of America or any agency or instrumentality thereof, the principal of and the interest on which when due will provide money which, together with any money deposited with the Trustee at the time, will be sufficient to pay when due the principal of and interest to become due on the Series 2011-1 Bond on and prior to the prepayment redemption date or stated maturity, as the case may be.

ABSENCE OF LITIGATION

There is no litigation of any nature now pending or threatened, or in any way contesting or affecting the validity of the Series 2011-1 Bonds or any proceedings of the Authority taken with respect to the issuance or sale thereof. Also, there is no such action contesting the pledge or application of any monies or security provided for the payment of the Series 2011-1 Bonds or the existence or powers of the Authority.

LEGALITY OF INVESTMENT

The Authorizing Act provides in Title 70 Oklahoma Statutes, Section 695.3, as follows:

> All bonds issued under the Oklahoma Student Loan Act are legal and authorized investments for banks, savings banks, trust companies, savings and loan associations, insurance companies, credit unions, fiduciaries, trustees and guardians, and for the State of Oklahoma and any of its political subdivisions, departments, institutions and agencies. When accompanied by all unmatured coupons appurtenant thereto, the bonds are sufficient security for all deposits of state funds and of all funds of any board in control at the par value of the bonds.

LEGAL MATTERS

The issuance of the Series 2011-1 Bonds is subject to approval of validity by Kutak Rock LLP, Bond Counsel, whose approving opinion will state, among other things, that under existing law:

A. The Authority is an express trust duly created and established for public purposes, and has full power and authority to issue the Series 2011-1 Bonds and to adopt the Bond Resolution and enter into the Indenture, the Servicing Agreement, the Backup Servicing Agreement, the Joint Sharing Agreement and the other documents contemplated thereby and perform its obligations thereunder;

B. The Bond Resolution, the Indenture, the Servicing Agreement, the Backup Servicing Agreement, and the Joint Sharing Agreement have been duly authorized, executed and delivered, are in full force and effect and constitute legal, valid and binding agreements of the Authority enforceable in accordance with their terms; and

C. The Series 2011-1 Bonds have been duly authorized and issued by the Authority, are entitled to the benefits of the Indenture and are valid and binding limited and special revenue obligations of the Authority secured by and payable solely from the revenues, funds and accounts of the Authority pledged as the trust estate therefor pursuant to the Indenture.

Bond Counsel's approving opinion also will address certain items regarding the tax status of the Series 2011-1 Bonds. In this regard, see the section "TAX MATTERS" herein. Bond Counsel will not pass upon any matters relating to the business, properties, affairs or condition, financial or otherwise, of the Authority. No inference should be drawn that they have expressed an opinion on matters relating to the financial ability of the Authority to perform its obligations under the Series 2011-1 Bonds and the documents described herein.

The opinions expressed by Bond Counsel with respect to the enforceability of the Series 2011-1 Bonds and the documents described herein are qualified to the extent that the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally, by the application of general principles of equity, and by the exercise of judicial discretion in appropriate cases.

See Appendix G in this Official Statement for the form of Bond Counsel's opinion on the Series 2011-1 Bonds.

In addition, Bond Counsel will deliver a supplemental opinion to the Authority, the Underwriter, the Trustee and the Rating Agencies regarding the fair and accurate description of certain provisions of the Series 2011-1 Bonds and the Indenture in this Official Statement, the exemption from securities registration of the Series 2011-1 Bonds and the creation of a first perfected security interest in the Trust Estate which secures the Series 2011-1 Bonds, subject to certain standard exceptions.

Certain legal matters will be passed on for the Authority by its special counsel, Durrell PLLC, Oklahoma City, Oklahoma; for the Underwriter by its counsel, McCall, Parkhurst & Horton L.L.P., San Antonio, Texas; and for the Trustee by its counsel, Riggs, Abney, Neal, Turpen, Orbison & Lewis, Inc., Tulsa, Oklahoma.

Also, certain legal matters will be passed on by the Attorney General of the State of Oklahoma in approving the transcript of legal proceedings.

TAX MATTERS

Bond Counsel is of the opinion that interest on the Series 2011-1 Bonds is included in gross income for federal income tax purposes. Bond Counsel is further of the opinion that, pursuant to the Authorizing Act, the Series 2011-1 Bonds and the income therefrom are exempt from taxation in the State of Oklahoma. Bond Counsel has expressed no opinion regarding other tax consequences arising with respect to the Series 2011-1 Bonds under the laws of the State of Oklahoma or any other state or jurisdiction.

The following is a summary of certain anticipated federal income tax consequences of the purchase, ownership and disposition of the Series 2011-1 Bonds under the Code, the regulations promulgated thereunder (final and proposed) (the "Regulations"), and the judicial and administrative rulings and court decisions now in effect, all of which are subject to change or possible differing interpretations. This summary does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances, nor certain types of investors subject to special treatment under the federal income tax laws. This summary does not address owners that may be subject to special tax rules, such as banks, insurance companies, dealers in securities or currencies, purchasers that hold Series 2011-1 Bonds (or foreign currency) as a hedge against currency risks or as part of a straddle with other investments or as part of a "synthetic security" or other integrated investment (including a "conversion transaction") comprised of a Series 2011-1 Bond and one or more other investments, or purchasers that have a "functional currency" other than the U.S. dollar. Except to the extent discussed below under the caption "Foreign Investors," this summary is not applicable to non-United States persons not subject to federal income tax on their worldwide income. This summary does not discuss the tax laws of any state other than the State of Oklahoma or any local or foreign governments.

In General. Although there are not any regulations, published rulings, or judicial decisions involving the characterization for federal income tax purposes of securities with terms substantially the same as the Series 2011-1 Bonds, Bond Counsel has concluded that the Series 2011-1 Bonds will be treated for federal income tax purposes as evidences of indebtedness of the Authority and not as an ownership interest in the trust estate securing the Series 2011-1 Bonds or as an equity interest in the Authority or any other party, or in a separate association taxable as a corporation. Although the Series 2011-1 Bonds are issued by the Authority, an express trust established for the benefit of the State of Oklahoma, interest on the Series 2011-1 Bonds (including original issue discount, as discussed below) is not excludable from gross income for federal income tax purposes under Section 103 of the Code. Interest on the Series 2011-1 Bonds will be fully subject to federal income taxation. Thus, owners of the Series 2011-1 Bonds generally must include interest (including original issue discount) on the Series 2011-1 Bonds in gross income for federal income tax purposes.

In general, interest paid on the Series 2011-1 Bonds, original issue discount, if any, and market discount, if any, will be treated as ordinary income to the owners of the Series 2011-1 Bonds, and principal payments (excluding the portion of such payments, if any, characterized as original issue discount) will be treated as a return of capital.

Premium. An investor that acquires a Series 2011-1 Bond for a cost greater than its remaining stated redemption price at maturity and holds the Series 2011-1 Bond as a capital asset will be considered to have purchased the Series 2011-1 Bond at a premium and, under Section 171 of the Code, must generally amortize such premium under the constant yield method. Except as may be provided by regulation, amortized premium will be allocated among, and treated as an offset to, interest payments. The basis reduction requirements of Section 1016(a)(5) of the Code apply to amortizable bond premium that reduces interest payments under Section 171 of the Code. Regulations have been issued dealing with certain aspects of federal income tax treatment of bond premium, but such regulations do not fully address the method to be used to amortize bond premium on obligations such as the Series 2011-1 Bonds. Therefore, investors should consult their tax advisors regarding the tax consequences of amortizing bond premium.

Market Discount. An investor that acquires a Series 2011-1 Bond for a price less than the adjusted issue price of such Series 2011-1 Bond (or an investor who purchases the Series 2011-1 Bond in the initial offering at a price less than the issue price) may be subject to the market discount rules of Sections 1276 through 1278 of the Code. Under these sections and the principles applied by the Regulations, "market discount" means (a) in the case of a Series 2011-1 Bond originally issued at a discount, the amount by which the issue price of such Series 2011-1 Bond, increased by all accrued original issue discount (as if held since the issue date), exceeds the initial tax basis of the owner therein, less any prior payments that did not constitute payments of qualified stated interest, and (b) in the case of a Series 2011-1 Bond not originally issued at a discount, the amount by which the stated redemption price of such Series 2011-1 Bond at maturity exceeds the initial tax basis of the owner therein. Under Section 1276 of the Code, the owner of such a Series 2011-1 Bond will generally be required (i) to allocate each principal payment to accrued market discount not previously included in income and to recognize ordinary income to that extent and to treat any gain upon sale or other disposition of such a bond as ordinary income to the extent of any remaining accrued market discount (as described under the caption "Sale or Other Dispositions" below) or (ii) to elect to include such market discount and income currently as it accrues on all market discount instruments acquired by such owner on or after the first day of the taxable year to which such election applies.

The Code authorizes the Treasury Department to issue regulations providing for the method for accruing market discount on debt instruments the principal of which is payable in more than one installment. Until such time as regulations are issued by the Treasury Department, certain rules described in the legislative history of the Code will apply. Under those rules, market discount will be included in income based either (a) on a constant interest basis or (b) in proportion to the accrual of stated interest or, in the case of a Series 2011-1 Bond with original issue discount, in proportion to the accrual of original issue discount.

An owner of a Series 2011-1 Bond who acquired a Series 2011-1 Bond at a market discount also may be required to defer, until the maturity date of such Series 2011-1 Bond or its earlier disposition in a taxable transaction, the deduction of a portion of the amount of interest that the owner paid or accrued during the taxable year on indebtedness incurred or maintained to purchase or carry a Series 2011-1 Bond in excess of the aggregate amount of interest (including original issue discount) includable in such owner's gross income for the taxable year with respect to such Series 2011-1 Bond. The amount of such net interest expense deferred in a taxable year may not exceed the amount of market discount accrued on the Series 2011-1 Bond for the days during the taxable year on which the owner held the Series 2011-1 Bond and, in general, would be deductible when such market discount is includable in income. The amount of any remaining deferred deduction is to be taken into account in the taxable year in which the Series 2011-1 Bond matures or is disposed of in a taxable transaction. In the case of a disposition in which gain or loss is not recognized in whole or in part, any remaining deferred deduction will be allowed to the extent gain is recognized on the disposition. This deferral rule does not apply if the owner elects to include such market discount in income currently as it accrues on all market discount obligations acquired by such owner in that taxable year or thereafter.

Attention is called to the fact that Treasury regulations implementing the market discount rules have not yet been issued. Therefore, investors should consult their own tax advisors regarding the application of these rules as well as the advisability of making any of the elections with respect thereto.

Sales or Other Dispositions. If a Series 2011-1 Bond is sold, redeemed prior to maturity or otherwise disposed of in a taxable transaction, gain or loss will be recognized in an amount equal to the difference between the amount realized on the sale or other disposition, and the adjusted basis of the transferor in the Series 2011-1 Bond. The adjusted basis of a Series 2011-1 Bond generally will be equal to its costs, increased by any original issue discount or market discount included in the gross income of the transferor with respect to the Series 2011-1 Bond and reduced by any amortized bond premium under Section 171 of the Code and by the payments on the Series 2011-1 Bond (other than payments of qualified stated interest), if any, that have previously been received by the transferor. Except as provided in Section 582(c) of the Code, relating to certain financial institutions, or as discussed in the following paragraph, any such gain or loss will be a capital gain or loss taxable at the applicable rate determined by the Code if the Series 2011-1 Bond to which it is attributable is held as a "capital asset."

Gain on the sale or other disposition of a Series 2011-1 Bond that was acquired at a market discount will be taxable as ordinary income in an amount not exceeding the portion of such discount that accrued during the period that the Series 2011-1 Bond was held by the transferor (after reduction by any market discount includable in income by such transferor in accordance with the rules described above under "Market Discount"). In addition, if the Issuer is determined (pursuant to regulations that have yet to be promulgated under Code Section 1271(g)(2)(A)) to have had an intention on the date of original issuance of the Series 2011-1 Bonds to call all or a portion of the Series 2011-1 Bonds prior to maturity, then gain on the sale or other disposition of a Series 2011-1 Bond in an amount equal to the original issue discount not previously includable in gross income would be required to be treated as ordinary income taxable at the applicable rate determined by the Code.

Backup Withholding. Payments of principal and interest (including original issue discount) on the Series 2011-1 Bonds, as well as payments of proceeds from the sale of Series 2011-1 Bonds may be subject to the "backup withholding tax" under Section 3406 of the Code with respect to interest or original issue discount on the Series 2011-1 Bonds if recipients of such payments (other than foreign investors who have properly provided certifications described below) fail to furnish to the payor certain information, including their taxpayer identification numbers, or otherwise fail to establish an exemption from such tax. Any amounts deducted and withheld from a payment to a recipient would be allowed as a credit against the federal income tax of such recipient.

Foreign Investors. An owner of a Series 2011-1 Bond that is not a "United States person" (as defined below) and is not subject to federal income tax as a result of any direct or indirect connection to the United States of America in addition to its ownership of a Series 2011-1 Bond will generally not be subject to United States income or withholding tax in respect of a payment on a Series 2011-1 Bond, provided that the owner complies to the extent necessary with certain identification requirements (including delivery of a statement, signed by the owner under penalties of perjury, certifying that such owner is not a United States person and providing the name and address of such owner). For this purpose the term "United States person" means a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States of America or any political subdivision thereof, or an estate or trust whose income from sources within the United States is includable in gross income for United States of America income tax purposes regardless of its connection with the conduct of a trade or business within the United States of America.

In those instances in which payments of interest on the Series 2011-1 Bonds continue to be subject to withholding, special rules apply with respect to the withholding of tax on payments of interest on, or the sale or exchange of Series 2011-1 Bonds having original issue discount and held by foreign investors. Potential investors that are foreign persons should consult their own tax advisors regarding the specific tax consequences to them of owning a Series 2011-1 Bond.

ERISA Considerations. The Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the Code generally prohibit certain transactions between a qualified employee benefit plan under ERISA (an "ERISA Plan") and persons who, with respect to that plan, are fiduciaries or other "parties in interest" within the meaning of ERISA or "disqualified persons" within the meaning of the Code. In the absence of an applicable statutory, class or administrative exemption, transactions between an ERISA Plan and a party in interest with respect to an ERISA Plan, including the acquisition by one from the other of a Series 2011-1 Bond, could be viewed as violating those prohibitions. In addition, Section 4975 of the Code prohibits transactions between certain tax-favored vehicles such as Individual Retirement Accounts and disqualified persons and Section 503 of the Code includes similar restrictions with respect to governmental and church plans. In this regard, the Authority or any underwriter of the Series 2011-1 Bonds, might be considered or might become a "party in interest" within the meaning of ERISA or a "disqualified person" within the meaning of the Code, with respect to an ERISA Plan or a plan or arrangement subject to Sections 4975 or 503 of the Code. Prohibited transactions within the meaning of ERISA and the Code may arise if Series 2011-1 Bonds are acquired by such plans or arrangements with respect to which the Authority or any underwriter is a party in interest or disqualified person. In all events, fiduciaries of ERISA Plans and plans or arrangements subject to the above Sections of the Code, in consultation with their advisors, should carefully consider the impact of ERISA and the Code on an investment in the Series 2011-1 Bonds.

Defeasance. Defeasance of any Series 2011-1 Bond may result in a reissuance thereof, in which event an Owner will recognize taxable gain or loss equal to the difference between the amount realized from the sale, exchange or retirement (less any accrued qualified stated interest which will be taxable as such) and the Owner's adjusted tax basis in the Series 2011-1 Bond.

Pending and Future Legislation. From time to time, there are legislative proposals in the United States Congress that, if enacted, could alter or amend the federal income tax consequences referred to above or could adversely affect the market value of the Series 2011-1 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, any such proposal would apply to bonds issued prior to enactment. Each purchaser of the Series 2011-1 Bonds should consult his or her own tax advisor regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

PROSPECTIVE PURCHASERS OF THE SERIES 2011-1 BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE SERIES

2011-1 BONDS AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE SERIES 2011-1 BONDS.

ANY FEDERAL TAX ADVICE CONTAINED IN THIS OFFICIAL STATEMENT WAS WRITTEN TO SUPPORT THE MARKETING OF THE SERIES 2011-1 BONDS AND IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY A TAXPAYER FOR THE PURPOSE OF AVOIDING ANY PENALTIES THAT MAY BE IMPOSED UNDER THE CODE. ALL TAXPAYERS SHOULD SEEK ADVICE BASED ON SUCH TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR. THIS DISCLOSURE IS PROVIDED TO COMPLY WITH TREASURY CIRCULAR 230.

RATINGS

Fitch has assigned the Series 2011-1 Bonds a long-term rating of "AAA" and Standard & Poor's has assigned the Series 2011-1 Bonds a long-term rating of "AAA (sf)."

The Ratings reflect only the view of the Rating Agencies. The Ratings are not a recommendation to buy, sell or hold the Series 2011-1 Bonds. An explanation of the significance of the Ratings may be obtained from Standard & Poor's and Fitch.

The Ratings are subject to change or withdrawal at any time. Any such change or withdrawal may affect the market price or marketability of the Series 2011-1 Bonds. Neither the Authority nor the Underwriter has undertaken any responsibility either to bring to the attention of the registered owners of the Series 2011-1 Bonds any proposed change in, or proposed withdrawal of, the Ratings on the Series 2011-1 Bonds or to oppose any such change or withdrawal. Any downward revision or withdrawal of such Ratings may have an adverse effect on the market price of the Series 2011-1 Bonds.

UNDERWRITING

General

The Series 2011-1 Bonds are to be purchased by the Underwriter pursuant to the terms and conditions of the Bond Purchase Agreement (the "*Bond Purchase Agreement*") between the Authority and the Underwriter. The Bond Purchase Agreement requires the Underwriter to pay a purchase price for the Series 2011-1 Bonds of $205,200,000, which is equal to par.

The Bond Purchase Agreement provides that the Underwriter's obligations are subject to certain conditions and that the Underwriter will purchase all of the Series 2011-1 Bonds if any are purchased. Upon delivery of, and payment for, the Series 2011-1 Bonds, the Underwriter will be paid a fee of $776,928, which is approximately 0.37862% of the aggregate principal amount of the Series 2011-1 Bonds, for its services and expenses.

Offering Prices of the Series 2011-1 Bonds

The initial prices shown on the cover page hereof may be changed from time to time by the Underwriter without notice. The Underwriter may offer and sell the Series 2011-1 Bonds to certain dealers (including dealers depositing Series 2011-1 Bonds into investment trusts) and others at prices lower than the price shown on the cover page hereof.

Until the initial distribution of Series 2011-1 Bonds is completed, the rules of the Securities and Exchange Commission may limit the ability of the Underwriter to bid for and purchase the Series 2011-1 Bonds. As an exception to these rules, the Underwriter is permitted to engage in transactions that stabilize the price of the Series 2011-1 Bonds. These transactions consist of bids of purchase for the purpose of pegging, fixing or maintaining the price of the Series 2011-1 Bonds.

Purchases of a security for the purpose of stabilization or to reduce a short position could cause the price of the security to be higher than it might be in the absence of those purchases.

Neither the Authority nor the Underwriter makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the prices of the Series 2011-1 Bonds. In addition, neither the Authority nor the Underwriter makes any representation that the Underwriter will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Related Transactions with the Underwriter and Bank of America

The Underwriter is the remarketing agent for our $175,305,000 Oklahoma Student Loan Bonds and Notes, Senior Variable Rate Demand Obligations, Series 2008IIA-1 (the "Series 2008A Bonds") that will be refunded with some of the proceeds of the Series 2011-1 Bonds. The Underwriter also is the appointed broker-dealer for our $25,000,000 Senior Taxable Auction Rate Bonds, Series 2001A-3.

The Underwriter is an affiliate of Bank of America, N.A. (the "*Bank*"). The Bank is an eligible lender participating in the OSLA Network. This relationship includes loan servicing by us for the Bank, and in the past, ongoing sales of student loans to us by the Bank, including some that may be refinanced into the Trust Estate. Some student loans currently held by the Bank may be sold to us in the future.

The Bank also is the letter of credit provider for the Series 2008A Bonds (for which the Underwriter is the remarketing agent), which are being refunded with proceeds of the Series 2011-1 Bonds. In addition, we maintain depository, commercial banking and banking product relationships with the Bank.

CONTINUING SECONDARY MARKET DISCLOSURE

We will enter into a Continuing Disclosure Undertaking (the *"Undertaking"*) for the benefit of the Beneficial Owners of the Series 2011-1 Bonds. The Undertaking will require us to send certain information annually, and to provide notice of certain events, to information repositories pursuant to the requirements of Section (b)(5) of Rule 15c2-12 (the *"Rule"*) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The specific nature of the information to be provided and a summary of other terms of the Undertaking are set forth in APPENDIX F – "CONTINUING DISCLOSURE UNDERTAKING."

We are in compliance in all material respects with our existing undertakings pursuant to the Rule. A failure to comply with the Undertaking will not constitute a default under the Indenture and Beneficial Owners of the Series 2011-1 Bonds are limited to the remedies described in the Undertaking.

Our failure to comply with the Undertaking must be reported in accordance with the Rule and must be considered by a broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2011-1 Bonds in the secondary market. Consequently, such a failure may adversely affect the market price, transferability and liquidity of the Series 2011-1 Bonds.

APPROVAL

This Official Statement has been approved by the Authority for distribution by the Underwriter to the prospective purchasers and the Registered and Beneficial Owners of the Series 2011-1 Bonds.

OKLAHOMA STUDENT LOAN AUTHORITY

/s/ Patrick T. Rooney
Chairman

ATTEST:

/s/ Hilarie Blaney
Secretary

APPENDIX A

GLOSSARY OF TERMS

Some of the terms used in this Official Statement are set forth below. The Indenture contains the definition of other terms used in this Official Statement. Reference is made to the Indenture for those definitions.

"*Administrator*" means the Oklahoma Student Loan Authority or any successor appointed by the Authority to perform any administrative duties under the Indenture which has entered into an administration agreement with the Authority and the Trustee following receipt by the Authority of the consent of the registered owners representing not less than a majority of the Outstanding Amount of the Series 2011-1 Bonds.

"*Available Funds*" means, with respect to a quarterly distribution date or a monthly servicing and administration payment date, the sum of the following amounts received to the extent not previously distributed: (a) all collections received by any Servicer on the financed student loans (including late fees received by any Servicer with respect to the financed student loans and payments from any guarantee agency received with respect to the financed student loans) but net of (i) any collections in respect of principal on the financed student loans applied by the Authority to recall claims with respect to or repurchase student loans (only to the extent that such student loans were previously financed student loans under the Indenture) from the guarantee agencies or any Servicer; provided, that such claim recall or repurchase is required by the terms of the Guarantee Agreement (including, for this purpose, any claim recall or repurchase which is "strongly encouraged" by the Department's Common Manual), the related servicing agreement, or such claim recall or repurchase is required by federal law or regulations, including, without limitation, the Higher Education Act and the related regulations, and (ii) amounts required by the Higher Education Act to be paid to the Department (including, but not limited to, any monthly rebate fees and any Department rebate interest amounts to be deposited into the Department Rebate Fund or paid directly to the Department) or to be repaid to borrowers (whether or not in the form of a principal reduction of the applicable financed student loan), with respect to the financed student loans; (b) any interest benefit payments and special allowance payments received by the Trustee or the Authority with respect to financed student loans; (c) all liquidation proceeds from any financed student loans which became liquidated financed student loans in accordance with the related Servicer's customary servicing procedures, and all other moneys collected with respect to any liquidated financed student loan which was written off, net of the sum of any amounts expended by the related Servicer in connection with such liquidation and any amounts required by law to be remitted to the obligor on such liquidated financed student loan; (d) the aggregate purchase amounts received for financed student loans repurchased by a seller, a Servicer, the Authority or otherwise released from the lien of this Indenture by the Authority; (e) the aggregate amounts, if any, received from a seller or any Servicer as reimbursement of non-guaranteed interest amounts, or lost interest benefit payments and special allowance payments, with respect to the financed student loans pursuant to a student loan purchase agreement or a servicing agreement, respectively; (f) other amounts received by a Servicer pursuant to its role as Servicer of the financed student loans under the related servicing agreement and payable to the Authority in connection therewith; (g) all interest earned or gain realized from the investment of amounts in any Fund or account; and (h) any other amounts deposited to the Collection Account.

"*Code*" means the Internal Revenue Code of 1986, as amended from time-to-time.

"*Collection Period*" means, with respect to the first quarterly distribution date, the period beginning on the date of issuance and ending on October 31, 2011, and with respect to each subsequent quarterly distribution date, the Collection Period means the three calendar months immediately following the preceding Collection Period.

"*Eligible Lender*" means an entity which is an "eligible lender," as defined in the Higher Education Act (including but not limited to an "eligible lender trustee"), and which has received an eligible lender number or other designation from the Secretary with respect to loans made under the Higher Education Act.

