OFFERING MEMORANDUM

We are distributing this Offering Memorandum to furnish information on our Series 2013-1 Bonds. This cover contains certain information for quick reference only. This cover is not a summary of the Series 2013-1 Bonds. Prospective investors should read this entire Offering Memorandum, including all Appendices, to make an informed investment decision.

$211,820,000
OKLAHOMA STUDENT LOAN AUTHORITY
Oklahoma Student Loan Bonds and Notes
Taxable LIBOR-Indexed Floating Rate Bonds, Series 2013-1

BONDS

We are issuing the Series 2013-1 Bonds described above (the "bonds") pursuant to the provisions of an Indenture of Trust dated as of April 1, 2013 (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 denominations 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
2013-1	1-Month LIBOR plus 0.50%	99.76953%	February 25, 2032	AA+(sf) / AAAsf	679110 EF9

[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 103.50%; however, no minium level of overcollateralization 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 monthly interest payments and distributions of principal on the 25th day of each month, or the next succeeding business day if the 25th day is not a business day, beginning June 25, 2013. 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.

LIMITED REVENUE OBLIGATIONS

The bonds will be limited revenue obligations payable solely from student loans acquired or transferred in connection with the issuance of the bonds, 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 pass upon the accuracy of this Offering Memorandum. 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 April 11, 2013.

RBC Capital Markets

April 1, 2013

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ADDITIONAL INFORMATION

This Offering Memorandum has been prepared by the Oklahoma Student Loan Authority solely for use in connection with the proposed offering of the Series 2013-1 Bonds described herein. This Offering Memorandum does not constitute an offer of, or an invitation by or on behalf of, the Authority or RBC Capital Markets, LLC, as the underwriter of the Series 2013-1 Bonds (the "*Underwriter*") to subscribe for or purchase any of the Series 2013-1 Bonds in any circumstances or in any state or other jurisdiction where such offer or invitation is unlawful.

No Series 2013-1 Bonds may be sold without delivery of this Offering Memorandum. The delivery of this Offering Memorandum, 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 Offering Memorandum 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 Offering Memorandum. 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 2013-1 Bonds. Prospective investors are *not* to construe the contents of this Offering Memorandum, 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 2013-1 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 Offering Memorandum. The Underwriter has reviewed the information in this Offering Memorandum 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.

The Underwriter is the appointed remarketing agent for our Senior Taxable Floating Rate Notes, Series 2004A-3, which are being refunded with a portion of the proceeds of the Series 2013-1 Bonds. The Underwriter also is the appointed broker-dealer on four of our outstanding series of auction rate securities, including our Senior Taxable Auction Rate Bonds, Series 2001A-2 (the "Series 2001A-2 Bonds"), a portion of which will be purchased in lieu of redemption in connection

with the issuance of the Series 2013-1 Bonds as a result of an unsolicited tender offer by the holder of such Series 2001A-2 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 2013-1 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 2013-1 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 2013-1 Bonds on any exchange, including any exchange in either Europe or the United States.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Offering Memorandum 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 Offering Memorandum and the documents that are referenced in this Offering Memorandum 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 2013-1 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 Offering Memorandum, including the Appendices, carefully before you invest.

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

The Series 2013-1 Bonds

The $211,820,000 Oklahoma Student Loan Authority Student Loan Bonds and Notes Taxable LIBOR-Indexed Floating Rate Bonds, Series 2013-1 (the "*Series 2013-1 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 May 31, 2013 (for the June 25, 2013 distribution date). Each subsequent Collection Period will be the calendar month immediately preceding such monthly distribution date.

Distribution Dates

Distribution dates for the Series 2013-1 Bonds will be the 25th day of each calendar month, beginning June 25, 2013, or if such day is not a business day, the immediately succeeding business day. These dates are sometimes referred to herein as "*monthly distribution dates*." The calculation date for each monthly distribution date generally will be on or before the second business day before such monthly distribution date.

Interest Accrual Periods

The initial interest accrual period for the Series 2013-1 Bonds begins on the date of issuance and ends on June 24, 2013. For all other monthly distribution dates, the interest accrual period will begin on the prior monthly distribution date and end on the day before such monthly 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 2013-1 Bonds (which is expected to be on or about April 11, 2013) is April 11, 2013. 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 Offering Memorandum 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 February 28, 2013, which is referred to as the "*statistical cut-off date*." The Authority believes that the information set forth in this Offering Memorandum 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 the Series 2013-1 Bonds.