"*Event of Bankruptcy*" means (a) the Authority shall have commenced a voluntary case or other proceeding seeking liquidation, reorganization, or other relief with respect to itself or its debts under any bankruptcy, insolvency, or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian, or other similar official of it or any substantial part of its property, or shall have made a general assignment for the benefit of creditors, or shall have declared a moratorium with respect to its debts or shall have failed generally to pay its debts as they become due, or shall have taken any action to authorize any of the foregoing; or (b) an involuntary case or other proceeding shall have been commenced against the Authority seeking liquidation, reorganization, or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian, or other similar official of it or any substantial part of its property provided such action or proceeding is not dismissed within 60 days.

"*Financed*" when used with respect to student loans, means or refers to (a) student loans acquired or refinanced by the trust estate with balances in the Acquisition Account or otherwise pledged to the Trustee or otherwise constituting a part of the trust estate; and (b) student loans substituted or exchanged for financed student loans, but does not include student loans released from the lien of the Indenture and sold or transferred, to the extent permitted by the Indenture.

"*Fitch*" means Fitch, Inc., Fitch Ratings Ltd., its subsidiaries and its successors and assigns.

"*Guarantee*" or "*Guaranteed*" means, with respect to a student loan, the insurance or guarantee by a guarantee agency pursuant to such guarantee agency's guarantee agreement of the maximum percentage of the principal of and accrued interest on such student loan allowed by the terms of the Higher Education Act with respect to such student loan at the time it was originated and the coverage of such student loan by the federal reimbursement contracts, providing, among other things, for reimbursement to a guarantee agency for payments made by it on defaulted student loans insured or guaranteed by a guarantee agency of at least the minimum reimbursement allowed by the Higher Education Act with respect to a particular student loan.

"*Guarantee Agreements*" means a guarantee or lender agreement between the Authority and a guarantee agency, and any amendments thereto.

"*Higher Education Act*" means the Higher Education Act of 1965, as amended or supplemented from time to time, or any successor federal act and all regulations, directives, bulletins, and guidelines promulgated from time-to-time thereunder.

"*Indenture*" means the indenture of trust between the Authority and the Trustee, including all supplements and amendments thereto.

"*Interest Benefit Payment*" means an interest payment on student loans received pursuant to the Higher Education Act and an agreement with the federal government, or any similar payments.

"*Investment Securities*" means any of the following which are at the time of investment legal investments for the funds of the Authority under the laws of the State, including the Authorizing Act, for the moneys proposed to be invested (provided that the Authority may direct the Trustee in writing to exclude or limit any of the following)

(a) direct obligations of, or obligations on which the timely payment of the principal of and interest on which are unconditionally and fully guaranteed by, the United States of America or any agency or instrumentality thereof, including, but not limited to, direct or fully guaranteed (i) U.S. Treasury obligations, (ii) Farmers Home Administration Certificates of Beneficial Ownership, (iii) General Services Administration participation certificates, (iv) U.S. Maritime Administration guaranteed Title XI financing, (v) Small Business Administration guaranteed participation certificates and guaranteed pool certificates, (vi) U.S. Department of Housing and Urban Development local authority bonds, and (vii) Washington Metropolitan Area Transit Authority guaranteed transit bonds; provided, however, such obligations must be limited to those instruments which have a predetermined fixed dollar amount of principal due at maturity that cannot vary or change, not have an "r" suffix attached to any rating, and have interest tied to a single interest rate index plus a single fixed spread (if any), which interest moves proportionately with such index;

(b) debentures of the Federal Housing Administration;

(c) certain debt instruments of certain government-sponsored agencies, including: (i) Federal Home Loan Mortgage Authority debt obligations, (ii) Farm Credit System (formerly Federal Land Banks, Federal Intermediate Credit Banks, and Banks for Cooperatives) consolidated system-wide bonds and notes, (iii) Federal Home Loan Banks consolidated debt obligations; (iv) the Federal National Mortgage Association debt obligations; (v) Financing Corp. ("FICO") debt obligations; and (vi) Resolution Funding Corp. ("REFCORP") debt obligations or any agency or instrumentality of the United States of America which are established for the purposes of acquiring the obligations of any of the foregoing or otherwise providing financing therefor; provided, however, such obligations must be limited to those instruments which have a predetermined fixed dollar amount of principal due at maturity that cannot vary, not have an "r" suffix attached to any rating, and have interest tied to a single interest rate index plus a single fixed spread (if any), which interest moves proportionately with such index;

(d) federal funds, unsecured certificates of deposit, interest-bearing time or demand deposits, banker's acceptances, and repurchase agreements or other similar banking arrangements with a maturity of 12 months or less with any domestic commercial banks (including those of the Trustee or any affiliate); provided, however, (i) that, at the time of deposit or purchase, such depository institution has commercial paper which is rated "A-1+" by S&P and "AA-/F1+" by Fitch, (ii) that ratings of holding companies may not be considered ratings of the banks; and (iii) such banking arrangements must be limited to those instruments which have a predetermined fixed dollar amount of principal due at maturity that cannot vary or change, not have an "r" suffix attached to any rating, and have interest tied to a single interest rate index plus a single fixed spread (if any), which interest moves proportionately with such index;

(e) deposits that are fully insured by the Federal Deposit Insurance Corp. ("FDIC") which (i) have a predetermined fixed dollar amount of principal due at maturity that cannot vary or change, (ii) if rated, do not have an "r" suffix attached to the rating, and (iii) have interest which is tied to a single interest rate index plus a single fixed spread (if any) and move proportionately with such index;

(f) debt obligations maturing in 365 days or less that are rated at least "AA-" by S&P and "AA-/F1+" by Fitch which (i) have a predetermined fixed dollar amount of principal due at maturity that cannot vary or change, (ii) if rated, do not have an "r" suffix attached to the rating, and (iii) have interest which is tied to a single interest rate index plus a single fixed spread (if any) and move proportionately with such index;

(g) commercial paper, including that of the Trustee and any of its affiliates, which is rated in the single highest classification, "A-1+" by S&P and "F1+" by Fitch, and which matures not more than 365 days after the date of purchase; provided, however, such commercial paper must (i) have a predetermined fixed dollar amount of principal due at maturity that cannot vary or change, (ii) if rated, not have an "r" suffix attached to the rating, and (iii) have interest which is tied to a single interest rate index plus a single fixed spread (if any), which interest moves proportionately with such index;

(h) investments in certain short-term debt, including commercial paper, federal funds, repurchase agreements, unsecured certificates of deposit, time deposits, and banker's acceptances, of issuers rated "A-1" by S&P and "AA-/F1+" by Fitch or S&P; provided, however, (i) only amounts in the Collection Account may be invested in the investment securities described in this clause, (ii) the total amount of such investments may not represent more than 20% of the outstanding principal amount of the Series 2011-1 Bonds, (iii) each such investment may not mature beyond 30 days, (iv) such investments are not eligible for the Debt Service Reserve Account, (v) such investments must have a predetermined fixed dollar amount of principal due at maturity that cannot vary, (vi) if such investments are rated, may not have an "r" suffix attached to the rating, and (vii) such investments must have interest which is tied to a single interest rate index plus a single fixed spread (if any) and move proportionately with such index; and

(i) investments in a money market fund rated at least "AAAm" or "AAAm-G" by S&P and, "AAA/V1+" by Fitch, if then rated by Fitch, including funds for which the Trustee or an affiliate thereof acts as investment advisor or provides other similar services for a fee.

"*Joint Sharing Agreement*" the Joint Sharing Agreement, dated as of October 1, 2008, among the Authority, the Trustee, Bank of America, N.A. and the trustees or lenders for other trust estates of the Authority to properly allocate payments from, and liabilities to, the U.S. Department of Education on student loans among the Trust Estate and each other trust estate established by the Authority, as amended or supplemented from time to time.

LIBOR – "*Three-Month LIBOR*" or "*Five-Month LIBOR*" or "*Six-Month LIBOR*" means, with respect to any interest accrual period, the London interbank offered rate for deposits in U.S. dollars having the applicable index maturity as it appears on Reuters Screen LIBOR01 Page, or another page of this or any other financial reporting service in general use in the financial services industry, as of 11:00 a.m., London time, on the related LIBOR determination date as obtained by the Trustee from such source.

If this rate does not appear on Reuters Screen LIBOR01 Page, or another page of this or any other financial reporting service in general use in the financial services industry, the rate for that day will be determined on the basis of the rates at which deposits in U.S. dollars, having the applicable index maturity and in a principal amount of not less than U.S. $1,000,000, are offered at approximately 11:00 a.m., London time, on that LIBOR determination date, to prime banks in the London interbank market by the reference banks.

The Trustee will request the principal London office of each reference bank to provide a quotation of its rate. If the reference banks provide at least two quotations, the rate for that day will be the arithmetic mean of the quotations. If the reference banks provide fewer than two quotations, the rate for that day will be the arithmetic mean of the rates quoted by major banks in New York City, selected by the Trustee at approximately 11:00 a.m., New York City time, on that LIBOR determination date, for loans in U.S. dollars to leading European banks having the applicable index maturity and in a principal amount of not less than U.S. $1,000,000.

If the banks selected as described above are not providing quotations, Three-Month LIBOR, Five-Month LIBOR or Six-Month LIBOR, as the case may be, in effect for the applicable interest accrual period will be Three-Month LIBOR, Five-Month LIBOR or Six-Month LIBOR, as the case may be, in effect for the previous interest accrual period.

"*Outstanding*" means, when used in connection with any Series 2011-1 Bond, a Series 2011-1 Bond which has been executed and delivered pursuant to the Indenture which at such time remains unpaid as to principal or interest, excluding Series 2011-1 Bonds which have been replaced or for which provision for payment has been made pursuant to the Indenture.

"*Outstanding Amount*" means, as of any date of determination, the aggregate principal amount of all Series 2011-1 Bonds Outstanding at such date of determination.

"*Parity Ratio*" means (a) the Pool Balance (including all accrued interest on the Financed Eligible Loans) and all amounts held on deposit in the Funds and Accounts as of the end of the preceding Collection Period, divided by (b) the Outstanding Amount of the Series 2011-1 Bonds. The Parity Ratio shall be calculated quarterly as of the end of each Collection Period by the Authority and certified to the Trustee upon which the Trustee may conclusively rely with no duty to further examine or determine such information. The Parity Ratio shall be rounded to the nearest 0.01% (rounding 0.005% up to 0.01%).

"*Purchase Amount*" with respect to any financed student loan means the amount required to prepay in full such financed student loan under the terms thereof including all accrued interest thereon and any unamortized premium, it being acknowledged that any accrued and unpaid interest benefit payments or special allowance payments will continue to be payable to the Trustee and constitute part of the trust estate.

"*Rating Agency*" means each of S&P and Fitch and their successors and assigns or any other rating agency requested by the Authority to maintain a rating on any of the Series 2011-1 Bonds.

"*Rating Notification*" means each rating agency, other than S&P, shall have been given notice of such event at least fifteen days prior to the occurrence of such event (or, if fifteen days' advance notice of such event is impracticable, as much advance notice as is practicable) and such rating agency shall not have issued any written notice that the occurrence of such event will cause such rating agency to downgrade any of the ratings then applicable to the Series 2011-1 Bonds or cause such rating agency to suspend, withdraw or qualify the ratings then applicable to the Series 2011-1 Bonds.

"*Registered Owner*" shall mean shall mean the Person in whose name a Series 2011-1 Bond is registered on the registration records maintained by the Trustee for the Series 2011-1 Bonds.

"*S&P*" means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services, LLC business, its successors and assigns.

"*Secretary*" means the Secretary of the Department of Education or any successor to the pertinent functions thereof under the Higher Education Act.

"*Servicer*" shall mean the Authority, and any additional Servicer or successor Servicer which has entered into a Servicing Agreement with the Authority with respect to the Financed Eligible Loans following receipt by the Authority of a Rating Notification.

"*Special Allowance Payments*" means the special allowance payments authorized to be made by the Secretary by Section 438 of the Higher Education Act, or similar allowances, if any, authorized from time-to-time by federal law or regulation.

"*Specified Debt Service Reserve Account Balance*" means, on the date of issuance, $513,000, and thereafter with respect to any quarterly distribution date as long as the Series 2011-1 Bonds are outstanding, the greater of (a) 0.25% of the Outstanding Amount of Series 2011-1 Bonds as of the close of business on the last day of the related Collection Period; or (b) $307,800; provided that in no event will such balance exceed the sum of the Outstanding Amount of the Series 2011-1 Bonds.

The Specified Debt Service Reserve Account Balance may be reduced the consent of the registered owners representing not less than a majority of the Outstanding Amount of the Series 2011-1 Bonds. The Specified Debt Service Reserve Account Balance will be calculated by the Authority and certified to the Trustee. The Trustee may conclusively rely on the Authority certificate with no duty to further examine or determine such information.

"*Student Loan*" means any loan made to finance post-secondary education that is made under the Higher Education Act.

"*Subordinate Administration Fee*" means an additional fee for administering the duties of the Authority and/or the Administrator under the Indenture, which fee shall be (a) if the Parity Ratio is at least equal to 106.0%, but less than 110.0%, as of the end of the preceding Collection Period, an additional 0.05% per annum, calculated monthly based on the aggregate outstanding principal balance of the Financed Eligible Loans as of the end of each month with the preceding Collection Period; (b) if the Parity Ratio is at least equal to 110.0%, but less than 115.0%, as of the end of the preceding Collection Period, an additional 0.10% per annum, calculated monthly based on the aggregate outstanding principal balance of the Financed Eligible Loans as of the end of each month within the preceding Collection Period; (c) if the Parity Ratio is at least equal to 115.0%, but less than 120.0%, as of the end of the preceding Collection Period, an additional 0.15% per annum, calculated monthly based on the aggregate outstanding principal balance of the Financed Eligible Loans as of the end of each month within the preceding Collection Period; (d) if the Parity Ratio is at least equal to 120.0%, but less than 125.0%, as of the end of the preceding Collection Period, an additional 0.20% per annum, calculated monthly based on the aggregate outstanding principal balance of the Financed Eligible Loans as of the end of each month within the preceding Collection Period; and (e) if the Parity Ratio is at least equal to 125.0% as of the end of the prior Collection Period, an additional 0.25% per annum, calculated monthly based on the aggregate outstanding principal balance of the Financed Eligible Loans as of the end of each month within the preceding Collection Period; provided, however, the Subordinate Administration Fee shall be reduced by the amount that the Administration Fee paid pursuant to the Indenture exceeds 0.10% per annum, calculated monthly based on the aggregate outstanding principal balance of the Financed Eligible Loans as of the end of each month within the preceding Collection Period. No Subordinate Administration Fee shall be paid if the Parity Ratio is less than 106.0% as of the end of the prior Collection Period.

"*Supplemental Indenture*" means an agreement supplemental to the Indenture executed pursuant to the Indenture.

APPENDIX B

DESCRIPTION OF THE FFEL PROGRAM

Beginning on July 1, 2010, FFELP Loans made pursuant to the Higher Education Act may no longer be originated, and all new federal student loans will be originated solely under the Federal Direct Student Loan Program (the "Direct Loan Program"). However, FFELP Loans originated under the Higher Education Act prior to July 1, 2010 which have been acquired by the Authority (including the loans described in this Official Statement under the caption "CHARACTERISTICS OF THE FINANCED STUDENT LOANS") continue to be subject to the provisions of the FFEL Program. The following description of the FFEL Program has been provided solely to explain certain of the provisions of the FFEL Program applicable to FFELP Loans made on or after July 1, 1998 and prior to July 1, 2010. Notwithstanding anything herein to the contrary, after June 30, 2010, no new FFELP Loans (including Consolidation Loans) may be made or insured under the FFEL Program, and no funds are authorized to be appropriated, or may be expended, under the Higher Education Act to make or insure loans under the FFEL Program (including Consolidation Loans) for which the first disbursement is after June 30, 2010, except as expressly authorized by an Act of Congress.

The following summary of the FFEL Program, as established by the Higher Education Act, does not purport to be comprehensive or definitive and is qualified in its entirety by reference to the text of the Higher Education Act and the regulations thereunder.

The Higher Education Act provides for several different educational loan programs (collectively, the "Federal Family Education Loan Program" or "FFEL Program," and the loans originated thereunder, "Federal Family Education Loans" or "FFELP Loans"). Under the FFEL Program, state agencies or private nonprofit corporations administering student loan insurance programs ("Guaranty Agencies") are reimbursed for portions of losses sustained in connection with FFELP Loans, and holders of certain loans made under such programs are paid subsidies for owning such loans. Certain provisions of the Federal Family Education Loan Program are summarized below.

The Higher Education Act has been subject to frequent amendments and federal budgetary legislation, the most significant of which has been the passage of H.R. 4872 (the "Health Care & Education Affordability Reconciliation Act of 2010" or "HCEARA") which terminated originations of FFELP Loans under the FFEL Program after June 30, 2010 such that all new federal student loans on and after July 1, 2010 are originated under the Direct Loan Program.

Federal Family Education Loans

Several types of loans were authorized as Federal Family Education Loans pursuant to the Federal Family Education Loan Program. These included: (a) loans to students meeting certain financial needs tests with respect to which the federal government makes interest payments available to reduce student interest cost during periods of enrollment ("Subsidized Stafford Loans"); (b) loans to students made without regard to financial need with respect to which the federal government does not make such interest payments ("Unsubsidized Stafford Loans" and, collectively with Subsidized Stafford Loans, "Stafford Loans"); (c) loans to graduate students, professional students, or parents of dependent students ("PLUS Loans"); and (d) loans available to borrowers with certain existing federal educational loans to consolidate repayment of such loans ("Consolidation Loans").

Generally, a FFELP Loan was made only to a United States citizen or permanent resident or otherwise eligible individual under federal regulations who (a) had been accepted for enrollment or is enrolled and is maintaining satisfactory progress at an eligible institution; (b) was carrying at least one-half of the normal full-time academic workload for the course of study the student is pursuing, as determined by such institution; (c) agreed to notify promptly the holder of the loan of any address change; (d) was not in default on any federal education loans; (e) met the applicable "need" requirements; and (f) had not committed a crime involving fraud or obtaining funds under the Higher Education Act which funds had not been fully repaid. Eligible institutions included higher educational institutions and vocational schools that complied with certain federal regulations. With certain exceptions, an institution with a cohort default rate that was equal to or greater than 25% for each of the three most recent fiscal years for which data was available was not an eligible institution under the Higher Education Act.

Subsidized Stafford Loans

The Higher Education Act provides for federal (a) insurance or reinsurance of eligible Subsidized Stafford Loans, (b) interest benefit payments for borrowers remitted to eligible lenders with respect to certain eligible Subsidized Stafford Loans, and (c) special allowance payments representing an additional subsidy paid by the Secretary to such holders of eligible Subsidized Stafford Loans.

Subsidized Stafford Loans were eligible for reinsurance under the Higher Education Act if the eligible student to whom the loan was made had been accepted or was enrolled in good standing at an eligible institution of higher education or vocational school and was carrying at least one-half the normal full-time workload at that institution. In connection with eligible Subsidized Stafford Loans there were limits as to the maximum amount which could be borrowed for an academic year and in the aggregate for both undergraduate and graduate/professional study. The Secretary had discretion to raise these limits to accommodate students undertaking specialized training requiring exceptionally high costs of education.

Subject to these limits, Subsidized Stafford Loans were available to borrowers in amounts not exceeding their unmet need for financing as provided in the Higher Education Act.

Unsubsidized Stafford Loans

Unsubsidized Stafford Loans were available for students who do not qualify for Subsidized Stafford Loans due to parental and/or student income or assets in excess of permitted amounts. In other respects, the general requirements for Unsubsidized Stafford Loans were essentially the same as those for Subsidized Stafford Loans. The interest rate, the loan fee requirements and the special allowance payment provisions of the Unsubsidized Stafford Loans were the same as the Subsidized Stafford Loans. However, the terms of the Unsubsidized Stafford Loans differ materially from Subsidized Stafford Loans in that the Secretary does not make interest benefit payments and the loan limitations were determined without respect to the expected family contribution. The borrower was required to pay interest from the time such loan was disbursed or capitalize the interest until repayment begins.

PLUS Loan Program

The Higher Education Act authorized PLUS Loans to be made to graduate students, professional students, or parents of eligible dependent students. Only graduate students, professional students and parents who did not have an adverse credit history were eligible for PLUS Loans. The basic provisions applicable to PLUS Loans were similar to those of Stafford Loans with respect to the involvement of Guaranty Agencies and the Secretary in providing federal reinsurance on the loans. However, PLUS Loans differ significantly from Subsidized Stafford Loans, particularly because federal interest benefit payments are not available under the PLUS Program and special allowance payments are more restricted.

The Consolidation Loan Program

The Higher Education Act authorized a program under which certain borrowers may consolidate their various student loans into a single loan insured and reinsured on a basis similar to Subsidized Stafford Loans. The authority to make such Consolidation Loans expired on June 30, 2010. Consolidation Loans were made in an amount sufficient to pay outstanding principal, unpaid interest and late charges on certain federally insured or reinsured student loans incurred under and pursuant to the Federal Family Education Loan Program (other than Parent PLUS Loans) selected by the borrower, as well as loans made pursuant to the Perkins Loan Program, the Health Professions Student Loan Programs and the Direct Loan Program. Consolidation Loans made pursuant to the Direct Loan Program must conform to the eligibility requirements for Consolidation Loans under the Federal Family Education Loan Program. The borrowers could have been either in repayment status or in a grace period preceding repayment, but the borrower could not still be in school. Delinquent or defaulted borrowers were eligible to obtain Consolidation Loans if they agreed to re-enter repayment through loan consolidation. Borrowers were permitted to add additional loans to a Consolidation Loan during the 180-day period following origination of the Consolidation Loan. Further, a married couple who agreed to be jointly and severally liable was treated as one borrower for purposes of loan consolidation eligibility. A Consolidation Loan is federally insured or reinsured only if such loan is made in compliance with the requirements of the Higher Education Act.

The Higher Education Act authorizes the Secretary to offer the borrower a Direct Consolidation Loan with repayment provisions authorized under the Higher Education Act and terms consistent with a Consolidation Loan made pursuant to the FFEL Program. In addition, the Secretary may offer the borrower of a Consolidation Loan a Direct Consolidation Loan for one of three purposes: (a) providing the borrower with an income contingent repayment plan (or income-based repayment plan as of July 1, 2009) if the borrower's delinquent loan has been submitted to a Guaranty Agency for default aversion (or, as of July 1, 2009, if the loan is already in default); (b) allowing the borrower to participate in a public service loan forgiveness program offered under the Direct Loan Program or (c) allowing the borrower to use the no accrual of interest for active duty service members benefit offered under the Direct Loan Program for not more than sixty months for loans first disbursed on or after October 1, 2008. In order to participate in the public service loan forgiveness program, the borrower must not have defaulted on the Direct Loan; must have made 120 monthly payments on the Direct Loan after October 1, 2007 under certain income based repayment plans, a standard 10-year repayment plan for certain Direct Loans, or a certain income contingent repayment plan; and must be employed in a public service job at the time of forgiveness and during the period in which the borrower makes each of his 120 monthly payments. A public service job is defined broadly and includes working at an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended and restated (the "IRC"), which is exempt from taxation under Section 501(a) of the IRC. No borrower may, however, receive a reduction of loan obligations under both the public service loan forgiveness program offered under the Direct Loan Program and the following programs: (a) the loan forgiveness program for teachers offered under both the FFEL Program and the Direct Loan Program, (b) the loan forgiveness program for service in areas of national need offered under the FFEL Program and (c) the loan repayment program for civil legal assistance attorneys offered under the FFEL Program.

Federal Direct Student Loan Program

The Student Loan Reform Act of 1993 established the Direct Loan Program. The first loans under the Direct Loan Program were made available for the 1994-1995 academic year. Under the Direct Loan Program, approved institutions of higher education, or alternative loan originators approved by the United States Department of Education (the "Department of Education"), make loans to students or parents without application to or funding from outside lenders or Guaranty Agencies. The Department of

Education provides the funds for such loans, and the program provides for a variety of flexible repayment plans, including extended, graduated and income contingent repayment plans, forbearance of payments during periods of national service and consolidation under the Direct Loan Program of existing student loans. Such consolidation permits borrowers to prepay existing student loans and consolidate them into a Federal Direct Consolidation Loan under the Direct Loan Program. The Direct Loan Program also provides certain programs under which principal may be forgiven or interest rates may be reduced. Direct Loan Program repayment plans, other than income contingent plans, must be consistent with the requirements under the Higher Education Act for repayment plans under the FFEL Program. Due to the enactment of HCEARA, FFELP Loans made pursuant to the Higher Education Act are no longer originated, and new federal student loans are originated solely under the Direct Loan Program.

HCEARA additionally temporarily granted the Secretary authority to make a Federal Direct Consolidation Loan to a borrower (a) who had one or more loans in two or more of the following categories: (i) loans made under the Direct Loan Program, (ii) loans purchased by the Secretary pursuant to the provisions described herein under "—Secretary's Temporary Authority to Purchase Stafford Loans and PLUS Loans" below and (iii) loans made under the FFEL Program that are held by an eligible lender; (b) who had not yet entered repayment on one or more of such loans in any of the categories described in clause (a)(i)-(iii) herein; and (c) whose application for such Federal Direct Consolidation Loan was received by the Secretary on or after July 1, 2010 and before July 1, 2011.

Interest Rates

Subsidized and Unsubsidized Stafford Loans. Subsidized and Unsubsidized Stafford Loans made on or after October 1, 1998 but before July 1, 2006 which are in in-school, grace and deferment periods bear interest at a rate equivalent to the 91-day T-Bill rate plus 1.70%, with a maximum rate of 8.25%. Subsidized Stafford Loans and Unsubsidized Stafford Loans made on or after October 1, 1998 but before July 1, 2006 in all other payment periods bear interest at a rate equivalent to the 91-day T-Bill rate plus 2.30%, with a maximum rate of 8.25%. The rate is adjusted annually on July 1.

Subsidized Stafford Loans disbursed on or after July 1, 2006 and before July 1, 2010 bear interest at progressively lowered rates described below. Subsidized Stafford Loans made on or after July 1, 2006 but before July 1, 2008 bear interest at a rate equal to 6.80% per annum. Subsidized Stafford Loans made on or after July 1, 2008 but before July 1, 2009 bear interest at a rate equal to 6.00% per annum. Subsidized Stafford Loans made on or after July 1, 2009 but before July 1, 2010 bear interest at a rate equal to 5.60% per annum.

Unsubsidized Stafford Loans made on or after July 1, 2006 and before July 1, 2010 bear interest at a rate equal to 6.80% per annum.

PLUS Loans. PLUS Loans made on or after October 1, 1998 but before July 1, 2006 bear interest at a rate equivalent to the 91-day T-Bill rate plus 3.10%, with a maximum rate of 9.00%. The rate is adjusted annually on July 1. PLUS Loans made on or after July 1, 2006 and before July 1, 2010 bear interest at a rate equal to 8.50% per annum.

Consolidation Loans. Consolidation Loans for which the application was received by an eligible lender on or after October 1, 1998 and that was disbursed before July 1, 2010 bear interest at a fixed rate equal to the lesser of (a) the weighted average of the interest rates on the loans consolidated, rounded upward to the nearest one-eighth of 1.00% or (b) 8.25%.

Servicemembers Civil Relief Act – 6.00% Interest Rate Limitation. As of August 14, 2008, FFELP Loans incurred by a servicemember, or by a servicemember and the servicemember's spouse jointly, before the servicemember enters military service may not bear interest at a rate in excess of 6.00% during the period of military service. It is not clear at this time, however, if this interest rate limitation applies to a servicemember's already existing student loans or only to new student loans incurred by the servicemember on or after August 14, 2008 but prior to the servicemember's military service.

Loan Disbursements

The Higher Education Act generally required that Stafford Loans and PLUS Loans made to cover multiple enrollment periods, such as a semester, trimester, or quarter, be disbursed by eligible lenders in at least two separate disbursements. The Higher Education Act also generally required that the first installment of such loans made to a student who is entering the first year of a program of undergraduate education and who has not previously obtained a FFEL Program loan (a "First FFEL Student") must be presented by the institution to the student 30 days after the First FFEL Student begins a course of study. However, certain institutions whose cohort default rate was less than 10% prior to October 1, 2011 and less than 15% on or after October 1, 2011 for each of the three most recent fiscal years for which data was available were permitted to (a) disburse any such loan made in a single installment for any period of enrollment that was not more than a semester, trimester, quarter, or 4 months and (b) deliver any such loan that was to be made to a First FFEL Student prior to the end of the 30 day period after the First FFEL Student began his or her course of study at the institution.

Loan Limits

A Stafford Loan borrower was permitted to receive a subsidized loan, an unsubsidized loan, or a combination of both for an academic period. Generally, the maximum amount of Stafford Loans, made prior to July 1, 2007, for an academic year was not permitted to exceed $2,625 for the first year of undergraduate study, $3,500 for the second year of undergraduate study and $5,500 per year for the remainder of undergraduate study. The maximum amount of Stafford Loans, made on or after July 1, 2007, for an academic year was not permitted to exceed $3,500 for the first year of undergraduate study and $4,500 for the second year of undergraduate study. The aggregate limit for undergraduate study was $23,000 (excluding PLUS Loans). Dependent undergraduate students were permitted to receive an additional unsubsidized Stafford Loan of up to $2,000 per academic year, with an aggregate maximum of $31,000. Independent undergraduate students were permitted to receive an additional Unsubsidized Stafford Loan of up to $6,000 per academic year for the first two years and up to $7,000 per academic year thereafter, with an aggregate maximum of $57,500. The maximum amount of subsidized loans for an academic year for graduate students was $8,500. Graduate students were permitted to borrow an additional Unsubsidized Stafford Loan of up to $12,000 per academic year. The Secretary had discretion to raise these limits by regulation to accommodate highly specialized or exceptionally expensive courses of study.

The total amount of all PLUS Loans that (a) parents were permitted to borrow on behalf of each dependent student or (b) graduate or professional students were permitted to borrow for any academic year was not permitted to exceed the student's estimated cost of attendance minus other financial assistance for that student as certified by the eligible institution which the student attends.

Repayment

General. Repayment of principal on a Stafford Loan does not commence while a student remains a qualified student, but generally begins six months after the date a borrower ceases to pursue at least a half-time course of study (the six month period is the "Grace Period"). Repayment of interest on an Unsubsidized Stafford Loan begins immediately upon disbursement of the loan; however, the lender may capitalize the interest until repayment of principal is scheduled to begin. Except for certain borrowers as described below, each loan generally must be scheduled for repayment over a period of not more than 10 years after the commencement of repayment. The Higher Education Act currently requires minimum annual payments of $600, including principal and interest, unless the borrower and the lender agree to lesser payments. Regulations of the Secretary require lenders to offer borrowers standard, graduated, income-sensitive, or, as of July 1, 2009 for certain eligible borrowers, income-based repayment plans. Use of income-based repayment plans may extend the ten-year maximum term.

Effective July 1, 2009, a new income-based repayment plan became available to certain FFEL Program borrowers and Direct Loan Program borrowers. To be eligible to participate in the plan, the borrower's annual amount due on loans made to a borrower prior to July 1, 2010 with respect to FFEL Program borrowers and prior to July 1, 2014 with respect to Direct Loan Program borrowers (as calculated under a standard 10-year repayment plan for such loans) must exceed 15% of the result obtained by calculating the amount by which the borrower's adjusted gross income (and the borrower's spouse's adjusted gross income, if applicable) exceeds 150% of the poverty line applicable to the borrower's family size. With respect to any loan made to a new Direct Loan Program borrower on or after July 1, 2014, the borrower's annual amount due on such loans (as calculated under a standard 10-year repayment plan for such loans) must exceed 10% of the result obtained by calculating the amount by which the borrower's adjusted gross income (and the borrower's spouse's adjusted gross income, if applicable) exceeds 150% of the poverty line applicable to the borrower's family size. Such a borrower may elect to have his payments limited to the monthly amount of the above-described result. Furthermore, the borrower is permitted to repay his loans over a term greater than 10 years. The Secretary will repay any outstanding principal and interest on eligible FFEL Program loans and cancel any outstanding principal and interest on eligible Direct Loan Program loans for borrowers who participated in the new income-based repayment plan and, for a period of time prescribed by the Secretary (but not more than 25 years for a borrower whose loan was made prior to July 1, 2010 with respect to FFEL Program loans and prior to July 1, 2014 with respect to Direct Loan Program loans and not more than 20 years for a Direct Loan Program borrower whose loan was made on or after July 1, 2014), have (a) made certain reduced monthly payments under the income-based repayment plan; (b) made certain payments based on a 10-year repayment period when the borrower first made the election to participate in the income-based repayment plan; (c) made certain payments based on a standard 10-year repayment period; (d) made certain payments under an income-contingent repayment plan for certain Direct Loan Program loans; or (e) have been in an economic hardship deferment.

Borrowers of Subsidized Stafford Loans and of the subsidized portion of Consolidation Loans, and borrowers of similar subsidized loans under the Direct Loan Program receive additional benefits under the new income-based repayment program: the Secretary will pay any unpaid interest due on the borrower's subsidized loans for up to three years after the borrower first elects to participate in the new income-based repayment plan (excluding any periods where the borrower has obtained economic hardship deferment). For both subsidized and unsubsidized loans, interest is capitalized when the borrower either ends his participation in the income-based repayment program or begins making certain payments under the program calculated for those borrowers whose financial hardship has ended.

PLUS Loans enter repayment on the date the last disbursement is made on the loan. Interest accrues and is due and payable from the date of the first disbursement of the loan. The first payment is due within 60 days after the loan is fully disbursed, subject to deferral. For parent borrowers whose loans were first disbursed on or after July 1, 2008, it is possible, upon the request of the parent, to begin repayment on the later of (a) six months and one day after the student for whom the loan is borrowed ceases to carry at least one-half of the normal full-time academic workload (as determined by the school) and (b) if the parent borrower is also a student, six months and one day after the date such parent borrower ceases to carry at least one-half such a workload. Similarly, graduate and professional student borrowers whose loans were first disbursed on or after July 1, 2008 may begin repayment six months and one day after such student ceases to carry at least one-half the normal full-time academic workload (as determined by the school). Repayment plans are the same as in the Subsidized and Unsubsidized Stafford Loan Program for all PLUS Loans except those PLUS Loans which are made, insured, or guaranteed on behalf of a dependent student; such excepted PLUS Loans are not eligible for the income-based repayment plan which became effective on July 1, 2009. Furthermore, eligible lenders were permitted to determine for all PLUS Loan borrowers (a) whose loans were first disbursed on or after July 1, 2008 that extenuating circumstances existed if between January 1, 2007 through December 31, 2009, a PLUS Loan applicant (1) was or had been delinquent for 180 days or less on the borrower's residential mortgage loan payments or on medical bills, and (2) did not otherwise have an adverse credit history, as determined by the lender in accordance with the regulations promulgated under the Higher Education Act prior to May 7, 2008 and (b) whose loans were first disbursed prior to July 1, 2008 that extenuating circumstances existed if between January 1, 2007 through December 31, 2009, a PLUS Loan applicant (1) was or had been delinquent for 180 days or less on the borrower's residential mortgage loan or on medical bills and (2) was not and had not been delinquent on the repayment of any other debt for more than 89 days during the period.

Consolidation Loans enter repayment on the date the loan is disbursed. The first payment is due within 60 days after all holders of the loan have discharged the liabilities of the borrower on the loan selected for consolidation. Consolidation Loans which are not being paid pursuant to income-sensitive repayment plans (or, as of July 1, 2009, income-based repayment plans) must generally be repaid during a period agreed to by the borrower and lender, subject to maximum repayment periods which vary depending upon the principal amount of the borrower's outstanding student loans (but no longer than 30 years). Consolidation Loans may also be repaid pursuant to the new income-based repayment plan which became effective on July 1, 2009. However, Consolidation Loans which have been used to repay a PLUS Loan that has been made, insured, or guaranteed on behalf of a dependent student were not eligible for this new income-based repayment plan.

FFEL Program borrowers who accumulate outstanding FFELP Loans on or after October 7, 1998 totaling more than $30,000 were permitted to receive an extended repayment plan, with a fixed annual or graduated payment amount paid over a longer period of time, not to exceed 25 years. A borrower may accelerate principal payments at any time without penalty. Once a repayment plan is established, the borrower may annually change the selection of the plan.

Deferment and Forbearance Periods. No principal repayments need to be made during certain periods prescribed by the Higher Education Act ("Deferment Periods") but interest accrues and must be paid. Generally, Deferment Periods include periods (a) when the borrower has returned to an eligible educational institution on a half-time basis or is pursuing studies pursuant to an approved graduate fellowship or an approved rehabilitation training program for disabled individuals; (b) not in excess of three years while the borrower is seeking and unable to find full-time employment; (c) while the borrower is serving on active duty during a war or other military operation or national emergency, is performing qualifying National Guard duty during a war or other military operation or national emergency, and for 180 days following the borrower's demobilization date for the above-described services; (d) during the 13 months following service if the borrower is a member of the National Guard, a member of a reserve component of the military, or a retired member of the military who (i) is called or ordered to active duty, and (ii) is or was enrolled within six months prior to the activation at an eligible educational institution; (e) if the borrower is in active military duty, or is in reserve status and called to active duty; and (f) not in excess of three years for any reason which the lender determines, in accordance with regulations, has caused or will cause the borrower economic hardship. Deferment periods extend the maximum repayment periods. Under certain circumstances, a lender may also allow periods of forbearance ("Forbearance") during which the borrower may defer payments because of temporary financial hardship. The Higher Education Act specifies certain periods during which Forbearance is mandatory. Mandatory

Forbearance periods include, but are not limited to, periods during which the borrower is (i) participating in a medical or dental residency and is not eligible for deferment; (ii) serving in a qualified medical or dental internship program or certain national service programs; or (iii) determined to have a debt burden of certain federal loans equal to or exceeding 20% of the borrower's gross income. In other circumstances, Forbearance may be granted at the lender's option. Forbearance also extends the maximum repayment periods.

Master Promissory Notes

Since July 2000, all lenders were required to use a master promissory note (the "MPN") for new Stafford Loans. Unless otherwise notified by the Secretary, each institution of higher education that participated in the FFEL Program was permitted to use a master promissory note for FFELP Loans. The MPN permitted a borrower to obtain future loans without the necessity of executing a new promissory note. Borrowers were not, however, required to obtain all of their future loans from their original lender, but if a borrower obtains a loan from a lender which does not presently hold an MPN for that borrower, that borrower was required to execute a new MPN. A single borrower may have several MPNs evidencing loans to multiple lenders. If multiple loans have been advanced pursuant to a single MPN, any or all of those loans may be individually sold by the holder of the MPN to one or more different secondary market purchasers.

Interest Benefit Payments

The Secretary is to pay interest on Subsidized Stafford Loans while the borrower is a qualified student, during a Grace Period or during certain Deferment Periods. In addition, those portions of Consolidation Loans that repay Subsidized Stafford Loans or similar subsidized loans made under the Direct Loan Program are eligible for interest benefit payments. The Secretary is required to make interest benefit payments to the holder of Subsidized Stafford Loans in the amount of interest accruing on the unpaid balance thereof prior to the commencement of repayment or during any Deferment Period. The Higher Education Act provides that the holder of an eligible Subsidized Stafford Loan, or the eligible portions of Consolidation Loans, shall be deemed to have a contractual right against the United States to receive interest benefit payments in accordance with its provisions.

Special Allowance Payments

The Higher Education Act provides for special allowance payments to be made by the Secretary to eligible lenders. The rates for special allowance payments are based on formulas that differ according to the type of loan, the date the loan was first disbursed, the interest rate and the type of funds used to finance such loan (tax-exempt or taxable). Loans made or purchased with funds obtained by the holder from the issuance of tax-exempt obligations issued prior to October 1, 1993 have an effective minimum rate of return of 9.50%. Amounts derived from recoveries of principal on loans made prior to October 1, 1993 may only be used to originate or acquire additional loans by a unit of a state or local government, or non-profit entity not owned or controlled by or under common ownership of a for-profit entity and held directly or through any subsidiary, affiliate or trustee, which entity has a total unpaid balance of principal equal to or less than $100,000,000 on loans for which special allowances were paid in the most recent quarterly payment prior to September 30, 2005. Such entities were permitted to originate or acquire additional loans with amounts derived from recoveries of principal until December 31, 2010. The special allowance payments payable with respect to eligible loans acquired or funded with the proceeds of tax-exempt obligations issued after September 30, 1993 are equal to those paid to other lenders.

Subject to the foregoing, the formulas for special allowance payment rates for Subsidized and Unsubsidized Stafford Loans are summarized in the following chart. The term "T-Bill" as used in this table and the following table, means the average 91-day Treasury bill rate calculated at a "bond equivalent rate" in the manner applied by the Secretary as referred to in Section 438 of the Higher Education Act. The term "Three Month Commercial Paper Rate" means the 90-day commercial paper index calculated quarterly and based on an average of the daily 90-day commercial paper rates reported in the Federal Reserve's Statistical Release H-15.

Date of Loans	Annualized SAP Rate
On or after October 1, 1992	T-Bill Rate less Applicable Interest Rate + 3.10%
On or after July 1, 1995	T-Bill Rate less Applicable Interest Rate + 3.10% [1]
On or after July 1, 1998	T-Bill Rate less Applicable Interest Rate + 2.80% [2]
On or after January 1, 2000 (and before September 30, 2007)	Three Month Commercial Paper Rate less Applicable Interest Rate + 2.34% [3]
On or after October 1, 2007 and before July 1, 2010 if an eligible not-for-profit lender (or an eligible lender trustee on its behalf) is the holder of the loan	Three Month Commercial Paper Rate less Applicable Interest Rate + 1.94% [4]
On or after October 1, 2007 and before July 1, 2010 if an eligible lender other than an eligible not-for-profit lender (or an eligible lender trustee on its behalf) is the holder of the loan	Three Month Commercial Paper Rate less Applicable Interest Rate + 1.79% [5]

[1] Substitute 2.50% in this formula while such loans are in the in-school or grace period.
[2] Substitute 2.20% in this formula while such loans are in the in-school or grace period.
[3] Substitute 1.74% in this formula while such loans are in the in-school or grace period.
[4] Substitute 1.34% in this formula while such loans are in the in-school or grace period.
[5] Substitute 1.19% in this formula while such loans are in the in-school or grace period.

The formulas for special allowance payment rates for PLUS Loans are as follows:

Date of Loans	Annualized SAP Rate
On or after October 1, 1992	T-Bill Rate less Applicable Interest Rate + 3.10%
On or after January 1, 2000 (and before September 30, 2007)	Three Month Commercial Paper Rate less Applicable Interest Rate +2.64%
On or after October 1, 2007 and before July 1, 2010 if an eligible not-for-profit lender (or an eligible lender trustee on its behalf) is the holder of the loan	Three Month Commercial Paper Rate less Applicable Interest Rate + 1.94%
On or after October 1, 2007 and before July 1, 2010 if an eligible lender other than an eligible not-for-profit lender (or an eligible lender trustee on its behalf) is the holder of the loan	Three Month Commercial Paper Rate less Applicable Interest Rate + 1.79%

The formulas for special allowance payment rates for Consolidation Loans are as follows:

Date of Loans	Annualized SAP Rate
On or after October 1, 1992	T-Bill Rate less Applicable Interest Rate + 3.10%
On or after January 1, 2000 (and before September 30, 2007)	Three Month Commercial Paper Rate less Applicable Interest Rate + 2.64%
On or after October 1, 2007 and before July 1, 2010 if an eligible not-for-profit lender (or an eligible lender trustee on its behalf) is the holder of the loan	Three Month Commercial Paper Rate less Applicable Interest Rate + 2.24%
On or after October 1, 2007 and before July 1, 2010 if an eligible lender other than an eligible not-for-profit lender (or an eligible lender trustee on its behalf) is the holder of the loan	Three Month Commercial Paper Rate less Applicable Interest Rate + 2.09%

Special allowance payments are generally payable, with respect to variable rate FFELP Loans to which a maximum borrower interest rate applies, only when the maximum borrower interest rate is in effect. The Secretary offsets interest benefit payments and special allowance payments by the amount of origination fees and lender loan fees described under the caption "Loan Fees" below.

The Higher Education Act provides that a holder of a qualifying loan who is entitled to receive special allowance payments has a contractual right against the United States to receive those payments during the life of the loan. Receipt of special allowance payments, however, is conditioned on the eligibility of the loan for federal insurance or reinsurance benefits. Such eligibility may be lost due to violations of federal regulations or Guaranty Agencies' requirements.

The Higher Education Act provides that for FFELP Loans first disbursed on or after April 1, 2006 and before July 1, 2010, lenders must remit to the Secretary any interest paid by a borrower which is in excess of the special allowance payment rate set forth above for such loans.

Loan Fees

Insurance Premium. For loans guaranteed before July 1, 2006, a Guaranty Agency was authorized to charge a premium, or guarantee fee, of up to 1.00% of the principal amount of the loan, which may be deducted proportionately from each installment of the loan. Generally, Guaranty Agencies had waived this fee since 1999. For loans guaranteed on or after July 1, 2006 that are first disbursed before July 1, 2010, a federal default fee equal to 1.00% of principal was required to be paid into such Guaranty Agency's Federal Student Loan Reserve Fund (hereinafter defined as the "Federal Fund").

Origination Fee. Lenders were authorized to charge borrowers of Subsidized Stafford Loans and Unsubsidized Stafford Loans an origination fee in an amount not to exceed: 3.00% of the principal amount of the loan for loans disbursed prior to July 1, 2006; 2.00% of the principal amount of the loan for loans disbursed on or after July 1, 2006 and before July 1, 2007; 1.50% of the principal amount of the loan for loans disbursed on or after July 1, 2007 and before August 1, 2008; 1.00% of the principal amount of the loan for loans disbursed on or after August 1, 2008 and before July 1, 2009; and 0.50% of the principal amount of the loan for loans disbursed on or after July 1, 2009 and before July 1, 2010. The Secretary is authorized to charge borrowers of Direct Loans 4.00% of the principal amount of the loan for loans disbursed prior to February 8, 2006. A lender was permitted to charge a lesser origination fee to Stafford Loan borrowers so long as the lender did so consistently with respect to all borrowers who resided in or attended school in a particular state. For borrowers of Direct Loans other than Federal Direct Consolidation Loans and Federal Direct PLUS Loans, the Secretary may charge such borrowers as follows: 3.00% of the principal amount of the loan for loans disbursed on or after February 8, 2006 and before July 1, 2007; 2.50% of the principal amount of the loan for loans disbursed on or after July 1, 2007 and before August 1, 2008; 2.00% of the principal amount of the loan for loans disbursed on or after August 1, 2008 and before July 1, 2009; 1.50% of the principal amount of the loan for loans disbursed on or after July 1, 2009 and before July 1, 2010; and 1.00% of the principal amount of the loan for loans disbursed on or after July 1, 2010. These fees must be deducted proportionately from each installment payment of the loan proceeds prior to payment to the borrower. The lenders were required to pass the origination fees received under the FFEL Program on to the Secretary.

Lender Loan Fee. The lender of any FFELP Loan was required to pay to the Secretary an additional origination fee equal to 0.50% of the principal amount of the loan for loans first disbursed on or after October 1, 1993, but prior to October 1, 2007. For all loans first disbursed on or after October 1, 2007 and before July 1, 2010, the lender was required to pay an additional origination fee equal to 1.00% of the principal amount of the loan.

The Secretary collects from the lender or subsequent holder of the loan the maximum origination fee authorized (regardless of whether the lender actually charges the borrower) and the lender loan fee, either through reductions in interest benefit payments or special allowance payments or directly from the lender or holder of the loan.

Rebate Fee on Consolidation Loans. The holder of any Consolidation Loan for which the first disbursement was made on or after October 1, 1993, is required to pay to the Secretary a monthly fee equal to .0875% (1.05% per annum) of the principal amount plus accrued unpaid interest on the loan. However, for Consolidation Loans for which applications were received from October 1, 1998 to January 31, 1999, inclusive, the monthly fee is approximately equal to .0517% (.62% per annum) of the principal amount plus accrued interest on the loan.

Insurance and Guarantees

A Guaranty Agency guarantees Federal Family Education Loans made to students or parents of students by eligible lenders. A Guaranty Agency generally purchases defaulted student loans which it has guaranteed with its reserve fund (as described under the caption "Guaranty Agency Reserves" below). A Federal Family Education Loan is considered to be in default for purposes of the Higher Education Act when the borrower fails to make an installment payment when due, or to comply with other terms of the loan, and if the failure persists for 270 days in the case of a loan repayable in monthly installments or for 330 days in the case of a loan repayable in less frequent installments. If the loan is guaranteed by a Guaranty Agency in accordance with the provisions of the Higher Education Act, the Guaranty Agency is to pay the holder a percentage of such amount of the loss subject to a reduction (as described in 20 U.S.C. § 1075(b)) within 90 days of notification of such default. The default claim package submitted to a Guaranty Agency must include all information and documentation required under the Federal Family Education Loan Program regulations and such Guaranty Agency's policies and procedures.

The Higher Education Act gives the Secretary of Education various oversight powers over the Guaranty Agencies. These include requiring a Guaranty Agency to maintain its reserve fund at a certain required level and taking various actions relating to a Guaranty Agency if its administrative and financial condition jeopardizes its ability to meet its obligations.