Description of the Series 2013-1 Bonds

General

The Series 2013-1 Bonds are special, limited obligations of the Authority payable solely from the trust estate pledged therefor under the Indenture. The Series 2013-1 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 2013-1 Bonds will be issued in denominations of $100,000 and in integral multiples of $1,000 in excess thereof in original principal amount.

Interest on the Series 2013-1 Bonds will be payable to the record owners of the Series 2013-1 Bonds as of the close of business on the day before the related monthly distribution date.

Interest on the Series 2013-1 Bonds

The Series 2013-1 Bonds will bear interest, except for the initial interest accrual period, at an annual rate equal to one-month LIBOR plus the spread shown on the cover hereof.

The Trustee will calculate the rate of interest on the Series 2013-1 Bonds on the second business day prior to the start of the applicable interest accrual period. The LIBOR rate for the Series 2013-1 Bonds for the initial interest accrual period will be calculated by reference to the following formula:

> x + [(a/b * (y-x)] plus 0.50%, as calculated by the Trustee, where:
>
> x = two-month LIBOR;
>
> y = three-month LIBOR;
>
> a = 14 (the actual number of days from the maturity date of two-month LIBOR to the first monthly distribution date); and
>
> b = 30 (the actual number of days from the maturity date of two-month LIBOR to the maturity date of three-month LIBOR).

Interest accrued on the outstanding principal balance of the Series 2013-1 Bonds during each interest accrual period will be paid on the following distribution date.

The Maximum Rate of interest on the Series 2013-1 Bonds will not exceed an average rate of 14% per annum from the date of issuance.

Interest Distributions on the Series 2013-1 Bonds

The amount of interest payable on a monthly distribution date for the Series 2013-1 Bonds is equal to the sum of (a) the interest accrued during the interest accrual period as described above under "Interest on the Series 2013-1 Bonds"), and (b) the related "*Interest Shortfall*" (described below), if any, for such monthly 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 monthly interest payment date for the Series 2013-1 Bonds is equal to the excess, if any, of (a) the interest due and payable on the Series 2013-1 Bonds on the immediately preceding monthly distribution date over (b) the amount of interest actually distributed to the owners of the Series 2013-1 Bonds on such preceding monthly distribution date, plus interest on the amount of such excess interest due to the owners of the Series 2013-1 Bonds, to the extent permitted by law, at the interest rate borne by the Series 2013-1 Bonds from such immediately preceding monthly distribution date to, but excluding, the current monthly distribution date.

Principal Distributions

Principal distributions will be paid, on a *pro rata* basis, on each monthly distribution date with Available Funds that remain on deposit in the Collection Account as of the end of the preceding Collection Period following the payment of all fees and expenses, interest due on the Series 2013-1 Bonds and amounts to replenish the Debt Service Reserve Account, all as further described herein under "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2013-1 BONDS – Collection Account; Flow of Funds." Also see the captions "DESCRIPTION OF THE SERIES 2013-1 BONDS – Principal Distributions" and "FEES AND EXPENSES" herein.

Final Maturity

The date on which the Series 2013-1 Bonds are due and payable in full is the February 25, 2032 monthly distribution date.

The payment in full of the Series 2013-1 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 2013-1 Bond shall be payable only upon presentation and surrender of such Series 2013-1 Bond.

No Additional Bonds

The Indenture is a discrete trust estate and does not permit the issuance of any bonds additional to the Series 2013-1 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 2013-1 Bonds, and certain other amounts made available to the Authority, will be used to make the initial deposit to the Debt Service Reserve Account and the Capitalized Interest Account. Certain of the remaining proceeds from the sale of the Series 2013-1 Bonds and certain other amounts made available to the Authority will be used to acquire student loans from third party sellers or presently pledged by the Authority under separate trust estates 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 2013-1 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 2013-1 Bonds will include overcollateralization, the pledge of additional student loans, the Debt Service Reserve Account, and the Capitalized Interest Account. See the caption "CREDIT ENHANCEMENT" herein. After the issuance of the Series 2013-1 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 2013-1 Bonds as of the date of issuance is expected to be approximately 103.50%.

Trust Estate Assets

The assets of the trust estate securing the Series 2013-1 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, the Capitalized Interest Account and the Debt Service Reserve Account.

The Authority acquired, or 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 a portion of the costs of issuance of the Series 2013-1 Bonds. If, for any reason, any funds remain in the Acquisition Account on April 30, 2013, such funds will be transferred to the Collection Account.