Federal Insurance. The Higher Education Act provides that, subject to compliance with such Act, the full faith and credit of the United States is pledged to the payment of insurance claims and ensures that such reimbursements are not subject to reduction. In addition, the Higher Education Act provides that if a Guaranty Agency is unable to meet its insurance obligations, holders of loans may submit insurance claims directly to the Secretary until such time as the obligations are transferred to a new Guaranty Agency capable of meeting such obligations or until a successor Guaranty Agency assumes such obligations. Federal reimbursement and insurance payments for defaulted loans are paid from the student loan insurance fund established under the Higher Education Act. The Secretary is authorized, to the extent provided in advance by appropriations acts, to issue obligations to the Secretary of the Treasury to provide funds to make such federal payments.

Guarantees. If the loan is guaranteed by a Guaranty Agency in accordance with the provisions of the Higher Education Act, the eligible lender is reimbursed by the Guaranty Agency for a statutorily set percentage (98% for loans first disbursed prior to July 1, 2006 and 97% for loans first disbursed on or after July 1, 2006 but before July 1, 2010) of the unpaid principal balance of the loan plus accrued unpaid interest on any defaulted loan so long as the eligible lender has properly serviced such loan. Under the Higher Education Act, the Secretary enters into a guarantee agreement and a reinsurance agreement (the "Guarantee Agreements") with each Guaranty Agency which provides for federal reimbursement for amounts paid to eligible lenders by the Guaranty Agency with respect to defaulted loans.

Guarantee Agreements. Pursuant to the Guarantee Agreements, the Secretary is to reimburse a Guaranty Agency for the amounts expended in connection with a claim resulting from the death of a borrower; bankruptcy of a borrower; total and permanent disability of a borrower (including those borrowers who have been determined by the Secretary of Veterans Affairs to be unemployable due to a service-connected condition); inability of a borrower to engage in any substantial, gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death, has lasted continuously for at least 60 months, or can be expected to last continuously for at least 60 months; the death of a student whose parent is the borrower of a PLUS Loan; certain claims by borrowers who are unable to complete the programs in which they are enrolled due to school closure; borrowers whose borrowing eligibility was falsely certified by the eligible institution; or the amount of an unpaid refund due from the school to the lender in the event the school fails to make a required refund. Such claims are not included in calculating a Guaranty Agency's claims rate experience for federal reimbursement purposes. Generally, educational loans are non dischargeable in bankruptcy unless the bankruptcy court determines that the debt will impose an undue hardship on the borrower and the borrower's dependents. Further, the Secretary is to reimburse a Guaranty Agency for any amounts paid to satisfy claims not resulting from death, bankruptcy, or disability subject to reduction as described below. See the caption "Education Loans Generally Not Subject to Discharge in Bankruptcy" below.

The Secretary may terminate Guarantee Agreements if the Secretary determines that termination is necessary to protect the federal financial interest or to ensure the continued availability of loans to student or parent borrowers. Upon termination of such Guarantee Agreements, the Secretary is authorized to provide the Guaranty Agency with additional advance funds with such restrictions on the use of such funds as is determined appropriate by the Secretary, in order to meet the immediate cash needs of the Guaranty Agency, ensure the uninterrupted payment of claims, or ensure that the Guaranty Agency will make loans as the lender-of-last-resort. On May 7, 2008, Treasury funds were further authorized to be appropriated for emergency advances to Guaranty Agencies to ensure such Guaranty Agencies are able to act as lenders-of-last-resort and to assist Guaranty Agencies with immediate cash needs, claims, or any demands for loans under the lender-of-last-resort program.

If the Secretary has terminated or is seeking to terminate Guarantee Agreements, or has assumed a Guaranty Agency's functions, notwithstanding any other provision of law: (a) no state court may issue an order affecting the Secretary's actions with respect to that Guaranty Agency; (b) any contract entered into by the Guaranty Agency with respect to the administration of the Guaranty Agency's reserve funds or assets purchased or acquired with reserve funds shall provide that the contract is terminable by the Secretary upon 30 days notice to the contracting parties if the Secretary determines that such contract includes an impermissible transfer of the reserve funds or assets or is inconsistent with the terms or purposes of the Higher Education Act; and (c) no provision of state law shall apply to the actions of the Secretary in terminating the operations of the Guaranty Agency. Finally, notwithstanding any other provision of law, the Secretary's liability for any outstanding liabilities of a Guaranty Agency (other than outstanding student loan guarantees under the Higher Education Act), the functions of which the Secretary has assumed, shall not exceed the fair market value of the reserves of the Guaranty Agency, minus any necessary liquidation or other administrative costs.

Reimbursement. The amount of a reimbursement payment on defaulted loans made by the Secretary to a Guaranty Agency is subject to reduction based upon the annual claims rate of the Guaranty Agency calculated to equal the amount of federal reimbursement as a percentage of the original principal amount of originated or guaranteed loans in repayment on the last day of the prior fiscal year. The claims experience is not accumulated from year to year, but is determined solely on the basis of claims in any one federal fiscal year compared with the original principal amount of loans in repayment at the beginning of that year. The formula for reimbursement amounts is summarized below:

Claims Rate	Guaranty Agency Reinsurance Rate for Loans made prior to October 1, 1993	Guaranty Agency Reinsurance Rate for Loans made between October 1, 1993 and September 30, 1998	Guaranty Agency Reinsurance Rate for Loans made on or after October 1, 1998 and prior to July 1, 2010[1]
0% up to 5%	100%	98%	95%
5% up to 9%	100% of claims up to 5%; and 90% of claims 5% and over	98% of claims up to 5%; and 88% of claims 5% and over	95% of claims up to 5% and 85% of claims 5% and over
9% and over	100% of claims up to 5%; 90% of claims 5% up to 9%; 80% of claims 9% and over	98% of claims up to 5%; 88% of claims 5% up to 9%; 78% of claims 9% and over	95% of claims up to 5%, 85% of claims 5% up to 9%; 75% of claims 9% and over

[1] Student loans made pursuant to the lender-of-last resort program have an amount of reinsurance equal to 100%; student loans transferred by an insolvent Guaranty Agency have an amount of reinsurance ranging from 80% to 100%.

The amount of loans guaranteed by a Guarantee Agency which are in repayment for purposes of computing reimbursement payments to a Guarantee Agency means the original principal amount of all loans guaranteed by a Guarantee Agency less: (a) guarantee payments on such loans, (b) the original principal amount of such loans that have been fully repaid, and (c) the original amount of such loans for which the first principal installment payment has not become due.

In addition, the Secretary may withhold reimbursement payments if a Guarantee Agency makes a material misrepresentation or fails to comply with the terms of its agreements with the Secretary or applicable federal law. A supplemental guarantee agreement is subject to annual renegotiation and to termination for cause by the Secretary.

Under the Guarantee Agreements, if a payment by the borrower on a FFELP Loan guaranteed by a Guarantee Agency is received after reimbursement by the Secretary, the Secretary is entitled to receive an equitable share of the borrower's payment. The Secretary's equitable share of the borrower's payment equals the amount remaining after the Guarantee Agency has deducted from such payment: (a) the percentage amount equal to the complement of the reinsurance percentage in effect when payment under the Guarantee Agreement was made with respect to the loan and (b) as of October 1, 2007, 16% of the borrower's payments (to be used for the Guarantee Agency's Operating Fund (hereinafter defined)). The percentage deduction for use of the borrower's payments for the Guarantee Agency's Operating Fund varied prior to October 1, 2007: from October 1, 2003 through and including September 30, 2007, the percentage in effect was 23% and prior to October 1, 2003, the percentage in effect was 24%. The Higher Education Act further provides that on or after October 1, 2006, a Guarantee Agency may not charge a borrower collection costs in an amount in excess of 18.50% of the outstanding principal and interest of a defaulted loan that is paid off through consolidation by the borrower; provided that the Guarantee Agency must remit to the Secretary a portion of the collection charge equal to 8.50% of the outstanding principal and interest of the defaulted loan. In addition, on or after October 1, 2009, a Guarantee Agency must remit to the Secretary any collection fees on defaulted loans paid off with consolidation proceeds by the borrower which are in excess of 45% of the Guarantee Agency's total collections on defaulted loans in any one federal fiscal year.

Lender Agreements. Pursuant to most typical agreements for guarantee between a Guarantee Agency and the originator of the loan, any eligible holder of a loan insured by such a Guarantee Agency is entitled to reimbursement from such Guarantee Agency, subject to certain limitations, of any proven loss incurred by the holder of the loan resulting from default, death, permanent and total disability, certain medically determinable physical or mental impairment, or bankruptcy of the student borrower at the rate of 98% for loans in default made on or after October 1, 1993 but prior to July 1, 2006 and 97% for loans in default made on or after July 1, 2006 but prior to July 1, 2010. Certain holders of loans may receive higher reimbursements from Guarantee Agencies. For example, lenders of last resort may receive reimbursement at a rate of 100% from Guarantee Agencies.

Guarantee Agencies generally deem default to mean a student borrower's failure to make an installment payment when due or to comply with other terms of a note or agreement under circumstances in which the holder of the loan may reasonably conclude that the student borrower no longer intends to honor the repayment obligation and for which the failure persists for 270 days in the case of a loan payable in monthly installments or for 330 days in the case of a loan payable in less frequent installments. When a loan becomes at least 60 days past due, the holder is required to request default aversion assistance from the applicable Guarantee Agency in order to attempt to cure the delinquency. When a loan becomes 240 days past due, the holder is required to make a final demand for payment of the loan by the borrower. The holder is required to continue collection efforts until the loan is 270 days past due. At the time of payment of insurance benefits, the holder must assign to the applicable Guarantee Agency all right accruing to the holder under the note evidencing the loan. The Higher Education Act prohibits a Guarantee Agency from filing a claim for reimbursement with respect to losses prior to 270 days after the loan becomes delinquent with respect to any installment thereon.

Any holder of a loan is required to exercise due care and diligence in the servicing of the loan and to utilize practices which are at least as extensive and forceful as those utilized by financial institutions in the collection of other consumer loans. If a Guarantee Agency has probable cause to believe that the holder has made misrepresentations or failed to comply with the terms of its agreement for guarantee, the Guarantee Agency may take reasonable action including withholding payments or requiring reimbursement of funds. The Guarantee Agency may also terminate the agreement for cause upon notice and hearing.

Rehabilitation of Defaulted Loans. Under the Higher Education Act, the Secretary of Education is authorized to enter into an agreement with each Guaranty Agency pursuant to which a Guaranty Agency sells defaulted student loans that are eligible for rehabilitation to an eligible lender. For a defaulted student loan to be rehabilitated, the borrower must request rehabilitation and the applicable Guaranty Agency must receive an on time, voluntary, full payment each month for 12 consecutive months. However, effective July 1, 2006, for a student loan to be eligible for rehabilitation, the applicable Guaranty Agency must receive 9 payments made within 20 days of the due date during 10 consecutive months. Upon rehabilitation, a student loan is eligible for all the benefits under the Higher Education Act for which it would have been eligible had no default occurred.

A Guaranty Agency repays the Secretary an amount equal to 81.5% of the outstanding principal balance of the student loan at the time of sale to the lender multiplied by the reimbursement percentage in effect at the time the student loan was reimbursed. The amount of such repayment is deducted from the amount of federal reimbursement payments for the fiscal year in which such repayment occurs, for purposes of determining the reimbursement rate for that fiscal year.

Loans Subject to Repurchase. The Higher Education Act requires a lender to repurchase student loans from a Guaranty Agency, under certain circumstances, after a Guaranty Agency has paid for the student loan through the claim process. A lender is required to repurchase: (a) a student loan found to be legally unenforceable against the borrower; (b) a student loan for which a bankruptcy claim has been paid if the borrower's bankruptcy is subsequently dismissed by the court or, as a result of the bankruptcy hearing, the student loan is considered non-dischargeable and the borrower remains responsible for repayment of the student loan; (c) a student loan which is subsequently determined not to be in default; or (d) a student loan for which a Guaranty Agency inadvertently paid the claim.

Guarantee Agency Reserves

Each Guarantee Agency is required to establish a Federal Fund which, together with any earnings thereon, are deemed to be property of the United States. Each Guarantee Agency is required to deposit into the Federal Fund any reserve funds plus reinsurance payments received from the Secretary, a certain percentage of default collections equal to the complement of the reinsurance percentage in effect when payment under the Guarantee Agreement was made, insurance premiums, 70% of payments received after October 7, 1998 from the Secretary for administrative cost allowances for loans insured prior to that date, and other receipts as specified in regulations. A Guarantee Agency is authorized to transfer up to 180 days' cash expenses for normal operating expenses (other than claim payments) from the Federal Fund to the Operating Fund at any time during the first three years after establishment of the fund. The Federal Fund may be used to pay lender claims and to pay default aversion fees into the Operating Fund. A Guarantee Agency is also required to establish an operating fund (the "Operating Fund"), which, except for funds transferred from the Federal Fund to meet operating expenses during the first three years after fund establishment, is the property of the Guarantee Agency. A Guarantee Agency was permitted to deposit into the Operating Fund loan processing and issuance fees equal to 0.40% of the total principal amount of loans insured during the fiscal year for loans originated on or after October 1, 2003 and first disbursed before July 1, 2010, 30% of payments received after October 7, 1998 for the administrative cost allowances for loans insured prior to that date, the account maintenance fee paid by the Secretary for Direct Loan Program loans in the amount of .06% of the original principal amount of the outstanding loans insured, any default aversion fee that is paid, the Guarantee Agency's 16% retention on collections of defaulted loans and other receipts as specified in the regulations. An Operating Fund must be used for application processing, loan disbursement, enrollment and repayment status management, default aversion, collection activities, school and lender training, financial aid awareness and related outreach activities, compliance monitoring, and other student financial aid related activities. For Subsidized and Unsubsidized Stafford Loans guaranteed on or after July 1, 2006 and first disbursed before July 1, 2010, Guarantee Agencies was required to collect and deposit a federal default fee to the Federal Fund equal to 1.00% of the principal amount of the loan.

The Higher Education Act provides for a recall of reserves from each Federal Fund in certain years, but also provides for certain minimum reserve levels which are protected from recall. The Secretary is authorized to enter into voluntary, flexible agreements with Guarantee Agencies under which various statutory and regulatory provisions can be waived; provided, however, the Secretary is not authorized to waive, among other items, any deposit of default aversion fees by Guarantee Agencies. In addition, under the Higher Education Act, the Secretary is prohibited from requiring the return of all of a Guarantee Agency's reserve funds unless the Secretary determines that the return of these funds is in the best interest of the operation of the FFEL Program, or to ensure the proper maintenance of such Guarantee Agency's funds or assets or the orderly termination of the Guarantee Agency's operations and the liquidation of its assets. The Higher Education Act also authorizes the Secretary to direct a Guarantee Agency to: (a) return to the Secretary all or a portion of its reserve fund which the Secretary determines is not needed to pay for the Guarantee Agency's program expenses and contingent liabilities; and (b) cease any activities involving the expenditure, use or transfer of the Guarantee Agency's reserve funds or assets which the Secretary determines is a misapplication, misuse or improper expenditure.

Secretary's Temporary Authority to Purchase Stafford Loans and PLUS Loans

On May 7, 2008, the Ensuring Continued Access to Student Loans Act temporarily granted the Secretary the authority to purchase Stafford Loans and PLUS Loans from eligible lenders which were first disbursed on or after October 1, 2003, but prior to July 1, 2009 on such terms as are, subject to certain other conditions, in the best interest of the United States. On October 7, 2008, P.L. 110-350 became law and additionally granted the Secretary the power to purchase Stafford Loans and PLUS Loans from eligible lenders which were first disbursed on or after July 1, 2009, but prior to July 1, 2010. On July 1, 2009, P.L. 111-39 became law and further expanded the Secretary's purchase authority to include FFELP Loans rehabilitated pursuant to 20 U.S.C. § 1078-6.

In order to purchase loans (other than rehabilitated loans), the Secretary was required to make a determination that adequate loan capital is not available to meet demand for Stafford Loans and PLUS Loans. Any purchase of loans, however, by the Secretary was not permitted to create any net cost for the United States government (including any servicing costs associated with the loans). The Secretary was required to additionally fulfill various other requirements in order to purchase loans, including a notice with certain details which must be published in the Federal Register prior to any purchase. Eligible lenders, in turn, were required to use the funds provided by the Secretary to ensure their continued participation in the FFEL Program, to originate new FFELP Loans to students, and, with respect to funds received from rehabilitated FFELP Loan sales to the Secretary, to purchase such rehabilitated FFELP Loans pursuant to 20 U.S.C. § 1078-6(a). Pursuant to P.L. 110-350, the Secretary's authority to purchase loans expired on July 1, 2010.

Through certain "Dear Colleague" letters issued to members of the higher education lending community, the Secretary has created three programs (defined and described below) to utilize its temporary purchasing authority: (1) the Put Program, (2) the Purchase of Participation Interests Program and (3) the Asset-Backed Commercial Paper Conduit Program.

Put Program. In a May 21, 2008 "Dear Colleague" letter, the Secretary committed to exercising the purchasing authority granted under the Ensuring Continued Access to Student Loans Act for eligible loans originated during the 2008-2009 academic year (the "Put Program"), which Put Program was later extended to the 2009-2010 academic year. Pursuant to the Put Program, the Department of Education required eligible FFEL Program lenders to submit a Notice of Intent to participate in the Put Program to the Department of Education and unless the participating lender has entered into a Master Participation Agreement (described under the caption "Purchase of Participation Interests Program" below) to into a Master Loan Sale Agreement with the Department of Education. Only eligible Stafford Loans and PLUS Loans made to students and parents of dependent students for respective academic years were eligible for the Put Program. Each participating lender was required to exercise, if at all, its option to sell its fully disbursed eligible Stafford Loans and PLUS Loans to the Department of Education on or before the following August 31.

Purchase of Participation Interests Program. In a May 21, 2008 "Dear Colleague" letter, the Secretary, utilizing its temporary authority under the Ensuring Continued Access to Student Loans Act, announced a new financing program to make capital available to FFEL Program lenders, whereby the Secretary committed to purchasing participation interests (the "Purchase of Participation Interests Program") in pools of eligible Stafford Loans and PLUS Loans made by FFEL Program lenders for the 2008-2009 academic year, which Purchase of Participation Interests Program was also extended for the 2009-2010 academic year. Each eligible FFEL Program lenders was required to submit a Notice of Intent to participate in the Put Program and the Purchase of Participation Interests Program to the Department of Education and to enter into a Master Participation Agreement with the Department of Education and a third-party custodian acceptable to the Department of Education. Each participating lender was require to exercise, if at all, its option to sell participation interests in their eligible loans to the Department of Education on or before August 1 of such year. The Department of Education held the participation interests in the eligible loans until the earlier of (i) the date the participating lender notified the Department of Education that it would no longer participate in the Purchase of Participation Interests Program (by redeeming its loans from the third-party custodian and, if desired by the participating lender, by selling such redeemed loans to the Department of Education in accordance with the Put Program),

(ii) the effective date of any termination event such as, but not limited to, the bankruptcy, insolvency, or other adverse event with respect to the participating lender, and (iii) September 30 of the corresponding year such participation interest was sold to the Department of Education.

Asset-Backed Commercial Paper Conduit Program. In a November 10, 2008 "Dear Colleague" letter, the Secretary announced that, due to stagnation in the credit markets and the billions of dollars of student loans which remain on bank balance sheets, the Department of Education would develop an asset-backed commercial paper conduit program (the "Asset-Backed Commercial Paper Conduit Program") to purchase fully disbursed FFELP Loans (other than Consolidation Loans) awarded between October 1, 2003 and July 1, 2009. Each conduit would be privately created by an eligible lender trustee and would contain the ownership rights of lenders to their eligible FFELP Loans. The conduit would issue commercial paper to investors and secure the repayment of the commercial paper with the conduit's FFELP Loan pool. The funds provided by investors would be paid to the student lenders who transferred the ownership rights in their eligible FFELP Loans to the conduit. The Department of Education would, pursuant to the Ensuring Continued Access to Student Loans Act, enter into forward purchase commitments with each eligible lender trustee participating in the Asset-Backed Commercial Paper Conduit Program and commit to purchasing at a date in the future eligible FFELP Loans at a certain price from the conduit if the conduit lacks sufficient funds to repay its investors as the commercial paper becomes due. A single conduit borrower, Straight-A Funding, LLC, was established pursuant to the Asset-Backed Commercial Paper Conduit Program. The Asset-Backed Commercial Paper Conduit Program terminated on June 30, 2010 when the eligible Stafford Loans and PLUS Loans must have been financed in the conduit. The Asset-Backed Commercial Paper Conduit Program presently terminates in January of 2014. Any FFELP Loans not refinanced by a lender will be put to the Department upon the expiration of the Asset-Backed Commercial Paper Conduit Program.

Secretary's Temporary Loan Consolidation Authority

On March 30, 2010, HCEARA temporarily granted the Secretary authority to make a Federal Direct Consolidation Loan to a borrower (a) who has one or more loans in two or more of the following categories: (i) loans made under the Direct Loan Program, (ii) loans purchased by the Secretary pursuant to the provisions described herein under the caption "Secretary's Temporary Authority to Purchase Stafford Loans and PLUS Loans" above, and (iii) loans made under the FFEL Program that are held by an eligible lender; (b) who has not yet entered repayment on one or more of such loans in any of the categories described in clause (a)(i)-(iii) herein; and (c) whose application for such Federal Direct Consolidation Loan is received by the Secretary on or after July 1, 2010 and before July 1, 2011.

Lender-of-Last-Resort Program

The FFEL Program allowed Guaranty Agencies and certain eligible lenders to act as lenders-of-last-resort before July 1, 2010. A lender-of-last-resort was authorized to receive advances from the Secretary in order to ensure that adequate loan capital exists in order to make loans to students before July 1, 2010. Students and parents of students who were otherwise unable to obtain FFELP Loans (other than Consolidation Loans) were permitted to apply to receive loans from the state's lenders-of-last-resort before July 1, 2010.

Education Loans Generally Not Subject to Discharge in Bankruptcy

Under the U.S. Bankruptcy Code, educational loans are not generally dischargeable. Title 11 of the United States Code at Section 523(a)(8)(A)(i)-(ii) provides that a discharge under Section 727, 1141, 1228(a), 1228(b), or 1328(b) of Title 11 of the United States Code does not discharge an individual debtor from any debt for an education benefit overpayment or loan made, insured, or guaranteed by a governmental unit or made under any program funded in whole or in part by a governmental unit or nonprofit institution, or for an obligation to repay funds received as an educational benefit, scholarship or stipend unless excepting such debt from discharge under this paragraph will impose an undue hardship on the debtor and the debtor's dependents.

APPENDIX C

GENERAL DESCRIPTION OF THE OKLAHOMA STUDENT LOAN AUTHORITY (OSLA)

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OPERATING BUSINESS

General

We are an eligible lender, a loan servicer and a secondary market in the guaranteed FFEL Program under the Higher Education Act. We perform loan servicing functions under the registered trade name "OSLA Student Loan Servicing™". According to the 2011 Servicing Volume Survey by the industry group Student Loan Servicing Alliance, at December 31, 2010, of the participating servicers, OSLA was the 13th largest FFEL Program loan servicer in the nation.

The Student Aid and Fiscal Responsibility Act of 2009 ("*SAFRA*"), Title II of the Reconciliation Act, became law on March 30, 2010. Beginning July 1, 2010, eligible lenders, including OSLA and our OSLA Network of eligible lenders, were no longer allowed to originate FFEL Program student loans. Beginning July 1, 2010, all federal student loans began to be solely originated by the federal government pursuant to its Direct Loan Program.

In the years prior to July 1, 2010, we originated loans and performed servicing of FFEL Program loans for as many as 45 other eligible lenders as members of the OSLA Network. Upon the elimination of new loan origination in the FFEL Program at July 1, 2010, we continued to service FFEL Program loan portfolios for 43 eligible network lenders. We plan to purchase many of these portfolios with some of the proceeds of the Series 2011-1 Bonds.

FFEL Program Activity

Consolidation Loans combine and refinance the various education loans of a borrower. We originated the Consolidation Loans that we hold. Presently, Consolidation Loans comprise almost 60% of the FFEL Program loans that are in repayment status and approximately 46.5% of all FFEL Program loans that we hold. However, in July 2008, we suspended originating Consolidation Loans due to a significantly reduced yield on these loans that were made on or after October 1, 2007, a required rebate of a significant part of that yield to the federal government and market difficulties in financing this type of loan.

We utilized several of the programs made available through the Ensuring Continued Access to Student Loans Act ("*ECASLA*"). OSLA staff developed internal applications necessary to participate in the Department of Education's Loan Participation Program and Loan Sale Program, and in the Straight-A Funding Asset Backed Commercial Paper Conduit Program. OSLA participated $295,842,000 in loans through the Loan Participation Program. Additionally, $853,895,000 in loans that we owned or serviced were put to the Department of Education under the Loan Sale Program. We also issued $328,000,000 in Funding Notes through the Straight-A Funding Asset Backed Commercial Paper Conduit Program.

The Department of Education offers Federal Direct Consolidation Loans where borrowers of OSLA held loans could prepay our FFEL Program loans. The effect of such actions may be more pronounced because of the large amount of OSLA and Network Lender loans that were put to the Department of Education under the ECASLA Loan Sale Program. If such consolidation occurs, the result would be to increase prepayment of our debt obligations and reduce future loan servicing income received from our trust estates.

Furthermore, the federal budget proposed by the Obama administration for federal fiscal year 2012 has provisions that permit students with both FFEL Program loans and Federal Direct loans to convert their existing FFEL Program loans, and the loan servicing thereof, to the Department of Education's Direct Loan program during the period from January 1, 2012 through September 30, 2012. Loan holders would be paid 100% of outstanding principal and accrued borrower interest on loans converted. Under the proposal, borrowers of such converted loans would be eligible for an incentive of a reduction of their FFEL Program loan balance of up to two percent.

At the end of the federal fiscal year, September 30, 2009, we were the 43rd largest holder of FFEL Program loans in the nation according to the Department of Education.

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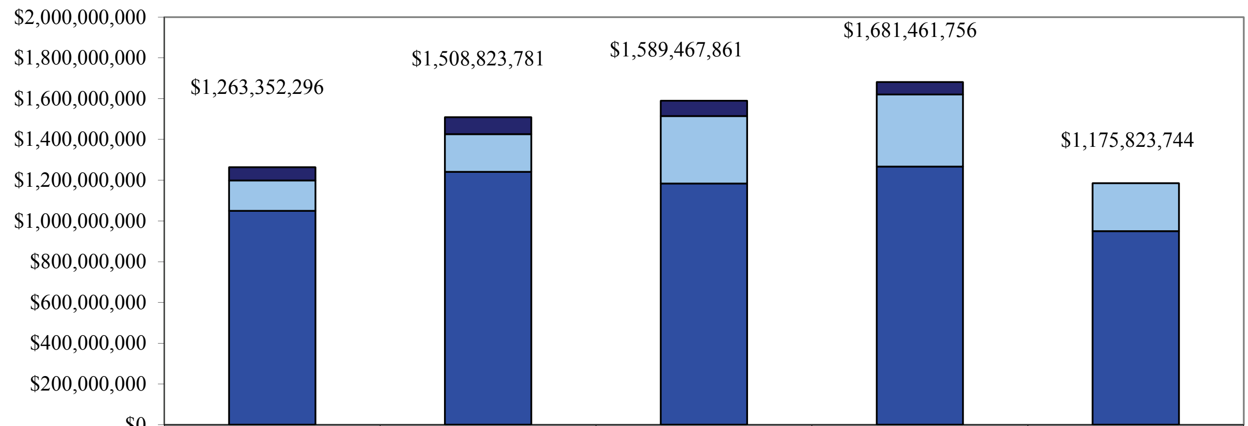
At the dates indicated in the Table below, we managed FFEL Program loans that we owned (including uninsured loans) plus loans serviced for other eligible lenders in the OSLA Student Lending Network, with current principal balances as shown in the following Graph and Table:

OSLA - Student Loans Serviced
Current Principal Balance



	6/30/2007	6/30/2008	6/30/2009	6/30/2010*	12/31/2010
Remote Loans	$64,527,429	$83,027,803	$75,017,905	$61,504,951	0
Network Loans	$149,728,404	$184,931,414	$330,727,467	$353,177,779	$235,069,465
OSLA Loans	$1,049,096,463	$1,240,864,564	$1,183,722,489	$1,266,779,026	$949,754,279
# Employees	66	71	70	58	57

*As of June 30 2010, these totals included: $40,371,558 of Remote Loans, $126,328,307 of Network Loans and $257,697,365 of OSLA Loans that were pending sale to the Department of Education through the ECASLA Put Process.

The education loan industry is highly competitive. We compete with numerous local and national secondary markets and loan servicers that participate in the FFEL Program. Many of the participants in the education loan program that compete with us are larger, have more extensive operations and greater financial resources.

In our Supplemental Higher Education Loan Finance™ (*SHELF™*) Program for private loans, we originated and hold education loans that are *not* guaranteed under the Higher Education Act. The origination of SHELF loans was discontinued as of July 1, 2008. At December 31, 2010, the Guarantee Reserve Account of our General Student Loan Fund had a balance of approximately $138,600 and SHELF loans had an outstanding principal balance of approximately $2,685,000 million. Consequently, SHELF loans are *not* a material portion of the loans that we own. In addition, SHELF loans are not included in any of the Authority's debt financings.

Potential Direct Loan Servicing

SAFRA requires the Secretary of the Department of Education to contract with eligible and qualified not-for-profit servicers ("*NFP servicers*") to service loans within the federal Direct Loan Program. The Department made the determination that the Authority met the NFP eligibility criteria under SAFRA. In addition, we were notified by a Department of Education publication on February 2, 2011 that we could proceed with entering into a Memorandum of Understanding ("*MOU*") with the Department for the purpose of servicing federally owned student loan assets. Nelnet was identified as the subcontractor for this arrangement.

After a pause to evaluate pricing information generally for a common pricing structure, the earlier pronouncement was confirmed by a Department of Education announcement on March 18, 2011. We received and executed a MOU with the Department of Education on April 13, 2011, for the purpose of satisfying requirements to become qualified to obtain an Authorization to Operate and a NFP servicer contract award. If we subsequently are awarded a servicing contract, servicing of Federal Direct Loan assets by us could begin in the middle of calendar year 2012.

See the section in this Appendix captioned "LOAN SERVICING – Federal Direct Loan Servicing Plans" for additional information on this planning.

Other Information

Our Fiscal Year is from July 1 of each year through June 30 of the next year. We receive no appropriated funds from the State of Oklahoma for our operating expenses. We pay all expenses from revenues derived from the administration of, and loan servicing for, our various education loan programs. At December 31, 2010, our total assets were approximately $1,044,344,000, while total liabilities were approximately $977,109,000, leaving a fund balance (equity) of approximately $67,235,000 (unaudited).

The bonds and notes issued by us to finance our FFEL Program loans are not general obligations, but are limited revenue obligations payable solely from the assets of the trust estates created for particular financings by various bond resolutions or indentures.

Our offices are located at 525 Central Park Drive, Suite 600, Oklahoma City, OK 73105-1706. The general telephone number is (405) 556-9200; and the facsimile transmission number is (405) 556-9255. Our general e-mail address is *info@OSLA.org*. Certain operating and financial information about us is available on the internet at our separate *website* located at "www.OSLAfinancial.com".

ORGANIZATION AND POWERS

We were created by an express Trust Indenture dated August 2, 1972 in accordance with the provisions of the:

- Student Loan Act at Title 70, Oklahoma Statutes 2001, Sections 695.1 *et seq*., as amended; and
- Public Trust Act at Title 60, Oklahoma Statutes 2001, Sections 176 to 183.3, inclusive, as amended.

We are governed by five Trustees who are appointed by the Governor of Oklahoma, subject to the advice and consent of the State Senate, for overlapping five (5) year terms. The present Trustees of OSLA and their principal occupations are as follows:

Name	Office	Term Expiration	Principal Occupation
Patrick T. Rooney	Chairman	April 6, 2015	Chairman, First Bancorp of Oklahoma, Inc.[1]; Oklahoma City, OK
John Greenfield[3]	Vice Chairman	April 6, 2011	Superintendent, Davenport Public Schools; Davenport, OK
Hilarie Blaney	Secretary	April 6, 2012	Senior Vice President, Arvest Bank[2]; Oklahoma City, OK
Tom Fagan	Assistant Secretary	April 6, 2014	Vice President for Administration and Finance, Southwestern Oklahoma State University; Weatherford, OK
Kathy Elliott	Trustee	April 6, 2013	Associate Vice President & Controller, Oklahoma State University; Stillwater, OK

[1] A wholly owned subsidiary, First National Bank of Oklahoma, is an eligible lender in the OSLA Network and will be selling to the Authority eligible loans to be acquired with some of the proceeds of the Series 2011-1 Bonds.

[2] Arvest Bank is an eligible lender in the OSLA Network and will be selling to the Authority eligible loans to be acquired with some of the proceeds of the Series 2011-1 Bonds.

Both of the banks noted above participate on terms and conditions available to OSLA Network lenders similarly situated and will be selling loans to the Authority at the same price paid to other selling lenders.

[3] If no appointment or reappointment is made, an existing trustee continues to serve until a successor is appointed and qualified.

The Trust Indenture creating OSLA, and Oklahoma law, empower us to incur debt and to secure such debt by lien, pledge or otherwise. In addition, the Trustees are authorized to make and perform contracts of every kind, and to do all acts necessary or desirable for the proper management of the trust estate. We may bring any suit or action that is necessary or proper to protect the interests of the trust estate, or to enforce any claim, demand or contract.

Under the Public Trust Act and the Trust Indenture creating OSLA, the trust can not be terminated by voluntary action if there is any indebtedness or fixed term obligations outstanding, unless all owners of such indebtedness or obligations consent in writing to the termination.

ADMINISTRATION

Executive Management

Our day-to-day management is vested in a President and Executive Staff appointed by the Trustees of OSLA. Our present executive officers are listed below.

James T. Farha, Esq, President. Mr. Farha became President and Chief Executive Officer of OSLA in June, 1999. From 1998 until assuming his current position, he was a practicing attorney with Kerr, Irvine, Rhodes & Ables, Oklahoma City, Oklahoma. Prior to that, he was President and Chief Executive Officer and a Member of the Board of Directors for Standard Life and Accident Insurance Company, Oklahoma City, Oklahoma.

Mr. Farha serves as a ex-officio Director, and was Chairman, of the Education Finance Council. He has served as a Director of the National Council of Higher Education Loan Programs; as a Director/Vice Chairman, and Chairman for the Oklahoma Life and Health Guaranty Association; Director, Past Treasurer and Chairman for the National Organization of Life and Health Guaranty Associations; and Director/President for the Association of Oklahoma Life Insurance Companies.

Mr. Farha is a member of the American Bar Association, the Oklahoma Bar Association, the Association of Life Insurance Counsel as well as various civic organizations. He received his Associate in Arts degree from Wentworth Military Academy in 1961, his Bachelor of Business Administration degree from the University of Oklahoma School of Business in 1963, and his Juris Doctor degree from the University of Oklahoma College of Law in 1966.

W. A. Rogers, C.P.A., Controller and Vice President – Operations. Mr. Rogers has been employed by OSLA as Controller since October 1991. His primary duties as Controller are the production of accrual basis financial statements, related management reports and the management of systems related thereto. In 1995, Mr. Rogers also assumed responsibility for OSLA loan servicing operational functions.

From 1987 to 1991, Mr. Rogers was the Controller for W. R. Hess Company of Chickasha, Oklahoma, a gasoline jobber and retailer of computer hardware and software. From 1981 to 1987, Mr. Rogers worked in public accounting in Oklahoma City where his duties included auditing, management advisory services and tax compliance work for a variety of governmental, non-profit and commercial entities.

Mr. Rogers received a Bachelor of Science degree in 1978 from Arkansas State University and received his CPA certificate in July 1983. He is a member of the American Institute of Certified Public Accountants.

Larry Hollingsworth, Vice President – Loan Management. Mr. Hollingsworth has been employed by OSLA since April, 2006. His primary duties include management of two teams – Account Maintenance which provides customer service for current accounts and Asset Management, which handles collections and claims.

Prior to joining OSLA, Mr. Hollingsworth was involved in financial aid on university campuses for twenty-seven years. He served as Director of Student Financial Services at Southwestern Oklahoma State University in Weatherford, OK from 1992 to 1995 and from 2004 to 2006; as Director of Student Financial Services at Oklahoma Baptist University, Shawnee, OK from 1995 to 2004; and as Financial Aid Director at Oklahoma Christian University, Oklahoma City, OK from 1980 to 1992.

While working in financial aid, Mr. Hollingsworth served on numerous state, regional and national financial aid committees and held offices as Treasurer and President of the Oklahoma Association of Student Financial Aid Administrators and Conference Chairman for the Southwest Association of Student Financial Aid Administrators. Mr. Hollingsworth was a state and regional trainer and made frequent financial aid presentations at annual conferences.

Mr. Hollingsworth received his Bachelor of Science degree in Education at Oklahoma Christian University in 1972.

Tonya Latham, Vice President - Information Technology Services. Ms. Latham has been employed by OSLA since November 2002. Her primary duties are managing the Information Technology staff in administration of the systems for loan portfolio servicing, information management and communications. In addition, she has responsibility for project management, information security and strategic technology planning.

Prior to joining OSLA, Ms. Latham was the Director of Information Systems for Express Personnel Corporate Headquarters. Express Personnel is a franchise organization which supplies staffing solutions to companies throughout the United States and Canada. Ms. Latham was responsible for the overall direction and strategy of Express' Information Technology department which included the corporate applications and the network infrastructure. Ms. Latham was employed by Express from 1994 to 2002.

From 1989 to 1994, Ms. Latham was employed by Marketing Information Network. She served as Vice President of Product Development and Operations. Her responsibilities included the development of software applications for companies specializing in the management and brokerage of direct marketing mailing lists.

Kay Brezny, Vice President – Human Resources/Special Projects. Ms. Brezny has been employed by OSLA since September 2006. Her work now entails advocating for both OSLA and the employees with oversight of training, benefits, staffing, communication, performance improvement and recruiting. Special projects are related to OSLA's federal contractor status and others. Prior to her present duties, Ms. Brezny was in charge of marketing for OSLA.

Prior to joining OSLA, Ms. Brezny worked for 25 years in healthcare marketing in Oklahoma. Most recently she served from 1999-2006 as director of marketing for Deaconess Hospital in Oklahoma City, a for-profit hospital owned by Triad Hospitals Inc. Her work included media relations, marketing plans, publications, physician marketing and strategic planning. Prior to that, she held positions with Bone & Joint Hospital/McBride Clinic, St. Anthony Hospital and HCA Management Company.

Ms. Brezny serves on the Oklahoma State University Alumni Association Board and is a graduate of Leadership Oklahoma City, Class XXII. She graduated from Oklahoma State University in 1981 with a Bachelor of Science degree in journalism/public relations.

Employees

At December 31, 2010, we had approximately 57 full time equivalent employees, including the individuals listed above, which was down from approximately 70 full time equivalent employees at June 30, 2009. The primary reason that the number of employees was down was the elimination of loan origination and field marketing activities because of the changes in the FFEL Program under SAFRA. Recently, we added 4 employees in Information Technology in preparation for requirements to receive an Authorization to Operate from the Department for servicing federally held assets. The current full time equivalent employment is 61 employees. The statutory full time equivalent limit on OSLA employees presently is 85.

Properties

Our offices, including the loan servicing center, are maintained under a lease agreement with an unaffiliated third party that expires January 31, 2013.

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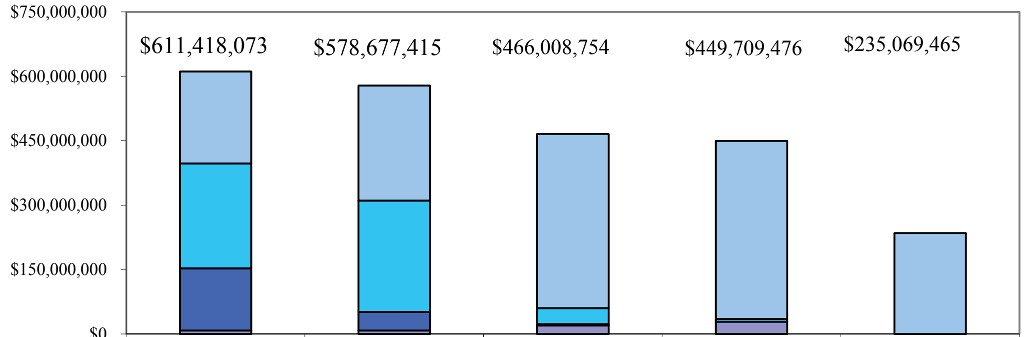
Loan Finance Programs

Program Activity Summary

At the dates indicated in the Table below, our total loan financing activity in the FFEL Program was approximately as shown in the following Graph and Table:

OSLA - FFEL PROGAM FINANCING ACTIVITY
Current Principal Balance of Student Loans



	FY ENDED 6/30/2007	FY ENDED 6/30/2008	FY ENDED 6/30/2009	FY ENDED 6/30/2010	AS OF 12/31/2010
Network Lender Loans Outstanding	$214,255,833	$267,959,218	$405,745,373	$414,682,730	$235,069,465
Acquisition of Loans	$244,153,116	$259,273,623	$37,400,492	$6,293,574	$0
Consolidation Loans Originated (1)	$144,926,752	$43,188,044	$2,685,393	$0	$0
Non-Consolidation Loans Originated	$8,082,372	$8,256,530	$20,177,496	$28,733,172	$0

[1] In the Fiscal Year ended June 30, 2008, 82% (88% in 2007) of Consolidation Loans that were originated paid off loans that were already owned by OSLA. The Authority suspended originating consolidation loans effective July 1, 2008.

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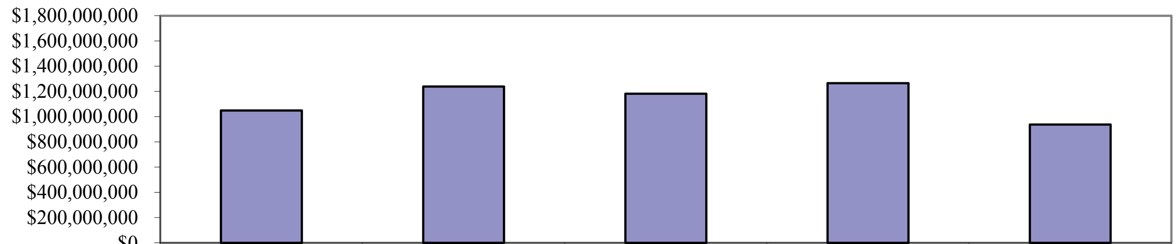
Guaranteed FFEL Program Principal Balances

At the dates indicated in the Table below, the current principal balance of our guaranteed FFEL Program loan principal (exclusive of uninsured status loans) receivable from borrowers was approximately as shown in the following Graph and Table:

OSLA - FFEL PROGRAM LOANS OWNED
Current Principal Balance



	6/30/2007	6/30/2008	6/30/2009	6/30/2010*	12/31/2010
Loan Principal	$1,049,219,560	$1,239,920,834	$1,182,563,267	$1,266,075,692	$937,705,088

____

*The June 30, 2010 Principal Balance included approximately $260,000,000 that were sold subsequently to the Department of Education through the ECASLA program.

Average Borrower Indebtedness

Loan Type	6/30/2007	6/30/2008	6/30/2009	6/30/2010	12/31/2010
Stafford Subsidized	$ 5,230	$ 5,775	$ 5,338	$ 4,487	$ 4,719
Stafford Unsubsidized	$ 5,806	$ 6,610	$ 6,275	$ 5,469	$ 5,850
PLUS/GRAD/SLSS	$ 7,477	$ 9,047	$ 8,592	$ 8,176	$ 7,470
Consolidation	$20,835	$21,230	$21,145	$20,959	$20,867

Guarantee of FFEL Program Loans

Under a contract of guarantee, a lender/holder of FFEL Program loans is entitled to a claim payment from the guarantee agency for 97% (98% for loans first disbursed on or before June 30, 2006), or 100% of any proven loss resulting from default, death, permanent and total disability, or discharge in bankruptcy of the borrower.

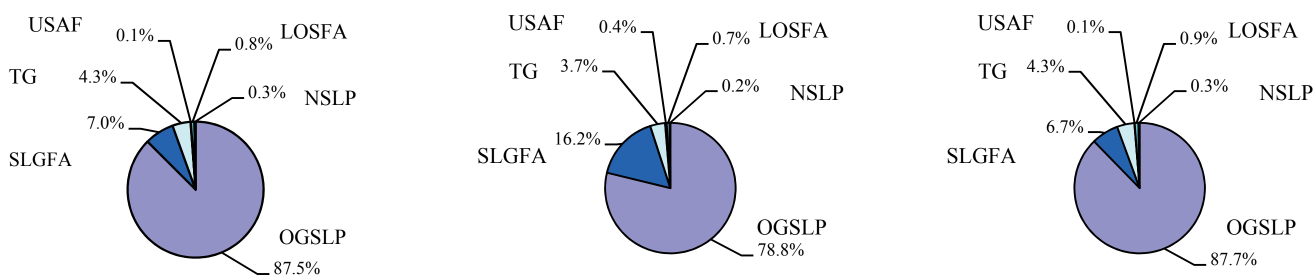
As an eligible lender/holder, we are required to use due diligence in the origination, servicing and collection of loans in order to maintain the guarantee. The guarantee agencies are reinsured, subject to various terms and conditions, by the Department for reimbursement from 75% to 100% of the amounts expended in payment of claims. See the section "Insurance and Guarantees" in "Appendix B – Description of the FFEL Program."

Loans financed by us are guaranteed to the extent provided for in the Higher Education Act by:

- Oklahoma State Regents for Higher Education, Guaranteed Student Loan Program (*OGSLP*), now called the Oklahoma College Assistance Program (*OCAP*), Oklahoma City, OK;
- Student Loan Guarantee Foundation of Arkansas, Inc. (*SLGFA*), Little Rock, AR;
- Texas Guaranteed Student Loan Corporation (*TG*), Austin, TX;
- United Student Aid Funds, Incorporated (*USAF*), Indianapolis, IN;
- Louisiana Student Financial Assistance Commission (*LOSFA*), Baton Rouge, LA;
- Colorado Department of Higher Education – College Access Network, Denver, Co; and
- National Student Loan Program (*NSLP*), Lincoln, NE.

At the dates indicated below, the guarantee agency composition of our guaranteed FFEL Program loan principal was approximately as shown in the following Graphs:

OSLA - FFEL PROGRAM GUARANTEE COMPOSITION
Share of Current Principal Balance



June 30, 2009 | June 30, 2010 | December 31, 2010

OGSLP - Okla. State Regents Guaranteed Student Loan Program, now called OCAP
SLGFA - Student Loan Guarantee Foundation of Arkansas, Inc.
TG - Texas Guaranteed Student Loan Corporation
USAF - USAF Incorporated
LOSFA - Louisiana Student Financial Assistance Commission
NSLP - National Student Loan Program

Secondary Market Loan Acquisition

We established the OSLA Network of eligible lenders in August 1994 to further our secondary market activities. We performed loan application processing and disbursement services and continue to perform pre-acquisition servicing of FFEL Program loans for the OSLA Network lenders pursuant to separate education loan servicing agreements between us and each participating lender. We indemnify each of the OSLA Network lenders against any servicing errors made by us in the performance of this work.

Due to the SAFRA legislation that terminated origination of loans in the FFEL Program, there were no longer any originating lenders in the OSLA Network at July 1, 2010. However, 43 eligible lenders in the OSLA Network continue to hold FFEL Program loans and OSLA performs third party loan servicing activities for them. Student loans held by many of these lenders are expected to be acquired with some of the proceeds of the Series 2011-1 Bonds under new student loan purchase agreements. Other lenders will continue to hold their loans and will be third party serviced by us.

FFEL PORTFOLIO DATA

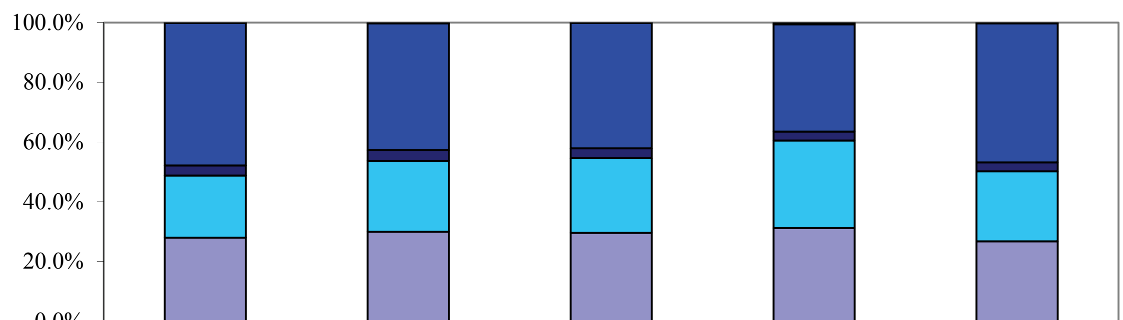
Loan Type

One of the major trends from our Fiscal Year 2000 through our Fiscal Year 2004 was an increasing concentration of the Consolidation Loan type in our portfolio as we consolidated loans of our borrowers. This trend was accelerated in the Fiscal Years ended June 30, 2005 and 2006 by the eligibility of in-school students to consolidate at a fixed rate of interest and the economic incentive to consolidate before significant annual variable rate increases on July 1, 2005 and 2006.