The Collection Account

On the date of delivery of the Series 2013-1 Bonds, the Trustee will deposit $3,320,741 into the Collection Account. Thereafter, 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, the Capitalized Interest 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 2013-1 Bonds. See the caption "—Flow of Funds" below and "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2013-1 BONDS – Collection Account; Flow of Funds" herein.

The Capitalized Interest Account

The Authority will deposit $500,000 into the Capitalized Interest Account on the date of issuance. See the caption "USE OF PROCEEDS" herein. On each monthly distribution 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 2013-1 Bonds, then an amount equal to the deficiency will be transferred from the Capitalized Interest Account to the Collection Account. Amounts on deposit in the Capitalized Interest Account will not be replenished, and any amounts on deposit in the Capitalized Interest Account on the April 2014 monthly distribution date will be transferred to the Collection Account on such monthly distribution date.

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 2013-1 Bonds are outstanding at an amount equal to the greater of 0.25% of the Outstanding Amount of the Series 2013-1 Bonds as of the last day of the related Collection Period, or $317,730 (which amount is equal to 0.15% of the original principal amount of the Series 2013-1 Bonds), or such lesser

amount with the consent of the registered owners representing not less than a majority of the Outstanding Amount of the Series 2013-1 Bonds.

On each monthly distribution date, to the extent that money in the Collection Account, after any required withdrawal of amounts from the Capitalized Interest 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 2013-1 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 monthly 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 2013-1 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 2013-1 Bonds will be made from the Debt Service Reserve Account only (1) on the final maturity date for the Series 2013-1 Bonds or (2) on any monthly 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 2013-1 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 FEDERAL FAMILY EDUCATION LOAN 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 $214,833,289, plus total accrued interest in the approximate amount of $2,341,485 that is expected to be capitalized. As of the statistical cut-off date, the weighted average effective 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 4.69% and their weighted average remaining term to scheduled maturity was approximately 127* 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.