Consolidation loans require us to pay a monthly rebate to the Department of Education at an annual rate of 1.05% of principal and accrued borrower interest. This burden is offset partially by a higher average borrower indebtedness that lowers servicing cost relative to loan principal, by a lower delinquency rate that reduces collection cost and by a lower default rate that reduces claims filing cost. We have not purchased Consolidation Loans from outside parties. Our origination of all Consolidation Loans was discontinued as of July 1, 2008.

At the dates indicated below, the current principal balance of our Eligible Loans by loan type was approximately in the percentages shown in the following Graph and Table:

LOAN TYPE
Percent of Total OSLA FFEL Portfolio



	6/30/2007	6/30/2006	6/30/2009	6/30/2010	12/31/2010
GRAD PLUS	0.1%	0.3%	0.1%	0.6%	0.3%
Consolidation	47.7%	42.4%	42.0%	35.9%	46.5%
Federal PLUS/SLS	3.4%	3.6%	3.3%	3.0%	3.0%
Stafford - Unsub	20.8%	23.7%	25.0%	29.3%	23.4%
Stafford - Sub	28.0%	30.0%	29.6%	31.2%	26.8%

The following Table indicates the concentration of Consolidation Loans in our repayment status portfolio, including loans in forbearance status, at the dates indicated below:

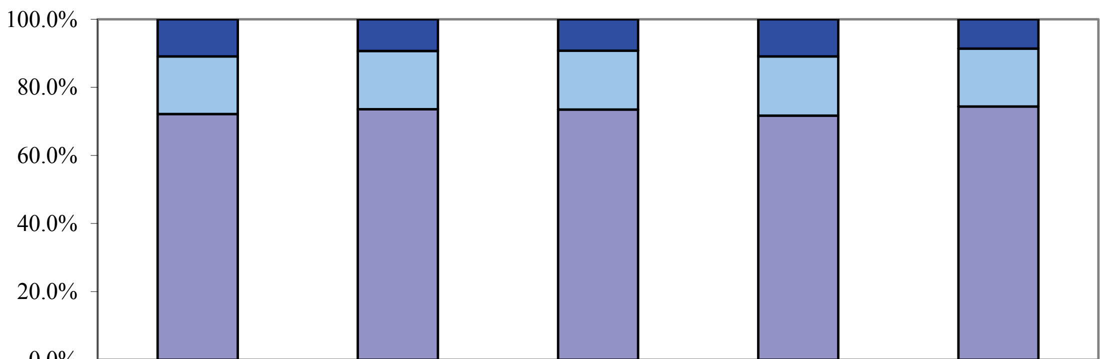
Consolidation Loan Share of Repayment Portfolio

6/30/2007	6/30/2008	6/30/2009	6/30/2010	12/31/2010
52.3%	55.1%	52.4%	50.9%	59.3%

School Type

At the dates indicated below, the current principal balance of our guaranteed FFEL Program loans by school type, *exclusive of Federal Consolidation Loans that are not generally reported by school type,* was approximately in the percentages shown in the following Graph and Table:

SCHOOL TYPE
Percent of Total OSLA FFEL Portfolio



	6/30/2007	6/30/2008	6/30/2009	6/30/2010	12/31/2010
Vocational Proprietary	10.9%	9.3%	9.2%	10.9%	8.6%
College - 2 Year	16.9%	17.1%	17.3%	17.4%	17.0%
University - 4 Year	72.2%	73.6%	73.5%	71.7%	74.4%

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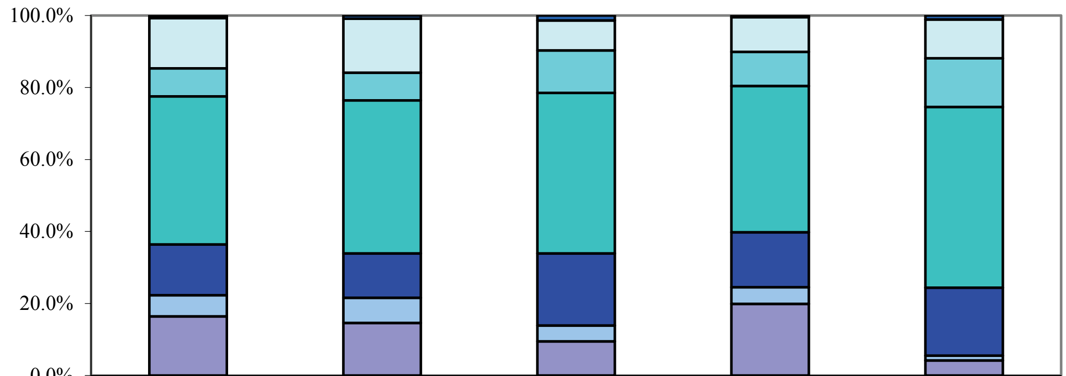
Loan Status

At the dates indicated below, the current principal balance of our guaranteed FFEL Program loans by loan status was approximately in the percentages shown in the following Graph and Table:

LOAN STATUS
Percent of Total OSLA FFEL Portfolio



	6/30/2007	6/30/2008	6/30/2009	6/30/2010	12/31/2010
Claims	0.7%	0.9%	1.4%	0.5%	1.1%
Forbearance	14.0%	15.0%	8.3%	9.6%	10.8%
Delinquent > 30 Days	7.8%	7.7%	11.8%	9.5%	13.5%
Current Repay	41.1%	42.5%	44.6%	40.6%	50.2%
Deferment (1)	14.1%	12.3%	20.0%	15.3%	18.9%
Grace	5.9%	7.0%	4.4%	4.6%	1.3%
In-School	16.4%	14.6%	9.5%	19.9%	4.2%

[1]At December 31, 2010, approximately 53.2% of this category (51.6% at June 30, 2010, 51.2% at June 30, 2009, and 51.0% at June 30, 2008) were Subsidized Stafford loans or certain Consolidation Loans on which the Department of Education pays interest during deferment.

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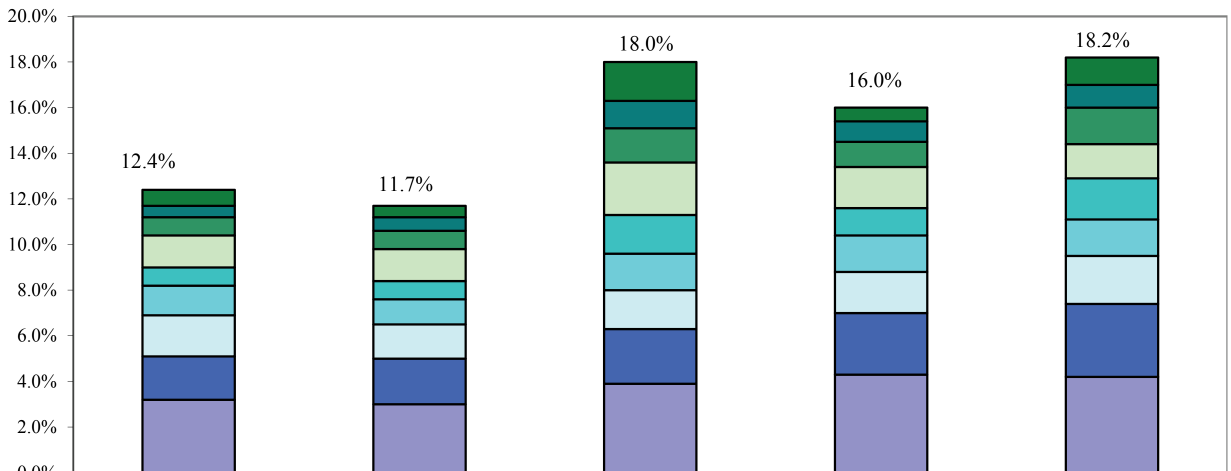
Repayment Loan Delinquency

At the dates indicated below, the delinquency rates of the current principal balance of our loans that were in repayment status, including forbearance status loans, were approximately in the percentages shown in the following Graph and Table:

REPAYMENT LOAN DELINQUENCY
Percent of Total OSLA FFEL Portfolio



	6/30/2007	6/30/2008	6/30/2009	6/30/2010	12/31/2010
271 +	0.7%	0.5%	1.7%	0.6%	1.2%
241 - 270 Days	0.5%	0.6%	1.2%	0.9%	1.0%
211 - 240 Days	0.8%	0.8%	1.5%	1.1%	1.6%
181 - 210 Days	1.4%	1.4%	2.3%	1.8%	1.5%
151 - 180 Days	0.8%	0.8%	1.7%	1.2%	1.8%
121 - 150 Days	1.3%	1.1%	1.6%	1.6%	1.6%
91 - 120 Days	1.8%	1.5%	1.7%	1.8%	2.1%
61 - 90 Days	1.9%	2.0%	2.4%	2.7%	3.2%
31 - 60 Days	3.2%	3.0%	3.9%	4.3%	4.2%

However, at the dates indicated below, total delinquency rates varied widely by loan type as shown in the following Table:

Repayment Loan Delinquency By Loan Type

Loan Type	6/30/2007	6/30/2008	6/30/2009	6/30/2010	12/31/2010
Stafford	23.0%	18.8%	27.7%	24.0%	27.4%
PLUS/GRAD/SLSS	9.0%	7.5%	11.4%	10.3%	13.4%
Consolidation	7.2%	7.5%	11.9%	11.4%	18.5%

Loan Portfolio Interest Rates

The rate we earn on FFEL Program loans is called the lender's yield. The lender's yield is determined by the Special Allowance Payment from the Department of Education. Special Allowance Payments are made to lenders in the Federal FFEL Program to ensure that lenders receive an equitable return on their loans.

In general, the amount of a Special Allowance Payment is the difference between the amount of interest the lender receives from the borrower or the government and the amount that is provided under requirements in the Higher Education Act. The interest amount provided under the Higher Education Act is determined quarterly and is based on either the quarterly average of the three-month financial commercial paper or the ninety-one day U.S. Treasury Bill rate plus the legislated Special Allowance Payment subsidy. For loans first disbursed on or after April 1, 2006, interest collected from borrowers is limited to the Special Allowance Payment calculation. In these circumstances, we rebate the calculated excess interest back to the Department.

The following tables show the allocation of the principal balance outstanding ("*PBO*") of our guaranteed FFEL program loan portfolio for the Special Allowance Payment index and Special Allowance Payment calculation method as of December 31, 2010.

Special Allowance Payment Index

SAP Index	PBO	PBO %
90-day Comm Paper Index	$893,709,213	95.3%
91-day U.S. TBill Index	43,995,875	4.7%
Total	$937,705,088	100.0%

Special Allowance Payment Calculation Method

SAP Calculation Method	PBO	PBO %
Not limited to SAP Rate	$443,820,973	47.3%
Limited to SAP Rate	493,884,115	52.7%
Total	$937,705,088	100.0%

LOAN SERVICING

Standards and Activities

We have serviced our own loans, and performed third party pre-acquisition servicing of the loans of the OSLA Network, since 1994. While the Exceptional Performer designation was in effect under the Higher Education Act, we were designated by the Department of Education as an Exceptional Performer for claims submitted on or after January 1, 2006 until the end of that program.

With the termination of new loan origination in the FFEL Program effective on July 1, 2010, loan servicing activities performed by us include:

- Customer service, which we measure performance by surveying a sample of borrowers continuously and report the survey results quarterly on our investor web site OSLAfinancial.com under the "Continuing Financial Disclosure" tab;
- Loan account maintenance, including production of notices and forms to borrowers and the resulting processing;
- Billings for Interest Benefit Payments and Special Allowance Payments;
- Collection of principal and interest from borrowers;
- Filing claims to collect guarantee payments on defaulted loans; and
- Accounting for ourselves and the OSLA Network.

We are required to use due diligence in servicing and collecting education loans. In addition, we are required to use collection practices no less extensive and forceful than those generally in use among financial institutions with respect to other consumer debt.

In order to satisfy the due diligence requirements, we must adhere to specific activities in a timely manner. These activities begin with the receipt of the loan application and continue throughout the life of the loan. Examples of specific due diligence activities include:

- Diligent efforts to contact a delinquent borrower by written correspondence and telephone;
- Skip tracing if a borrower has an invalid phone number or address;
- Requesting default aversion assistance from the Guarantor between 60 and 120 days of delinquency;
- Sending a final demand letter to the borrower when the loan becomes 241 or more days delinquent; and
- Timely filing of the default claim for payment, provided the borrower's failure to make monthly installment payments when due, or to comply with other terms of the obligation, persists for the most recent consecutive 270-day period (330 days for a loan repayable in less frequent installments).

OSLA Student Loan Servicing System

From 1994 to 2002, we performed loan servicing as a remote user of another party's loan servicing system. Since early 2002, we originated and continue to service loans in-house using our own staff and the *OSLA Student Loan Servicing System* comprised of:

- An IBM iSeries computer acquired in October 2005 that we own, which replaced an earlier iSeries model, resulting in a significant upgrade in configuration, processing capability and memory storage;
- iSeries related operating and database software that we license from IBM;
- Personal computers and an NT based local area network;

- Student Loan Servicing System software that we licensed also on a perpetual basis from IFA, now 5280 Solutions LLC; and
- Ancillary software programs of proprietary software and database query reports that we developed and various commercial software applications licensed from multiple vendor sources.

We began originating education loans using the OSLA Student Loan Servicing System on January 28, 2002. We converted loans from the remote third party database and implemented all servicing of our portfolio, and the portfolios of the OSLA Network, with the OSLA Student Loan Servicing System as of March 1, 2002. Due to the termination of new loans in the FFEL Program, we discontinued originating loans as of July 1, 2010.

5280 Solutions LLC provides its student loan servicing software to 11 student loan users that service loans, including Nelnet, Inc. In addition to licensing the student loan servicing software, 5280 Solutions LLC provides software maintenance and enhancement at the direction of the users, as well as support. 5280 Solutions LLC is a wholly owned subsidiary of Nelnet, Inc., Lincoln, Nebraska. In addition, see the caption "Federal Direct Loan Servicing Plans" below.

In operating the OSLA Student Loan Servicing System, also we are responsible for:

- Providing, maintaining and operating the requisite computer system and its operating and database software;
- Maintenance of tables and profiles on lenders, guarantors and post-secondary education institutions that we work with;
- Installing and testing new releases of the licensed student loan servicing software;
- Participation in the licensed student loan servicing software users' group which is responsible for compliance of the student loan servicing software with the Higher Education Act and other applicable law;
- Exchanges of data files with various third party trading partners;
- Any necessary or desirable ancillary programming for loan servicing functionality not provided by the licensed student loan servicing software; and
- Necessary or desirable internet functionality related to loan servicing.

The student loan servicing system licensed from 5280 Solutions LLC is maintained for certain members of the licensed student loan servicing software users' group by 5280 Solutions LLC under a 10 year Maintenance and Enhancement Agreement, which has a remaining term of approximately six years.

In addition to our own use of the OSLA Student Loan Servicing System, we provided, operated, supported and maintained our system for remote use by certain OSLA Network lenders in their origination and interim servicing of FFEL Program loans from their premises. With the elimination of the origination of FFEL Program loans, these remote users migrated their remote serviced portfolios to full third party servicing by us.

Federal Direct Loan Servicing Plans

As discussed under the caption "Operating Business" in this Appendix, SAFRA became law on March 30, 2010. Beginning on July 1, 2010, eligible lenders, including OSLA and our OSLA Network of eligible lenders, were no longer allowed to originate FFEL Program student loans as a result of the legislation. Beginning July 1, 2010, all federal student loans began to be solely originated by the federal government pursuant to its Direct Loan Program.

At the time of enactment of SAFRA, the only student loans originated by the Authority were FFEL Program student loans. The Authority has a small portfolio of approximately $2,685,000 principal balance at December 31, 2010, of private, credit based education loans. However, we discontinued SHELF™ private student loan origination effective July 1, 2008. Based on these circumstances and facts, the impact of the SAFRA legislation on the Authority could be materially adverse as our FFELP portfolio is paid off by existing borrowers without replacement of new loans to service.

SAFRA requires the Secretary of the Department of Education to contract with eligible and qualified NFP servicers to service loans within the Federal Direct Loan Program. The Department began the process to identify eligible NFP servicers by issuing a sources sought notice, the SAFRA Not For Profit Eligibility Information Request – Solicitation Number: NFP-SS-2010, requesting interested organizations to submit information demonstrating eligibility against the criteria specified in SAFRA (e.g., the organization was a NFP servicer entity and serviced FFELP loans on July 1, 2009). In the summer of 2010, OSLA responded to the information request and was among the first twelve NFP servicers that the Department determined met the NFP eligibility criteria under SAFRA.

The next step in the process for the Authority to become a qualified NFP servicer was meeting the certain information and physical security standards for servicing Federal Direct Loan Program federal assets and specific government contracting regulations. To this end, the Authority responded on December 1, 2010 to the Department's request for proposal, HCERA/SAFRA - Not-For-Profit (NFP) Servicer Program - Solicitation Number NPF-RFP-2010. The Department evaluated the Authority's response and announced on February 2, 2011 that the Authority was one of two entities initially permitted to proceed with entering into a Memorandum of Understanding (MOU) with the Department of Education. Nelnet was identified as the subcontractor.

The Authority performed significant due diligence on third party remote user Direct Loan Program servicing platforms provided by organizations that have already been awarded federal servicing contracts with the Department. As a result, the Authority selected Nelnet's Direct Loan Servicing system as its platform to service federally owned student loan assets. Nelnet is currently using the same platform for servicing Direct Loan program student loans under contract with the Department of Education as a Title IV Additional Servicer ("*TIVAS*"). The Authority's utilization of Nelnet's approved Direct Loan Program servicing platform as a remote user will significantly reduce the required capital expenditures and should streamline the process of its becoming a qualified NFP servicer. We are in the process of negotiating a remote access hosted system license agreement with Nelnet.

The determination of the Authority's ability to enter into an MOU with the Department is evidenced by the Department of Education publication of the HCERA/SAFRA Not-For-Profit (NFP) Servicer Program - Offerors Qualified to Receive Memorandums of Understanding (MOUs) as of February 2, 2011.

After a pause to evaluate pricing information generally for a common pricing structure, the earlier pronouncement that OSLA was permitted to enter a MOU was confirmed by a Department of Education announcement on March 18, 2011. We received and executed a MOU with the Department of Education on April 13, 2011, for the purpose of satisfying requirements to obtain an Authorization to Operate and to receive a NFP servicer contract award. If we subsequently are awarded an Authorization to Operate and a servicing contract, servicing of Federal Direct Loan assets by us could begin in the middle of calendar year 2012.

We expected the revenue from servicing Federal Direct Loan Program student loans to be no less than the fees the Department is currently paying the additional servicers already awarded contracts. Those fees are set at $1.05 per month per borrower account in school or grace and $2.11 per month per borrower account in repayment. Delinquent loans are paid at a decreasing rate per month per borrower account as the days past due increase. However, under the Department of Education announcement of March 18, 2011 on the NFP solicitation, the Department stated that they intended to proceed with those MOU entities that had accepted the current common pricing schedule. In addition, upon completion of the common pricing structure re-evaluation, the Department increased the NFP Servicer rate from $2.11 to $2.32, plus certain other payments, for the first 100,000 accounts.

We understand that contracts with NFP servicers would initially carry a five year term. The Department is expected to allocate 100,000 borrower accounts to each qualified NFP servicer. An allocation of 100,000 borrower accounts represents a significant increase to the Authority which was servicing approximately 94,600 borrowers as of December 31, 2010 in our existing FFELP servicing portfolio.

Disaster Recovery Plan and Testing

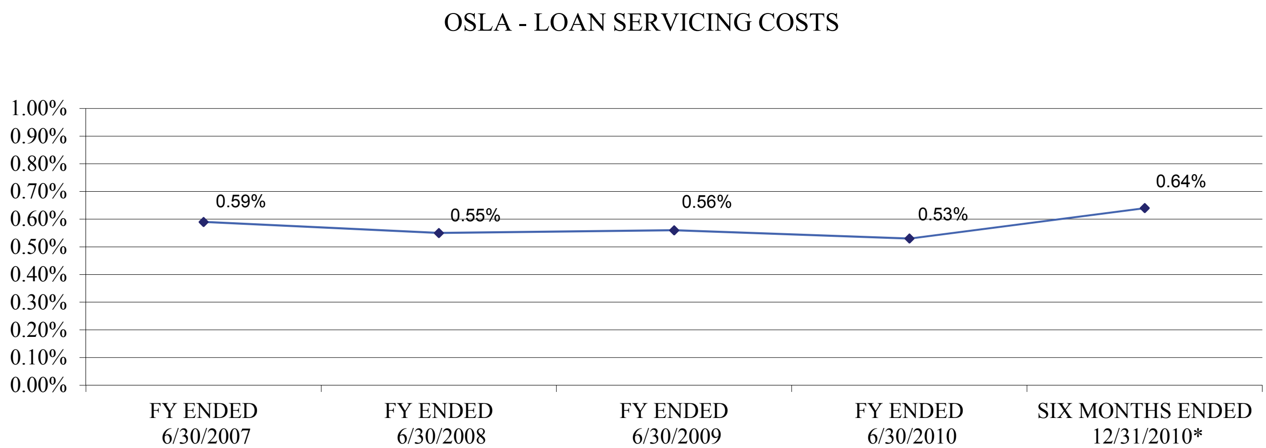
OSLA has developed and implemented information security policies and practices. As part of these practices, we maintain a Disaster Recovery Plan that addresses a wide variety of outages. The plan contains recovery procedures for something as simple as a single server failure to the complex set of procedures for recovering the entire data center.

In addition to the disaster recovery document, OSLA has partnered with SunGard Recovery Services to provide OSLA with a cold site in the event that OSLA's location is rendered unusable.

OSLA does internal recovery testing of all servers semi-annually and tests the full recovery plan at the SunGard center yearly. The 2010 Disaster Recovery test was successfully completed on July 16-18, 2010.

Servicing Costs

At the dates indicated in the Graph below, our total annual operating cost (expressed as a percent of the average month end outstanding principal balance of loans serviced) was approximately as shown in the following Graph:



Note: the percentage is the total annual operating cost of OSLA divided by the average of month end outstanding principal balances of loans.
*Annualized rate. The increase is attributable to lower monthly principal balances outstanding because of no new loan originations and the sales of loans owned or serviced that were sold to the Department of Education.

If we do not comply with the due diligence standards required by the Higher Education Act, a claim to the guarantee agency of the loan may be rejected. In such event, we can attempt to cure the rejected claim loan by various procedures. A cure within three years re-instates the guarantee.

During the Fiscal Years ended June 30, as indicated below, our cure experience was as shown in the following Table:

Period Ended	Claims Filed	Rejected[1]	Gross Rejection Rate	Cured[1] (cumulative)	Unresolved	Net Rejection Rate
12/31/1010	$34,959,302	$100,787	0.29%	$ 6,673	$ 94,114	0.27%
6/30/2010	$91,821,763	$184,119	0.20%	$ 64,280	$119,839	0.13%
6/30/2009	$71,638,799	$461,091	0.64%	$ 103,732	$357,359	0.49%
6/30/2008	$50,823,231	$187,024	0.37%	$ 16,314	$170,710	0.34%
6/30/2007	$37,261,708	$ 50,309	0.14%	$ 44,709	$ 5,600	0.02%

[1]Annual amounts are adjusted over the time period due to the reconciliation and capitalized interest from recovery.

PROGRAM REVIEWS

Federal Reviews

The Department routinely conducts site program reviews of secondary markets and student loan servicers, such as OSLA, for compliance with various aspects of the Higher Education Act.

The Department conducted a Program Review of our operations as a secondary market in September 2002. There were no findings in the Review Report issued in April 2003. That Review Report stated that the review was closed.

The Department also conducted a Program Review of our loan service operations, including the portfolios of the OSLA Network serviced by us, in November 2002. The Review Report also issued in April 2003 had one finding on a non-recurring matter for the quarter ended March 31, 2002. The finding related to incorrect average daily balance calculations supplied to us on the conversion from our remote loan system to the IFA SLSS. The incorrect average daily balances overstated the billing on certain portions of our portfolio receiving Special Allowance Payments and did not have a monetary effect on the billing of any lenders in the OSLA Network. The miscalculation was corrected and balances were adjusted for the March 2003 quarter. This correction was reported to the Department, and in March 2004, the Department reported that the adjustments satisfied the finding and stated that the review was closed.

The Department conducted a Program Review with the Authority as a loan servicer during the week of May 2, 2011. At the exit interview, there was one observation regarding Income Based Repayment which required a policy reconciliation by the Department of inconsistent interpretations.

State Guarantee Agency Reviews

In addition, the State Guarantee Agency routinely conducts site program reviews, or audits, of lenders, such as us, and our OLSA Network members. These reviews are conducted to evaluate compliance with various aspects of the Higher Education Act. The most recent review was an onsite joint program compliance review conducted on November 17, 2008 by OGSLP, now called OCAP, the Oklahoma state guarantee agency, and SLGFA, the Arkansas state guarantee agency.

The State Guarantee Agency requested additional information in April 2010 which was provided to them. The final report was issued on January 4, 2011 with no findings.