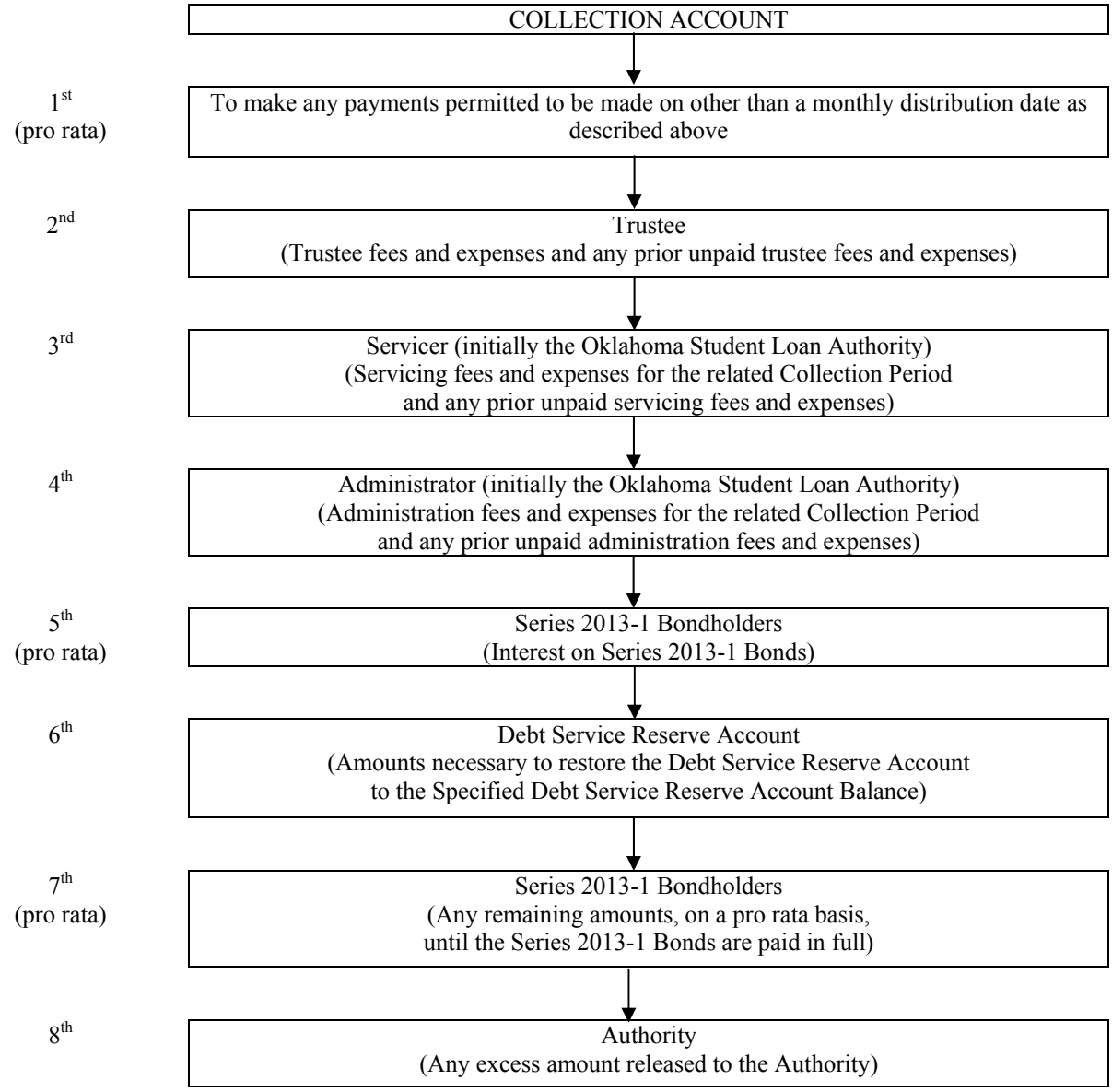
Joint Sharing Agreement

A joint sharing agreement among the Authority, BOKF, NA dba Bank of Oklahoma, as trustee under the Indenture and certain other bond resolutions of the Authority, and the trustees or lenders for other trust estates 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

Each month, money available in the Collection Account will also be used to pay when due: (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. The amounts of the initial servicing fees and administration fee payable in clauses 3rd and 4th below are specified under the caption "FEES AND EXPENSES" herein. On each monthly 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:

* without giving effect to any current periods of school, grace, deferment or forbearance or any that may be granted in the future.


COLLECTION ACCOUNT
1st (pro rata)
To make any payments permitted to be made on other than a monthly distribution date 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 2013-1 Bondholders
(Interest on Series 2013-1 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 2013-1 Bondholders
(Any remaining amounts, on a pro rata basis, until the Series 2013-1 Bonds are paid in full)
8th
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 2013-1 Bonds, and after the payment of certain fees and expenses, payments of interest on the Series 2013-1 Bonds will be made, *pro rata*, without preference or priority of any kind, and then payments of principal on the Series 2013-1 Bonds will be made, *pro rata*, without preference or priority of any kind, until all of the Series 2013-1 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 additional 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 2013-1 Bonds. Any successor Administrator must be approved by registered owners representing not less than a majority of the Outstanding Amount of the Series 2013-1 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 2013-1 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 2013-1 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 2013-1 Bonds remain Outstanding unless the Authority receives the consent of the registered owners of a majority of the Outstanding Amount of the Series 2013-1 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 monthly 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 monthly distribution date to repay all outstanding Series 2013-1 Bonds, which will result in early retirement of the Series 2013-1 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 2013-1 Bonds on the related monthly distribution date to zero;
- pay to the registered owners of the Series 2013-1 Bonds the interest payable on the related monthly distribution date; and
- pay any unpaid administration fees and expenses, servicing fees and expenses, trustee fees and expenses, and amounts owed to the Department of Education.

Book-Entry Registration

The Series 2013-1 Bonds will be delivered in book-entry form only through The Depository Trust Company. You will not receive a certificate representing your Series 2013-1 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 2013-1 Bonds is includable in gross income for federal income tax purposes. The Series 2013-1 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 2013-1 Bonds

The Series 2013-1 Bonds are expected to be rated as follows:

Rating Agency (S&P/Fitch)

"AA+ (sf)"/"AAAsf (Outlook Negative)"

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 was discontinued for borrowers who were not participating in the program as of such date.

CUSIP Number

The CUSIP Number for the Series 2013-1 Bonds is **679110 EF9.**

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 has qualified and is serving as a federal Direct Loan Program servicer under the provisions for eligible not-for-profit servicers under the Reconciliation Act.

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 2013-1 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 Offering Memorandum.

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RISK FACTORS

Potential investors in the Series 2013-1 Bonds should consider the following risk factors together with all other information in this Offering Memorandum in deciding whether to purchase the Series 2013-1 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 2013-1 Bonds and does not necessarily reflect the relative importance of the various risks.

Additional risk factors relating to an investment in the Series 2013-1 Bonds are described throughout this Offering Memorandum, 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 2013-1 Bonds are a long-term investment but are based upon a LIBOR short-term index plus a spread

The interest rate on the Series 2013-1 Bonds is based on one-month LIBOR plus a fixed spread, as described herein. As a result, the interest rate on the Series 2013-1 Bonds is based on a short-term interest rate that is recalculated monthly on each LIBOR determination date, as described herein, plus a fixed spread. See the caption "DESCRIPTION OF THE SERIES 2013-1 BONDS – Interest Payments" herein for more information on how interest payments on the Series 2013-1 Bonds are calculated. The interest rate on the Series 2013-1 Bonds may fluctuate significantly over the life of the Series 2013-1 Bonds.

The Series 2013-1 Bonds, however, are a long-term investment in that there is currently no secondary market for the Series 2013-1 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 2013-1 Bonds is subject to a Maximum Rate limitation

The interest rate on the Series 2013-1 Bonds cannot exceed an average rate of 14% over the life of the Series 2013-1 Bonds. In the event interest rates rise significantly which results in the average interest rate on the Series 2013-1 Bonds (calculated from the date of issuance of the Series 2013-1 Bonds to a monthly distribution date) to exceed 14% per annum, the interest paid on such monthly distribution date will be reduced by the amount necessary to cause the average interest rate on the Series 2013-1 Bonds to equal 14% per annum.

No subordinate bonds will be issued and, therefore, the Series 2013-1 Bonds will bear all losses not covered by available credit enhancement

Credit enhancement for the Series 2013-1 Bonds will consist of overcollateralization, excess interest, if any, and cash on deposit in the Collection Account, Capitalized Interest

Account and the Debt Service Reserve Account. The Authority is not issuing any other bonds or notes that are on a parity with or subordinate to the Series 2013-1 Bonds. Therefore, to the extent that the credit enhancement described above is exhausted, the Series 2013-1 Bonds will bear any risk of loss.

You may have difficulty selling your Series 2013-1 Bonds

There currently is no secondary market for the Series 2013-1 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 2013-1 Bonds does develop, the spread between the bid price and the asked price for the Series 2013-1 Bonds may widen, thereby reducing the net proceeds to you from the sale of your Series 2013-1 Bonds.

The Authority does not intend to list the Series 2013-1 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 2013-1 Bonds when you want to do so (you may be required to bear the financial risks of an investment in the Series 2013-1 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 2013-1 Bonds may fluctuate and movements in price may be significant.

The Series 2013-1 Bonds are not a suitable investment for all investors

The Series 2013-1 Bonds are not a suitable investment if you require a regular or predictable schedule of payments or payment on any specific date. The Series 2013-1 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 2013-1 Bonds are payable solely from the trust estate and you will have no other recourse against the Authority

Interest and principal on the Series 2013-1 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 $5,000,000 in principal of student loans (as of the February 28, 2013 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 2013-1 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 2013-1 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, the Capitalized Interest 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 2013-1 Bonds.

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

On the date of issuance, the Debt Service Reserve Account will be funded at the Specified Debt Service Reserve Account Balance and the Capitalized Interest Account will be funded with $500,000.

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. Amounts on deposit in the Capitalized Interest Account will not be replenished, and any amounts on deposit in the Capitalized Interest Account on the April 2014 monthly distribution date will be transferred to the Collection Account on such monthly distribution date. Funds may be transferred out of the Debt Service Reserve Account and the Capitalized Interest Account from time to time as described under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2013-1 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 2013-1 Bonds will bear any risk of loss.

Certain amendments to the Indenture and other actions may be taken receipt of a Rating Agency Condition or by less than all of the registered owners of the Series 2013-1 Bonds and without your approval

The Indenture permits the Authority and the Trustee to change servicers based upon the receipt of a Rating Agency Condition (as defined in APPENDIX A – GLOSSARY OF TERMS herein) and upon providing 45 days notice to S&P, without the consent of the registered owners of the Series 2013-1 Bonds. Changes may be made to the Indenture or other actions taken without the consent of the registered owners of the Series 2013-1 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 2013-1 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 2013-1 Bonds.

The rate of payments on the financed student loans may affect the maturity and yield of the Series 2013-1 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 2013-1 BONDS – Collection Account; Flow of Funds" herein, which could shorten the average life of the Series 2013-1 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 2013-1 Bonds.