Guarantor Common Review Initiative

OGSLP, now called OCAP, TG, SLGFA, LOSFC and USAF conducted a bi-annual review under the Common Review Initiative ("*CRI*") during July 2010. The report issued as a result of this CRI program review contained two findings. OSLA's response and supporting documentations regarding these two findings satisfactorily addressed those issues. This program review was considered closed per letter dated March 4, 2011.

SUMMARY DEBT INFORMATION

We have issued various debt obligations for our loan financing activities. The bonds and notes issued by us are not general obligations, but are limited revenue obligations secured by, and payable solely from, the assets of the trust estates created for particular financings by various bond resolutions.

At the dates indicated below, the total outstanding debt in our various financing systems was as shown in the following Table:

Total Outstanding Debt

6/30/2007	6/30/2008	6/30/2009	6/30/2010	12/31/2010
$1,030,896,850	$1,218,689,256	$1,279,731,151	$1,079,877,975	$973,981,296

At December 31, 2010, $697,205,000 of our debt was publicly held and had long term credit ratings assigned by Moody's, S&P or Fitch based on the type of security as shown in the following Tables.

1995 Master Bond Resolution

The 1995 Master Bond Resolution was adopted on November 4, 1995 and has been amended and supplemented numerous times to provide for issuances of various series of bonds and notes listed in the Table below.

				Ratings	
Series	Interest Rate Type	Principal Balance Outstanding*	Type of Security	Moody's	S&P
1995A-1	Auction	$ 15,900,000	Senior	Aaa	AAA
1995B-2	Fixed	3,980,000	Subordinate[1]	A2	A
2001A-1	Fixed	6,410,000	Senior	Aaa	AAA
2001B-1	Auction	25,000,000	Subordinate[1]	A2	A
2001A-2	Auction	35,800,000	Senior	Aaa	AAA
2001A-3	Auction	16,500,000	Senior	Aaa	AAA
2001A-4	Floater	41,000,000	Senior	Aaa	AAA
2004A-1	Auction	32,625,000	Senior	Aaa	AAA
2004A-2	Auction	34,625,000	Senior	Aaa	AAA
2004A-3	3-Mo LIBOR	100,000,000	Senior	Aaa	AAA
		$311,915,000			

*As of December 31, 2010.

[1]The subordinate tax-exempt bonds represent debt that was issued to provide self credit enhancement for the senior debt obligations.

$160,450,000 of our total debt listed above is Auction Rate Securities of which $108,150,000 was tax-exempt and $52,300,000 (approximately 33%) was taxable. The auction procedures utilized to establish rates for this type of debt failed in early 2008 and subsequent auctions have continued to fail. The result of the failed auctions had a short term materially adverse effect on our cost of funds for this debt resulting in rates as high as 17% for taxable and 12% for tax-exempt debt for the maximum rate waiver periods that terminated March 31, 2008. Since termination of the maximum rate waivers, the bond document based maximum rates for failed auctions have resulted in lower rates.

All of our auction rate securities are now subject to the bond document based caps and reset at an average rate for the month of December, 2010, of approximately 0.63% for tax-exempt series and 0.85% for taxable series. The prevailing thought in the credit markets is that auction rate securities will continue in a failed state continuously for the foreseeable future.

The period of recycling principal payments into additional student loans for the 1995 Master Bond Resolution trust estate expired July 1, 2010. Pursuant to the 1995 Master Bond Resolution, monies that are in the trust estate representing principal payments, and principal payments that will be received into the trust estate in the future, will be used for the mandatory redemption of the various series of bonds and notes according to the Supplemental Bond Resolution provisions for each particular series except to the extent the Authority uses such principal payments to purchase bonds and notes in lieu of redemption to the extent permitted by the 1995 Master Bond Resolution.
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2008II Master Bond Resolution

The 2008II Master Bond Resolution was adopted on October 28, 2008. The original principal amount issued was $175,305,000 tax-exempt weekly rate reset variable rate demand obligations. Credit enhancement for this debt is provided through a direct pay letter of credit issued by Bank of America, N.A. The initial term of the letter of credit was for three years and has an expiration date of October 28, 2011, unless terminated, extended, or renewed.

				Ratings	
Series	Interest Rate Type	Principal Balance Outstanding*	Type of Security	Moody's	Fitch
2008IIA-1	VRDO	$159,100,000	Senior VRDO	Aa3/VMIG1	A+ Stable/F1+

*As of December 31, 2010.

Refunding this issue into permanent financing, rather than a renewal of the letter of credit, is one of the purposes of issuing the Series 2011-1 Bonds. In the event the 2008II-A obligations are not refunded, we have requested the credit facility provider to extend the stated expiration date of the letter of credit.

Straight-A Funding Conduit

OSLA issued a taxable Master Funding Note on May 29, 2009 under the Straight-A Funding Asset Backed Commercial Paper Program for $328,000,000 in funding notes. OSLA was the fifth qualified funding note issuer behind Sallie Mae, Nelnet, CitiBank's Student Loan Corporation, and The Access Group.

Series	Interest Rate Type	Principal Balance Outstanding*	Type of Security	Ratings
Conduit	VFN	$262,258,578	Asset Backed CP	Not Rated

*As of December 31, 2010.

This funding note must be repaid January 14, 2014. If we do not refinance this debt by that termination date, the student loans that are collateral for that obligation would be put to the Department of Education.

2010 Bond Indenture

The 2010 Bond Indenture is dated as of September 1, 2010. The senior series of tax-exempt bonds were issued originally in the aggregate principal amount of $228,000,000, payable from a discrete trust with sequential payment of three senior series.

				Ratings	
Series	Interest Rate Type	Principal Balance Outstanding*	Type of Security	S&P	Fitch
2010A-1	LIBOR FRN	$ 129,735,000	Senior	AAA	AAA
2010A-2A	LIBOR FRN	52,225,000	Senior	AAA	AAA
2010A-2B	LIBOR FRN	44,230,000	Senior	AAA	AAA
2010B-1	Adj. Fixed Rate	15,517,718	Subordinate[1]	Not Rated	Not Rated
		$ 240,707,718			

*As of December 31, 2010.
[1]The tax-exempt subordinate bond represents debt that was issued in a private placement to provide self credit enhancement for the senior debt obligations.

Investments in Trust Funds and Accounts

We invest trust fund balances in collateralized repurchase agreements and U.S. Government securities-based money market mutual funds in accordance with the our investment policy and applicable Oklahoma Statutes. Generally, permissible investments are U.S. Government Obligations or obligations explicitly guaranteed by the U.S. Government. These investment limitations reduce our related credit risk, custodial credit risk, and interest rate risk. We currently invest in the INVESCO AIM Treasury Cash Management Fund which is a U.S. Government securities-based money market mutual fund.

We also have $691,600 of debt service reserve trust funds from several series in the 1995 Master Bond Resolution invested in a Guaranteed Investment Contract ("*GIC*") with the New York branch of West LB. We do not have any swap agreements or utilize any other financial derivative products in association with our debt financings.

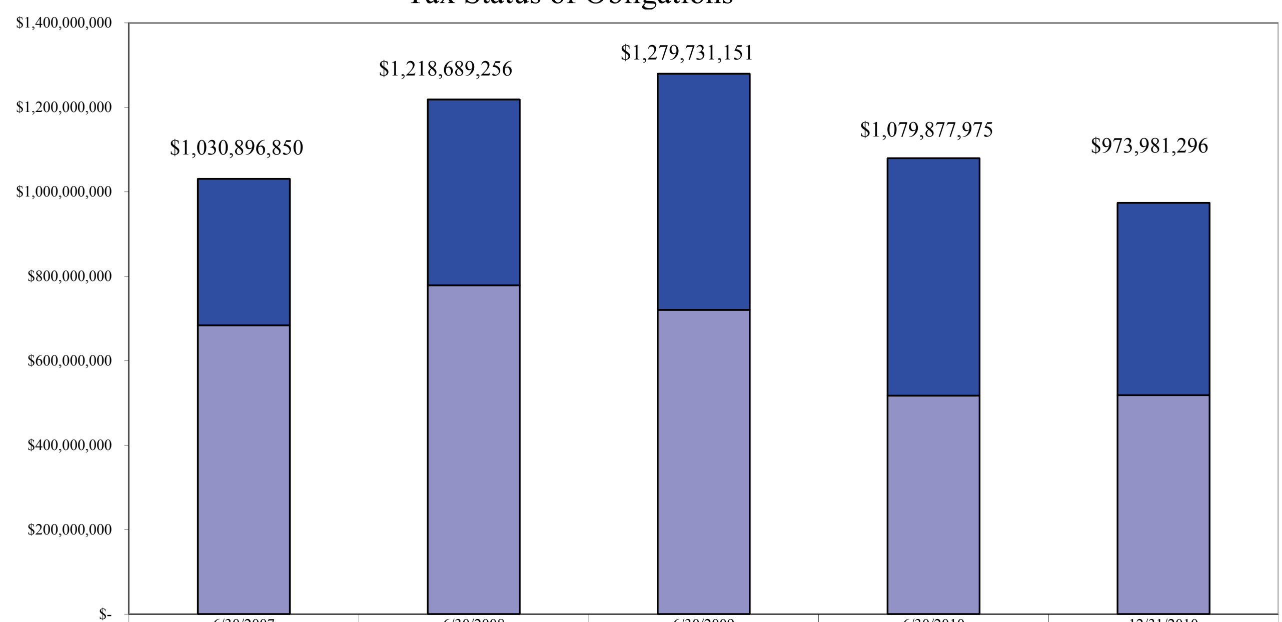
Lease Obligations

We lease certain facilities and equipment under non-cancelable operating leases that expire at various dates through Calendar Year 2013. The future minimum rental payments under these leases after December 31, 2010 total approximately $965,000, including a 5-year building lease renewal obligation that expires on January 31, 2013. We have no capitalized lease obligations. We have no off-balance sheet financings.

Characteristics of Outstanding Debt

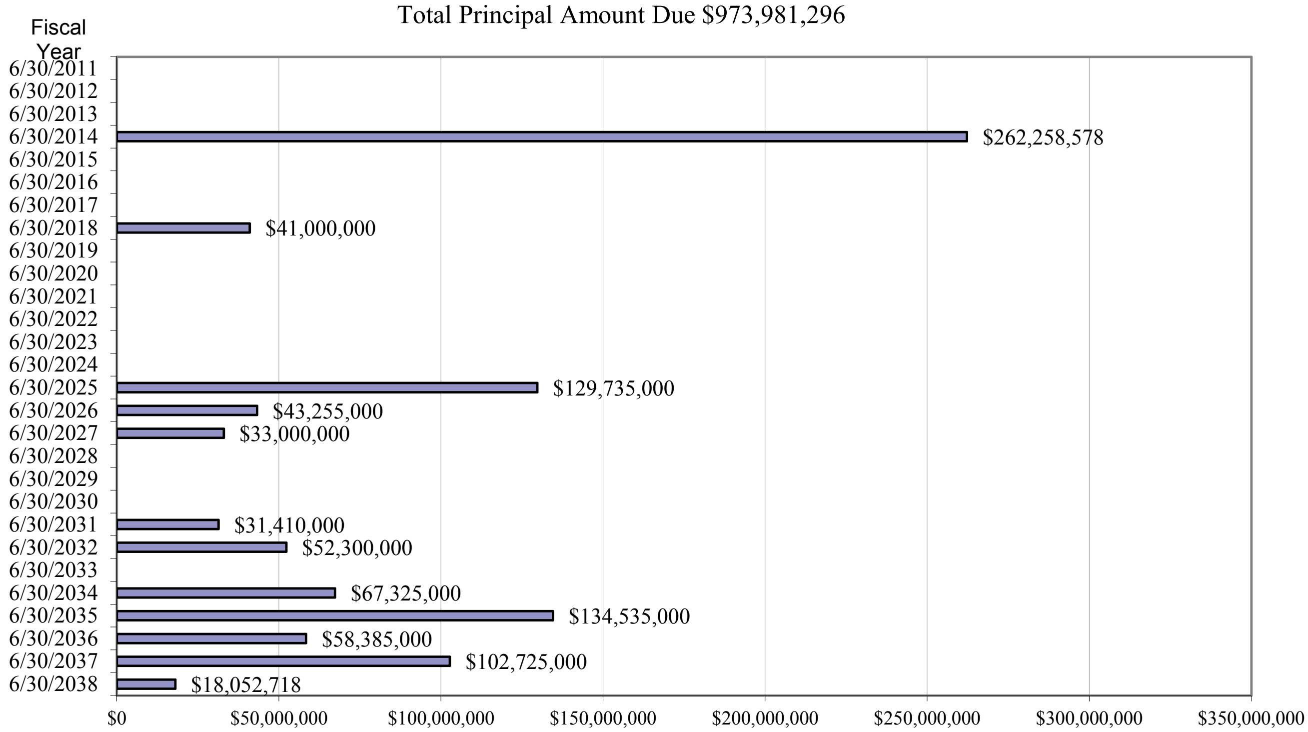
The characteristics of the various outstanding taxable and tax-exempt debt obligations at the dates indicated below are itemized in the following Graph and Table:

OSLA – OUTSTANDING DEBT
Tax Status of Obligations



	6/30/2007	6/30/2008	6/30/2009	6/30/2010	12/31/2010
Taxable Debt	$347,000,000	$440,000,000	$559,409,895	$562,692,975	$455,558,578
Tax-Exempt Debt	$683,896,850	$778,689,256	$720,321,256	$517,185,000	$518,422,718

OSLA - SCHEDULED BOND MATURITIES
At December 31, 2010
Total Principal Amount Due $973,981,296



Principal maturing in Fiscal Year 2014 is the funding note held by Straight-A Funding, LLC as part of an ECASLA supported Conduit financing program.
Graph above includes mandatory sinking fund redemptions for the Series 2008A Bonds and the Series 2010A Bonds prior to their final maturities.

Annual Rebate Calculations

Annual calculations of estimated liability on tax-exempt obligations for arbitrage rebate on non-purpose obligations, and excess yield liability for purpose obligations, are performed each year by an independent third party.

Due to the high cost of debt obligations outstanding, and the low yield on non-purpose investments and the compressed yield on student loan purpose obligations, the calculated estimated liability for both excess yield and arbitrage rebate are both negative for all of the Authority's tax-exempt obligations.

FINANCIAL STATEMENTS

Our financial statements are prepared in conformity with accounting principles generally accepted in the United States of America, unless such statements are in direct conflict with statements issued by the Governmental Accounting Standards Board (*GASB*). Our financial statements are prepared to comply with Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments".

A copy of the comparative audited financial statements for June 30, 2010 and 2009 is available on the internet at the *website* address of "www.oslafinancial.com" and a copy was filed with Municipal Securities Rulemaking Board through the Electronic Municipal Market Access central repository, which has a website of www.emma.msrb.org under our base CUSIP number 679110.

Quarterly unaudited comparative financial statements are available in our servicer report for the Authority on our separate website www.oslafinancial.com.

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APPENDIX D

PREPAYMENTS, EXTENSIONS, WEIGHTED AVERAGE LIVES AND EXPECTED MATURITIES OF THE SERIES 2011-1 BONDS

Prepayments on pools of Financed Eligible Loans can be calculated based on a variety of prepayment models. The model used herein to calculate prepayments is the constant prepayment rate and is referred to herein as the "CPR" model.

The CPR model is based on prepayments assumed to occur at a constant percentage rate. CPR is stated as an annualized rate and is calculated as the percentage of the loan amount outstanding at the beginning of a period (including accrued interest to be capitalized), after applying scheduled payments, that prepays during that period.

The CPR model assumes that Financed Eligible Loans will prepay in each month according to the following formula:

Monthly Prepayments = (Pool Balance after scheduled payments) x $(1-(1-\text{CPR})^{1/12})$

Accordingly, monthly prepayments, assuming a $1,000 balance after scheduled payments would be as follows for various levels of CPR:

	0% CPR	2% CPR	4% CPR	6% CPR	8% CPR
Monthly Prepayment	$0.00	$1.68	$3.40	$5.14	$6.92

The CPR model does not purport to describe historical prepayment experience or to predict the prepayment rate of any actual student loan pool. The Financed Eligible Loans pledged under the Indenture will not prepay according to the CPR, nor will all of the Financed Eligible Loans pledged under the Indenture prepay at the same rate. Potential investors must make an independent decision regarding the appropriate principal prepayment scenarios to use in making any investment decision.

For the sole purpose of calculating the information presented in the tables, it is assumed, including but not limited to the following, that:

- the Statistical Cut-off Date for the Financed Eligible Loans pledged under the Indenture is May 31, 2011;
- the aggregate principal balance of the Financed Eligible Loans (which does not include any accrued interest) is assumed to be approximately $211,932,822, as of May 31, 2011;
- accrued interest to be capitalized on the student loans totals approximately $3,842,806;
- the pool of Financed Eligible Loans consists of 117 representative loans ("rep lines"), which have been created for modeling purposes from individual student loans based on combinations of similar individual student loan characteristics, which include, but are not limited to, loan status, interest rate, loan type, SAP index, servicer, and remaining term;
- the date of issuance is June 29, 2011;
- the Financed Eligible Loans (as grouped in "rep lines") that are in school status are assumed to remain in school until their status end date and then enter a 6 month grace term before entering repayment. All rep lines in grace status remain in grace until status end date (and then enter repayment). All other rep lines are assumed to be in repayment;

- prepayments on the Financed Eligible Loans begin immediately on all rep lines, including rep lines in school or grace status;

- there are government payment delays of 60 days for interest subsidy and special allowance payments;

- there are payment delays of 60 days for interest rebates and interest floor payments;

- no borrower benefits are utilized;

- no delinquencies or defaults occur on any of the Financed Eligible Loans, no purchases from the trust estate for breaches of representations, warranties or covenants occur, and all borrower payments are collected in full;

- 90-day commercial paper remains at 0.17% and 91-day Treasury bill remains fixed at 0.06% for the life of the transaction;

- the interest rate for the Series 2011-1 Bonds at all times will be 1.41% per annum;

- Quarterly Distributions begin on December 1, 2011 for the Series 2011-1 Bonds, and payments are made quarterly on the first business day of every March, June, September and December thereafter;

- interest accrues on the Series 2011-1 Bonds on an actual/360 day count basis;

- Trustee Fees equal 0.007% per annum of the aggregate outstanding principal amount of the Series 2011-1 Bonds of the immediately preceding quarterly distribution date (subject to a $2,000 annual minimum), and are paid quarterly, commencing December 1, 2011;

- monthly administration fees and expenses paid to the Administrator (initially the Issuer) equal to 1/12 of 0.10% of the aggregate outstanding principal balance of the Financed Eligible Loans as of the beginning of the preceding month;
- to the extent funds are available, payment of additional subordinate administration fees and expenses paid quarterly in arrears to the Administrator (under Eighth of "Flow of Funds"); calculated monthly based on the aggregate outstanding principal balance of the Financed Eligible Loans as of the first day of each month in the Collection Period, and shall be equal to: 0.05% per annum if the Parity Ratio on the related quarterly distribution date is at least 106.0%, 0.10% per annum if the Parity Ratio on the related quarterly distribution date is at least 110.0%, 0.15% per annum if the Parity Ratio on the related quarterly distribution date is at least 115.0%, 0.20% per annum if the Parity Ratio on the related quarterly distribution date is at least 120.0%, and 0.25% per annum if the Parity Ratio on the related quarterly distribution date is at least 125.0%, and such fee is calculated on a monthly basis at 0.05% and grossed up based on the Parity Ratio for such quarterly distribution date.
- Cumulative administration fees and subordinate administration fees and expenses are subject to a $50,000 per annum minimum;
- monthly servicing fees paid from the trust are paid monthly according to the schedule set forth in the servicing agreement with an assumed 3.0% inflation rate per annum beginning June 1, 2016. For first full month of the transaction, the servicing fees were approximately 0.49% per annum of the principal balance of the student loans;

- a consolidation loan rebate fee equal to 1.05% per annum of the outstanding principal balance of the Financed Eligible Loans that are consolidation loans, is paid monthly under the Indenture to the Department of Education and are subject to a payment delay of 30 days;

- miscellaneous fees (which include any back-up servicing fees and rating agency fees), totaling $65,000 are paid annually under the Indenture commencing June 1, 2012;

- the Debt Service Reserve Fund pledged under the Indenture has an initial balance equal to 0.25% of the aggregate principal amount of the Series 2011-1 Bonds as of the date of issuance and thereafter has a balance equal to the greater of (a) 0.25% of the principal amount of Outstanding Series 2011-1 Bonds immediately prior to such Quarterly Distribution Date or (b) $307,800;

- the Series 2011-1 Bonds will be paid off using funds on deposit in the Debt Service Reserve Fund;

- all payments are assumed to be made at the end of the month and amounts on deposit in the Revenue Fund and the Debt Service Reserve Fund pledged under the Indenture, including reinvestment income earned in the previous month, net of Servicing Fees, are reinvested in eligible investments at the assumed reinvestment rate of 0.06% per annum through the end of the Collection Period; reinvestment earnings from the prior Collection Period are available for distribution;

- the Collection Account pledged under the Indenture is assumed to have approximately $1,646,342 at closing, which when received, consists of approximately $1,323,577 of accrued interest (not expected to be capitalized);

- no excess cashflow will be released;

- no optional redemption clean-up call or purchase of the Financed Eligible Loans under the Indenture occurs; and

- no event of default has occurred or is continuing to occur under the Indenture.

The tables below have been prepared based on the assumptions described above (including the assumptions regarding the characteristics and performance of the rep lines, which will differ from the characteristics and performance of the actual pool of Financed Eligible Loans) and should be read in conjunction therewith. In addition, the diverse characteristics, remaining terms to scheduled maturity and loan ages of the Financed Eligible Loans could produce slower or faster principal payments than implied by the information in these tables, even if the dispersions of weighted average characteristics, remaining terms to scheduled maturity and loan ages are the same as the characteristics, remaining terms to scheduled maturity and loan ages assumed. See "CERTAIN RISK FACTORS" above.

Each set of projected weighted average lives reflects a projected average of the periods of time for which the Series 2011-1 Bonds are Outstanding. Such projected weighted average lives do not reflect the period of time which any one Series 2011-1 Bond will remain Outstanding. At each prepayment speed, some Series 2011-1 Bonds will remain Outstanding for periods of time shorter than the applicable projected weighted average life, while some will remain Outstanding for longer periods of time.

WEIGHTED AVERAGE LIVES AND EXPECTED MATURITY DATES
OF THE SERIES 2011-1 BONDS AT VARIOUS PERCENTAGES OF THE CPR

0% CPR	2% CPR	4% CPR	6% CPR	8% CPR
		Weighted Average Life (Years)[1]		
7.17	6.35	5.68	5.12	4.66
		Expected Maturity Date		
September 3, 2030	December 1, 2028	March 1, 2027	September 2, 2025	March 1, 2024

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(1) The weighted average life of each of the Series 2011-1 Bonds (assuming a 360 day year consisting of twelve 30 day months) is determined by: (a) multiplying the amount of each principal payment on such Series 2011-1 Bonds by the number of years from the date of issuance to the related Quarterly Distribution Date, (b) adding the results, and (c) dividing that sum by the aggregate principal amount of such Series 2011-1 Bonds as of the date of issuance.

PERCENTAGES OF ORIGINAL PRINCIPAL AMOUNT OF THE SERIES 2011-1 BONDS
REMAINING AT CERTAIN QUARTERLY DISTRIBUTION DATES
AT VARIOUS PERCENTAGES OF THE CPR

Distribution Dates	0% CPR	2% CPR	4% CPR	6% CPR	8% CPR
Date of Issuance	100%	100%	100%	100%	100%
Jun-12	94	92	90	89	87
Jun-13	87	84	81	77	74
Jun-14	80	76	71	66	62
Jun-15	73	67	61	56	51
Jun-16	65	58	52	46	41
Jun-17	56	49	43	37	32
Jun-18	47	41	34	29	24
Jun-19	39	32	26	21	17
Jun-20	30	24	19	15	11
Jun-21	22	17	13	9	6
Jun-22	17	13	9	6	3
Jun-23	14	10	6	3	1
Jun-24	11	7	4	2	0
Jun-25	9	5	2	*	0
Jun-26	7	4	1	0	0
Jun-27	5	2	0	0	0
Jun-28	3	1	0	0	0
Jun-29	2	0	0	0	0
Jun-30	*	0	0	0	0
Jun-31	0	0	0	0	0
Jun-32	0	0	0	0	0

* Greater than zero but less than 0.5% of original principal balance of bonds remaining.

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APPENDIX E

GENERAL DESCRIPTION OF THE
OKLAHOMA COLLEGE ASSISTANCE PROGRAM (OCAP)

The information concerning the Oklahoma College Assistance Program, formerly known as the Oklahoma Guaranteed Student Loan Program, was obtained from them. The information is not guaranteed as to accuracy or completeness by the Authority, the Underwriter, the Trustee or counsel to those parties. It is not to be construed as a representation by any of those persons.

The Authority, the Underwriter, the Trustee, or counsel to those parties have not independently verified this information. No representation is made by any of those persons as to the absence of material adverse changes in such information subsequent to the date hereof.

General

The State Regents, a Constitutional agency of the State of Oklahoma, operate the Oklahoma College Assistance Program, or OCAP. OCAP, formerly known as OGSLP, has been in operation in Oklahoma since November 1965. Following the changes from the Reconciliation Act, effective July 1, 2010, OCAP will continue to administer the Guarantee Fund to support the outstanding portfolio of guaranteed FFEL Program education loans made to students who had attended approved universities, colleges, vocational education or trade schools. However, no new FFEL Program loans will be guaranteed.

At the federal fiscal year ended September 30, 2010, FFEL Program loans made by various eligible lenders and guaranteed by OCAP were outstanding in the total principal amount of approximately $3.3 billion.

At June 30, 2010, there were approximately 74 schools in Oklahoma and 39 eligible lenders actively participating with the OGSLP. Effective July 1, 2010, the Reconciliation Act eliminated the origination of new FFELP loans after June 30, 2010 and all federal student loans must be made in the Direct Student Loan Program. Guarantors are required to continue to provide services for outstanding FFELP borrowers, including default prevention, claim payment and default collections. However, lenders are precluded from continuing to disburse federal student loans.

State Guarantee Agency Administration

The State Regents appoint a chief executive officer, the Chancellor of Higher Education. The present Chancellor is Dr. Glen Johnson. Rick Edington is the Executive Director of OCAP. OCAP employs approximately 131 full time equivalent employees.

The offices of OCAP are located at 421 N.W. 13th Street, Oklahoma City, Oklahoma 73103; Telephone (405) 234-4300.

OCAP is a separate legal entity from the Oklahoma Student Loan Authority, and the members of the State Regents and the trustees of the Authority do not overlap. In addition, the administrative management of OCAP and the management of the Authority are separate.

Electronic Data Processing Support

OCAP uses an integrated software system and data processing facilities for administering education loans that is provided pursuant to an agreement between the State Regents and Sallie Mae Servicing L.P. dated September 7, 1989, as amended and extended to December 31, 2015

This software system is operated from terminals controlled by OCAP and connected to Sallie Mae's system. The system provides OCAP with the ability to continue the support services for loan status management, pre-claims assistance, claims processing, post claims operations (including reinsurance claims to the Department of Education) and reporting. Previously, it also provided for the loan application processing and guarantee fee billings to lenders.

Annual Guaranteed Loan Volume

During the federal fiscal years indicated below, the loan principal volume guaranteed by OCAP was as shown in the following table. The reduction in the Annual Guaranteed Loan Volume total from September 30, 2006 to September 30, 2010 was a result of a decrease in Consolidation Loan volume, the capital markets disruption of lender participation in the FFEL Program and the cessation of new loan guarantees in the FFEL Program after June 30, 2010.

Also, for the federal fiscal year ended September 30, 2010 the decline in the percent of the 4 year university school type, with a corresponding increase in the percentages of 2 year colleges and proprietary schools, was due to the earlier entry and size of the transition of volume of 4 year universities compared to the other school types transitioning to the Direct Student Loan Program.

Annual Education Loan Guarantees

	Federal Fiscal Year Ended 9/30/2010	Federal Fiscal Year Ended 9/30/2009	Federal Fiscal Year Ended 9/30/2008	Federal Fiscal Year Ended 9/30/2007	Federal Fiscal Year Ended 9/30/2006
Amount (000)	$202,708	$610,881	$616,451	$783,880	$889,312
Loan Type	Percent	Percent	Percent	Percent	Percent
Stafford (Sub)	43.3	42.2	39.9	32.6	28.6
Unsubsidized Stafford	50.1	49.9	41.0	29.3	26.0
PLUS	6.6	7.9	8.1	6.7	5.2
Consolidation	0.0	0.0	11.0	31.4	40.2
Total	100.0	100.0	100.0	100.0	100.0
Amount (000)*	$202,708	$610,881	$616,451	$783,880	$889,312
School Type*	Percent	Percent	Percent	Percent	Percent
4 Year University	70.8	82.4	83.4	83.0	81.0
2 Year College	12.6	9.4	9.9	10.2	10.5
Proprietary	16.6	8.2	6.7	6.8	8.5
Total	100.0	100.0	100.0	100.0	100.0

*OCAP's system does not track Consolidation Loan approvals by institution type.

Outstanding Portfolio Composition

The composition of OCAP's outstanding loan principal guaranteed during the federal fiscal years has been as shown in the following table:

Composition of Outstanding Education Loan Guarantees

	Federal Fiscal Year Ended 9/30/2010	Federal Fiscal Year Ended 9/30/2009	Federal Fiscal Year Ended 9/30/2008	Federal Fiscal Year Ended 9/30/2007	Federal Fiscal Year Ended 9/30/2006
Amount (000)	$3,304,578	$3,798,066	$3,735,623	$3,468,995	$3,325,836
Loan Status	Percent	Percent	Percent	Percent	Percent
Interim	17.8	27.5	30.1	29.7	29.1
Deferred	15.3	11.5	11.1	11.0	12.8
Repayment	66.9	61.0	58.8	59.3	58.1
Total	100.0	100.0	100.0	100.0	100.0
School Type*	Percent	Percent	Percent	Percent	Percent
4 Year Univ.	72.9	73.8	73.8	72.4	72.4
2 Year College	21.6	20.7	20.4	21.1	20.4
Proprietary	5.5	5.6	5.8	6.5	7.2
Total	100.0	100.0	100.0	100.0	100.0

*OCAP's system does not track Consolidation Loan approvals by institution type.

Trigger Rate

Reimbursements by the Department of Education of claims paid by OCAP are subject to a sliding scale from 95% to 100%, depending on the date of first disbursement, if OCAP's "*trigger rate*" is below 5.0%. Department of Education reimbursements can decrease to 75% to

90% if the rate is 5.0% or greater. During the federal fiscal years indicated below, the trigger rate for OCAP has been as shown in the following table:

Trigger Rate of OCAP

Federal Fiscal Year Ended 9/30	Trigger Numerator	Trigger Denominator	Rate
2010	$97,323,248	$2,597,433,965	3.75%
2009	$97,197,328	$2,463,870,798	3.94%
2008	$78,216,994	$2,296,689,749	3.41%
2007	$63,917,275	$2,212,615,571	2.89%
2006	$56,306,332	$2,129,097,920	2.64%

OCAP is responsible as a co-insurer in each federal fiscal year for the difference between the claim amount paid to eligible lenders and the Secretary's reimbursement under the trigger rate formula.

Reserve Ratio

The reserve ratio is calculated on an accrual basis of accounting, using the sum of the Federal Fund balance with amounts reported for allowances and other non-cash charges added back into the balance. Prior years' ratios were calculated on a cash basis using total cash and investments. The reserve ratio for OCAP for the past five Fiscal Years ended June 30 was as shown in the following Table:

Reserve Ratio of OCAP

Fiscal Year Ended June 30	Reserve Ratio	Required Reserve Ratio
2010	0.71%	0.25%
2009	0.63%	0.25%
2008	0.63%	0.25%
2007	0.60%	0.25%
2006	0.52%	0.25%

Federal Default Fees

The Deficit Reduction Act requires, for FFEL Program loans guaranteed on or after July 1, 2006, the collection and deposit into a guarantee agency's Federal Fund of a federal default fee of 1% of loan principal. The fee must be collected either by deduction from the borrower's proceeds of the loan or by payment from other non-federal sources.

Previously, OCAP charged the 1% default fee for loans it guaranteed. However, OCAP's default fee policy was modified and it paid half of the fee for loans guaranteed on/after June 1, 2008 through June 30, 2010. Various lenders, including the lenders in the OSLA Student Lending Network, paid the other 0.5% of the default fee on behalf of their borrowers.

Prior to July 1, 2006, guarantee agencies were allowed to collect a Guarantee fee from borrowers for up to one percent of the student loan amount disbursed by eligible lenders. Generally, guarantee agencies waived this fee for several years prior to July 1, 2006. OCAP waived the Guarantee fee for loans disbursed on or after July 1, 2001 and through June 30, 2006.

Default Rates and Collections

The gross and net (after collections) default rates for OCAP during the federal fiscal years indicated below have been as shown in the following table:

Default Rates Regarding OCAP

	Federal Fiscal Year Ended 9/30/2010	Federal Fiscal Year Ended 9/30/2009	Federal Fiscal Year Ended 9/30/2008	Federal Fiscal Year Ended 9/30/2007	Federal Fiscal Year Ended 9/30/2006
Gross Default Rate	37.7%	29.3%	26.7%	25.2%	23.8%
Net Default Rate after Collections	9.3%	8.5%	8.3%	8.0%	8.0%

The Higher Education Amendments of 1998 reduced guarantee agencies' retention rate on collection recoveries from 27% to 24%. A reduction to 23% retention on collection recoveries became effective October 1, 2003, with a further reduction to 16% effective October 1, 2007.

In addition, pursuant to the Secretary's interpretation of the Higher Education Act, the retention rate paid by the Secretary on defaulted loans that are paid by the making of a Federal Consolidation Loan was 18.5%. The Deficit Reduction Act required guarantors beginning October 1, 2006 to remit to the Secretary a portion of the collection fees on default consolidations equal to 8.5% of principal and interest, effectively reducing retention on default consolidations to 10%.

Pending State Legislation and Litigation

There is no State legislation pending an effective date, or proposed for legislative action, with respect to OCAP or the Guarantee Fund.

There is no currently pending or, to the knowledge of the State Regents, threatened legal proceeding with respect to OCAP and the Guarantee Fund except for defaulted loan collection recovery efforts in the normal course of operations.

Status of Federal Matters

Regulations provide that a guarantee agency paying a claim more than 90 days after submission cannot file with the Department of Education for reinsurance. The regulations have had no adverse effect on the reserve fund status of OCAP.

Certain Federal Reserve Fund amounts were subject to recall by the Secretary on September 1, 2002 under Section 422 (h) and (i) of the Higher Education Act. These amounts had been provided for by OCAP over a period of five years. As of September 1, 2007, OCAP met its combined recall obligation of approximately $6,644,024.

The Department of Education routinely conducts regular reviews or audits of guarantee agencies, such as OCAP, for compliance with various aspects of the Higher Education Act. During Fiscal Year 2007, the Department of Education conducted reviews of the Department of Education payments made to FFEL program lenders and guarantee agencies. OCAP's review was conducted in May 2007. OCAP's written report on this review from the Department of Education was dated July 21, 2007. The report stated that "No instances of improper payments were found during our testing of the ED Form 2000 submissions. Therefore, the review is closed with the issuance of this report."

The Ensuring Continued Access to Student Loans Act of 2008 was enacted into law as a result of credit market conditions. Pursuant to this legislation, and subsequent legislative action, the Department of Education introduced two liquidity options for lenders for loan periods in the 2008-2009 and 2009-2010 academic years.

The first option was the Loan Participation Purchase Program whereby the Department of Education offered to purchase participation interests in loans. The participation interests could be paid off directly by the lender or the lender could opt to sell (also known as "put") the loans in the facility to the Department of Education. The second option was called the Loan Purchase Commitment Program. It involved the sale of loans to the Department of Education following final disbursement of a loan.

The potential impact to guarantee agencies includes the loss of guarantees when loans are "put" to the Department of Education. Through September 30, 2010, $622.8 million of OCAP's loans have been put to the Department of Education. This results in a decrease in the outstanding loan amount which is used in the calculation of the Account Maintenance Fee (AMF) as well as a reduction in the denominator for the Reserve Ratio. The loans which are PUT also result in a reduction in future lender claims due to the guarantee no longer being with OCAP.

The Reconciliation Act effective July 1, 2010, required all future federal student loans to be made in the Direct Student Loan Program. Guarantors are required to continue to provide services for outstanding FFELP borrowers, including default prevention, claim payment and default collections. However, lenders are precluded from continuing to disburse federal student loans In addition to continuing to provide services related to the $3.3 Billion outstanding portfolio, OCAP plans to continue to provide and expand important student support services including default prevention, financial literacy and college access/outreach programs. This business strategy is supported by an amendment to our enabling statute which authorizes State Regents to contract with any necessary parties to provide these types of services and a corresponding change in name from OGSLP to OCAP.

Additionally, there are ongoing discussions with the Department of Education concerning additional revenue streams for guarantee agencies to support expansion of student support services eliminating any potential services gaps as a result of the transition to all loans being made in the Federal Direct Loan Program. This includes discussion in the President's 2012 federal budget proposal regarding his intent to execute Variable Flexible Agreements with guarantee agencies to enhance the integrity of the student loan programs, and, more recently, a notice in the Federal Register dated May 31, 2011 inviting guaranty agencies to submit proposals to participate in a Voluntary Flexible Agreement.

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APPENDIX F

CONTINUING DISCLOSURE UNDERTAKING

The following is a brief summary of certain provisions of the *Continuing Disclosure Undertaking* by the Authority. It does not purport to be complete. The statements made in this Appendix are subject to the detailed provisions of the Undertaking.

Annual Financial and Operating Information Disclosure

The Authority covenants that it will disseminate its Annual Financial and Operating Information, including its Audited Financial Statements (both as described below), to the Municipal Securities Rulemaking Board (the "*MSRB*") through the Electronic Municipal Market Access ("*EMMA*") central repository system, which has the *internet site* emma.msrb.org.

"*Audited Financial Statements*" means the audited financial statements of the Authority prepared in accordance with accounting principles generally accepted in the United States of America unless such statements are in direct conflict with statements issued by the Governmental Accounting Standards Board, as in effect from time to time, which financial statements have been audited by a firm of certified public accountants. Audited financial statements will be provided through EMMA within 30 days after availability to the Authority.

"*Annual Financial and Operating Information*" means the Audited Financial Statements of the Authority and financial information and operating data regarding the Authority and its Program of the type set forth in the captions "OKLAHOMA STUDENT LOAN AUTHORITY – Initial Collateralization" and "CHARACTERISTICS OF THE FINANCED STUDENT LOANS" in this Official Statement, as of the end of the most recently completed fiscal year. Annual Financial and Operating Information, exclusive of Audited Financial Statements, will be provided to the MSRB through EMMA by October 31 of each year, commencing October 31, 2011.

Material Events Disclosure

The Authority covenants that it will disseminate Material Events Disclosure (as described below) to the MSRB through EMMA within 10 business days after the occurrence of the event. "*Material Events*" with respect to the Series 2011-1 Bonds for which disclosure is required are:

- Principal and interest payment delinquencies
- Non-payment related defaults, if material
- Unscheduled draws on debt service reserves reflecting financial difficulties

- Unscheduled draws on credit enhancements reflecting financial difficulties
- Substitution of credit or liquidity providers, or their failure to perform
- Modifications to the rights of Series 2011-1 Bond holders
- Bond calls, if material
- Defeasances
- Release, substitution or sale of property securing repayment of the Series 2011-1 Bonds
- Rating changes
- Tender offers
- Bankruptcy, insolvency, receivership or similar events of the Authority
- Merger, consolidation, or acquisition of the Authority, if material
- Appointment of a successor or additional trustee, or the change of name of a trustee, if material

Notice of optional or unscheduled redemption, or of defeasance, of any Series 2011-1 Bonds need not be given any earlier than the notice (if any) of such redemption or defeasance is given to the Registered Owners pursuant to the Indenture.

Consequences of Failure of the Authority to Provide Information

The Authority will give notice, in a timely manner, to the MSRB through EMMA of a failure to provide Annual Financial and Operating Information when the same are due under the Undertaking.

In the event of a failure of the Authority to comply with any provision of the Undertaking, the beneficial owner of any Series 2011-1 Bond may seek mandamus or specific performance by court order, to cause the Authority to comply with its obligations under the Undertaking. A default under the Undertaking will *not* be deemed an Event of Default under the Indenture. The sole remedy in the event of any failure of the Authority to comply with the Undertaking will be an action to compel performance.

Amendment; Waiver

Notwithstanding any other provision of the Undertaking, the Authority may amend the Undertaking, and any provision of the Undertaking may be waived, if:

A. The amendment or the waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, name, or status of the Authority, or type of business conducted;

B. The Undertaking, as amended, or the provision, as waived, would have complied with the requirements of SEC Rule 15c2-12 at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

C. The amendment or waiver does not materially impair the interests of the beneficial owners of the Series 2011-1 Bonds, as determined either by parties unaffiliated with the Authority (such as the Trustee), or by an approving vote of the Registered Owners of the Series 2011-1 Bonds pursuant to the terms of the Indenture at the time of the amendment.

Termination of Undertaking

The Undertaking will be terminated if the Authority no longer has any legal liability for any obligation on or relating to repayment of the Series 2011-1 Bonds under the Indenture. The Authority will give notice of any such termination, in a timely manner, to the MSRB through EMMA.

Additional Information

Nothing in the Undertaking will be deemed to prevent the Authority from disseminating any other information, using the means of dissemination set forth in the Undertaking or any other means of communication, or including any other information in any Annual Financial and Operating Information or notice of occurrence of a Material Event, in addition to that which is required by the Undertaking.

If the Authority chooses to include any information from any document or notice of occurrence or a Material Event in addition to that which is specifically required by the Undertaking, the Authority will have no obligation under the Undertaking to update such information or include it in any future disclosure or notice of occurrence of a Material Event.

Events with respect the Series 2011-1 Bonds for which disclosure is voluntary include:

- Amendment to the continuing disclosure Undertaking
- Change in obligated person
- Notice to investors pursuant to the Series 2011-1 bond document
- Certain communications from the Internal Revenue Service
- Secondary market purchases
- Bid for auction rate or other securities
- Capital or other financing plan
- Litigation/enforcement action
- Change of tender agent, remarketing agent, or other on-going party
- Derivative or other similar transaction
- Other event-based disclosures

Dissemination Agent

The Authority may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under the Undertaking, and may discharge any such agent, with or without appointing a successor Dissemination Agent. A Dissemination Agent is any agent designated as such in writing by the Authority and which has filed with the Authority a written acceptance of such designation.

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APPENDIX G

FORM OF APPROVING OPINION OF KUTAK ROCK LLP, BOND COUNSEL

June __, 2011

$205,200,000
OKLAHOMA STUDENT LOAN AUTHORITY
OKLAHOMA STUDENT LOAN BONDS AND NOTES
TAXABLE LIBOR-INDEXED FLOATING RATE BONDS
SERIES 2011-1

Ladies and Gentlemen:

We have acted as Bond Counsel to the Oklahoma Student Loan Authority (the "Authority"), an express trust duly created and established for public purposes pursuant to a Trust Indenture dated as of the 2nd day of August 1972 (the "Trust Indenture") executed under the authority of and pursuant to, and duly organized and existing under the provisions of, the Constitution and the laws of the State of Oklahoma (the "State"), including particularly the provisions of Title 70, Oklahoma Statutes, 2001, Sections 695.1 *et seq.*, as amended, and Title 60, Oklahoma Statutes, 2001, Sections 176 *et seq.*, as amended (collectively referred to herein as the "Authorizing Act"), in connection with the authorization, sale, issuance and delivery of its $205,200,000 Oklahoma Student Loan Bonds and Notes, Taxable LIBOR-Indexed Floating Rate Bonds, Series 2011-1 (the "Series 2011-1 Bonds").

The Series 2011-1 Bonds are issued under and pursuant to the Authorizing Act and (a) a resolution of the Authority entitled "Amended and Restated Series 2011 Bond Resolution" adopted by the trustees of the Authority on June 28, 2011 and (b) an Indenture of Trust, dated as of June 1, 2011 (the "Indenture"), between the Authority and BOKF, NA dba Bank of Oklahoma, as trustee thereunder (the "Trustee"). The Series 2011-1 Bonds are issued for the purpose of providing funds which, together with other legally available funds, will be used by the Authority to acquire student loans, refinance certain outstanding obligations of the Authority and fund certain accounts. Capitalized terms used, but not defined, in this opinion shall have the same meanings which are ascribed to such terms in the Indenture unless the context shall clearly indicate otherwise.

The Series 2011-1 Bonds are dated, mature on the dates and in the principal amounts, bear interest, are payable, are subject to redemption prior to maturity and have such other terms and conditions as provided in the Indenture.

In our capacity as Bond Counsel, we have examined the laws of the State and of the United States of America relevant to the opinions expressed herein and the certified transcript of proceedings relating to the authorization, sale, issuance and delivery of the Series 2011-1 Bonds, including originals or copies, certified or otherwise identified to our satisfaction, of (a) the Trust Indenture, (b) the Series 2011 Bond Resolution, (c) the Indenture, (d) the Education Loan Servicing Agreement, dated as of June 1, 2011 (the "Servicing Agreement"), between the

Authority, as issuer, and the Authority, as servicer; (e) the Amended and Restated Backup Third Party Servicing Agreement, dated as of June 1, 2011 (the "Backup Servicing Agreement"), among the Authority, as issuer, the Authority, as servicer, and Nelnet Servicing, LLC, as backup servicer; (f) the Joint Sharing Agreement, dated as of October 1, 2008 (the "Joint Sharing Agreement"), among the Authority, the Trustee and the trustees or lenders of the Authority for certain trust estates of the Authority, and (g) such other documents, records and certificates as we have deemed relevant and necessary in rendering the opinions expressed herein. As to questions of fact material to our opinion, we have relied upon the representations and covenants made on behalf of the Authority and certifications of public officials and other parties involved in the issuance of the Series 2011-1 Bonds (including certifications as to the use of the proceeds of the Series 2011-1 Bonds) without undertaking to verify the same by independent investigation.

We have not passed upon any matters relating to the business, properties, affairs or condition, financial or otherwise, of the Authority and no inference should be drawn that we have expressed an opinion on matters relating to the financial ability of the Authority to perform its obligations under the Series 2011-1 Bonds and the documents described herein.

Based upon and subject to the foregoing, we are of the opinion that as of the date hereof and under existing law:

1. The Authority is an express trust duly created and established for public purposes, pursuant to the Trust Indenture executed under the authority of and pursuant to the Authorizing Act, and has full power and authority to issue the Series 2011-1 Bonds and to adopt the Series 2011 Bond Resolution and enter into the Indenture, the Servicing Agreement, the Backup Servicing Agreement, the Joint Sharing Agreement and the other documents contemplated thereby and perform its obligations thereunder.

2. The Series 2011 Bond Resolution, the Indenture, the Servicing Agreement, the Backup Servicing Agreement, and the Joint Sharing Agreement have been duly authorized, executed and delivered, are in full force and effect and constitute legal, valid and binding agreements of the Authority enforceable in accordance with their respective terms and no other authorization for the Series 2011 Bond Resolution is required.

3. The Series 2011-1 Bonds have been duly authorized and issued by the Authority, are entitled to the benefits of the Series 2011 Bond Resolution and the Indenture and are valid and binding limited and special revenue obligations of the Authority secured by and payable solely from the revenues, funds and accounts of the Authority pledged as the trust estate therefor pursuant to the Series 2011 Bond Resolution. The Series 2011-1 Bonds do not constitute or create an obligation (general or special), debt, liability or moral obligation of the State of Oklahoma or any political subdivision thereof and neither the faith and credit nor the taxing power of the State of Oklahoma or any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or interest on the Series 2011-1 Bonds.

4. The Series 2011-1 Bonds will constitute indebtedness of the Authority and the interest on the Series 2011-1 Bonds is includible in gross income each for federal income tax purposes.

5. Pursuant to the Authorizing Act, the Series 2011-1 Bonds and the income therefrom are exempt from taxation in the State. We express no opinions regarding any other consequences affecting the federal income tax liability of a recipient of interest on the Series 2011-1 Bonds.

Any federal tax advice contained in this letter was written to support the marketing of the Series 2011-1 Bonds and is not intended or written to be used, and cannot be used, by a taxpayer for the purpose of avoiding any penalties that may be imposed under the Internal Revenue Code of 1986, as amended. All taxpayers should seek advice based on such taxpayer's particular circumstances from an independent tax advisor. This disclaimer is provided to comply with Treasury Circular 230.

The opinions expressed above with respect to the enforceability of the Series 2011-1 Bonds and the documents described herein are qualified to the extent that the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally heretofore or hereafter enacted, by the application of general principles of equity, and by the exercise of judicial discretion in appropriate cases.

For the purposes of this opinion, our services as Bond Counsel have not extended beyond the examinations and expressions of the conclusions referred to above. The opinions expressed herein are based upon existing law as of the date hereof and we express no opinion herein as of any subsequent date or with respect to any pending litigation.

Respectfully submitted,

Kutak Rock LLP

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OKLAHOMA STUDENT LOAN AUTHORITY • OKLAHOMA STUDENT LOAN BONDS AND NOTES TAXABLE LIBOR-INDEXED FLOATING RATE BONDS, SERIES 2011-1

OSLA

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