The rate of principal payments to you on the Series 2013-1 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 2013-1 Bonds may not be offset by a subsequent like reduction, or increase, in the rate of principal payments on the Series 2013-1 Bonds. You will bear entirely any reinvestment risks resulting from a faster or slower incidence of prepayment of the financed student loans.

The Series 2013-1 Bonds may have basis risk which could affect payment of principal and interest on the Series 2013-1 Bonds

There is a degree of basis risk associated with the Series 2013-1 Bonds. Basis risk associated with the Series 2013-1 Bonds is the risk that shortfalls might occur because the

interest rates of the financed student loans and those of the Series 2013-1 Bonds adjust at different times and have a fixed spread component. If a shortfall were to occur, payment of principal or interest on the Series 2013-1 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 2013-1 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 2013-1 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 one-month LIBOR. See the captions "CHARACTERISTICS OF THE FINANCED STUDENT LOANS" herein and in APPENDIX B - "DESCRIPTION OF THE FEDERAL FAMILY EDUCATION LOAN 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 2013-1 Bonds does not decline in a similar manner and time, the Authority may not have sufficient funds to pay interest on the Series 2013-1 Bonds when due. Even if there is a similar reduction in the rate applicable to the Series 2013-1 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 2013-1 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 2013-1 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 2013-1 Bonds or expenses of the trust estate.

As of the statistical cut-off date, approximately 40.61% 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 8.28% 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 FEDERAL FAMILY EDUCATION LOAN 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 2013-1 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 2013-1 Bonds, the turmoil in the credit markets should not impact the payment of the Series 2013-1 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 2013-1 Bonds to increase more than the interest rates and subsidies received by the Authority on the financed student loans.

New rules could adversely affect the asset-backed securities market and the value of the Series 2013-1 Bonds

In response to the recent financial crisis, the United States Congress passed the Dodd-Frank Act in July of 2010. The Dodd-Frank Act requires the creation of new federal regulatory agencies, and grants additional authorities and responsibilities to existing regulatory agencies, to identify and address emerging systemic risks posed by the activities of financial services firms. The Dodd-Frank Act also provides for enhanced regulation of derivatives, restrictions on executive compensation and enhanced oversight of credit rating agencies.

The effects of the Dodd-Frank Act will depend significantly upon the content and implementation of the rules and regulations issued pursuant to its provisions. It is not yet clear how the Dodd-Frank Act and its associated rules and regulations will affect the asset-backed securities market generally, or the Authority and the financed student loans, in particular. No assurance can be given that the new regulations will not have an adverse effect on the value or liquidity of the Series 2013-1 Bonds.

Recent investigations and litigation related to LIBOR may affect your Series 2013-1 Bonds

The interest rate payable on the Series 2013-1 Bonds is based on a spread over one-month LIBOR, as set forth on the cover of this Offering Memorandum. The London Interbank Offered Rate, or LIBOR, serves as a global benchmark for home mortgages, student loans and what various issuers pay to borrow money. Certain financial institutions have announced settlements with certain regulatory authorities with respect to, among other things, allegations of manipulating LIBOR or have announced that they are involved in investigations by regulatory authorities relating to, among other things, the manipulation of LIBOR. In addition to the ongoing investigations, several plaintiffs have filed lawsuits against various banks in federal court seeking damages arising from alleged LIBOR manipulation. On September 28, 2012, a top official at the U.K.'s Financial Services Authority unveiled his recommendations calling for a sweeping overhaul of LIBOR and removing it from the control of the British Bankers' Association. The Underwriter, or an affiliate of the Underwriter, is a reference bank for the purpose of setting LIBOR. Neither the Underwriter nor any affiliate of the Underwriter has entered into any of the settlements described above, and they are not involved in any current investigations with respect to LIBOR manipulation. The Authority cannot predict what effect, if any, these events will have on the use of LIBOR as a global benchmark going forward, or on the Series 2013-1 Bonds.

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 2013-1 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. 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 2013-1 Bonds and pay servicing fees and administrative costs may be adversely affected.

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 FEDERAL FAMILY EDUCATION LOAN PROGRAM" for more information on the Higher Education Act.

In addition, the Service Members Student Loan Relief Act of 2013 has been introduced in the Senate which, if signed into law in its current form, would allow military personnel to defer federal student loan payments in the weeks prior to deployment - either 180 days before the first day of service or when they receive alert orders, whichever is shorter.

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 2013-1 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 Account 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 2013-1 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.

Competition from the Federal Direct Student Loan Program

The Direct Loan Program was established under the Student Loan Reform Act of 1993. Under the Direct Loan Program, approved institutions of higher education, or alternative loan originators approved by 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 consolidations under the Direct Loan Program of existing FFEL Program 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.

As a result of the enactment of the Reconciliation Act, no FFELP loans have been, or in the future will be, originated after June 30, 2010, and all loans made under the Higher Education Act will be originated under the Direct Loan Program. The Direct Loan Program may result in prepayments of financed student loans if such financed student loans are consolidated under the Direct Loan Program.

Because of the limited recourse nature of the trust estate created under the Indenture for the Series 2013-1 Bonds, competition from the Direct Loan Program should not impact the payment of the Series 2013-1 Bonds unless it causes (a) erosion in the finances of the Authority to such an extent that they cannot honor any administration or similar obligations under the Indenture, (b) causes the interest rates on the Series 2013-1 Bonds to increase more than the interest rates and subsidies received by the Authority on the financed student loans, or (c) prepayments of financed student loans if such financed student loans are consolidated under the Direct Loan Program. See the caption "The rate of payments on the financed student loans may affect the maturity and yield of the Series 2013-1 Bonds" above.

IRS Audit

On March 20, 2012 the Internal Revenue Service ("IRS") announced a Voluntary Closing Agreement Program (the "VCAP") with respect to tax-exempt student loan revenue bonds. The VCAP relates to the allocation of student loans among student loan bonds of an issuer. Because the Authority has tax-exempt bonds outstanding, it was subject to the VCAP. The Authority has historically used an accounting methodology that it believes satisfies the IRS regulations with respect to loan allocations for its tax-exempt bonds and therefore elected not to enter into a VCAP settlement.

On October 5, 2012, the Authority received a letter from the IRS requesting information and documents for examination of the Authority's compliance with debt issuance requirements regarding its $40,625,000 Oklahoma Student Loan Bonds and Notes, Tax Exempt Variable Rate Demand Obligations, Series 2002A-1 (the "Series 2002 Bonds"). The Series 2002 Bonds were issued on January 31, 2002, and were retired in full on October 6, 2010. The redemption of principal of the Series 2002 Bonds occurred from various payments of term-out installments of bank bonds from recoveries of principal on pledged student loans; from refinancing eligible collateral student loans by a taxable note issued to the Straight-A Conduit Commercial Paper Asset-Backed Program to redeem bank bonds; and from refunding, on October 6, 2010, the remaining $29,575,000 principal amount of Series 2002 Bonds, which were also held as bank bonds, with a portion of the proceeds of the Authority's Oklahoma Student Loan Bonds and Notes, Tax-Exempt LIBOR Floating Rate Bonds, Senior Series 2010A-1 (the "Series 2010 Bonds"). The Authority responded to the IRS's request for documentation in November of 2012. On January 9, 2013, the Authority received letters from the IRS requesting additional information with respect to the Series 2002 Bonds and expanding its audit to the Series 2010 Bonds. The Authority is in the process of responding to those additional requests for documentation.

The Authority cannot predict the outcome of the Audit. As part of the Audit, the IRS may disagree with the Authority's accounting method. If that were to occur and a settlement between the Authority and the IRS cannot be reached, the IRS may act to impose tax on the

holders of such tax-exempt bonds issued by the Authority with respect to the interest received by such holders. While a settlement with the IRS or a declaration of taxability of interest on such bonds would not affect the student loans pledged under the Indenture, it could subject the Authority to liabilities it may not be able to pay.

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, Arkansas or Texas. 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 have been indications since 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 2013-1 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 2013-1 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 2013-1 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 January of 2014. 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 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 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.

Rights to waive defaults may adversely affect holders

Generally, the holders of at least a majority of the outstanding amount of the Series 2013-1 Bonds have the ability, with specified exceptions, to waive certain defaults under the Indenture, including defaults that could materially and adversely affect the holders who did not vote to waive such default.

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.

You may incur losses or delays in payment on your Series 2013-1 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 2013-1 Bonds.

The cash flow from the financed student loans and the Authority's ability to make payments due on the Series 2013-1 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 2013-1 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 2013-1 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 2013-1 Bonds plus accrued interest.

The Series 2013-1 Bonds may be repaid early due to an optional purchase, which may affect your yield, and you will bear investment risk

The Series 2013-1 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 2013-1 BONDS – Optional Purchase" herein. Such an event would result in the early retirement of the Series 2013-1 Bonds outstanding on that date. If this happens, your yield on the Series 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 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 the trustees or lenders for other trust estates of the Authority 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 2013-1 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 2013-1 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 2013-1 Bonds are expected to be issued only in book-entry form

The Series 2013-1 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 2013-1 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 2013-1 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 2013-1 Bonds are not a recommendation to purchase and may change

It is a condition to issuance of the Series 2013-1 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 2013-1 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 2013-1 Bonds, and that rating may not be equivalent to the initial rating described in this Offering Memorandum. 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 2013-1 Bonds is likely to decrease the price a subsequent purchaser will be willing to pay for your Series 2013-1 Bonds.

Certain actions relating to the servicing of the financed student loans may be taken by the Authority or the Trustee only upon receipt of a Rating Agency Condition and upon providing 45 days notice to S&P. The definition of "Rating Agency Condition" permits the Authority to take

certain actions if it receives a letter addressed to the Trustee or the Authority or a public notice from each rating agency, other than S&P, confirming that the action proposed to be taken by the Authority as described in such letter or notice will not, in and of itself, result in a downgrade of such rating agency's rating, or cause such rating agency to suspend or withdraw its rating, on any outstanding Series 2013-1 Bonds.

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 2013-1 Bonds offered hereby will be downgraded.

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 2011, Sections 695.1 *et seq.* (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 Offering Memorandum are included in APPENDIX A –GLOSSARY OF TERMS, or elsewhere herein.

New Discrete Trust Estate

The Series 2013-1 Bonds will be issued pursuant to the provisions of the Authorizing Act and the Series 2013-1 Bond Resolution, expected to be adopted by the trustees of the Authority on March 27, 2013 (the "*Bond Resolution*"). The Bond Resolution provides, among other things, for the execution and delivery of an Indenture of Trust dated as of April 1, 2013 (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 2013-1 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 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, pursuant to which auction rate securities, CP-indexed bonds, LIBOR-indexed bonds and fixed rate bonds remain outstanding;
- the Series 2010 Indenture, pursuant to which LIBOR-indexed bonds and an adjustable rate subordinate bond remain outstanding;
- the Series 2011 Indenture, pursuant to which LIBOR-indexed bonds remain outstanding; and
- the Straight-A Facility, pursuant to which CP-based funding notes are outstanding.

Except for the Straight-A Facility, 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 2013-1 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 2013-1 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 2013-1 Bonds. The Series 2013-1 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 Offering Memorandum of the Series 2013-1 Bonds and of the documents authorizing and securing the Series 2013-1 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 2013-1 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	Oklahoma Student Loan Authority
9520 North May Avenue, Suite 100	525 Central Park Drive, Suite 600
Oklahoma City, Oklahoma 73120	Oklahoma City, Oklahoma 73105-1706
Attention: Corporate Trust Services; or	Attention: President

Initial Collateralization

After application of the proceeds of the Series 2013-1 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 Debt Service Reserve Account and the Capitalized Interest Account, will provide an initial collateralization of Trust Estate assets to the Outstanding Amount of the Series 2013-1 Bonds at approximately 103.50%.

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

Change of Student Loan Special Allowance Index

Previously, substantially all of the student loans that we own had a lender's yield based on a 3-month commercial paper index. Pursuant to authorization in an omnibus spending bill, the U.S. Department of Education announced in February 2012 certain conditions which, under the Higher Education Act, would allow lenders to substitute the 1-month LIBOR for the 3-month commercial paper rate for purposes of special allowance calculations.

On March 30, 2012, OSLA waived rights to a special allowance paid pursuant to the 3-month commercial paper index in effect at the time the loans were first disbursed, and elected to change the special allowance payment index on the loans that we own to the 1-month LIBOR index. That filing was accepted and the election approved by the U.S. Department of Education. The change in calculation of special allowance payment method was effective for the billing for the quarter ended June 30, 2012.

Cash Flow Projections

We do not expect to issue the Series 2013-1 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 2013-1 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 2013-1 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 estates for our Senior Taxable Auction Rate Bonds, Series 2001A-2 (the "*Series* 2001A-2 *Bonds*") and our Senior Taxable Floating Rate Notes, Series 2004A-3 (the "*Series 2004A-3 Notes*") issued under our 1995 Master Bond Resolution, and notes (the "*Straight-A Facility Notes*") issued under a U.S. Government-sponsored Straight-A Funding, LLC facility we entered into in 2009 (the "*Straight-A Facility*"), 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.

Direct Loan Servicing

SAFRA requires the Secretary of the Department of Education to contract with eligible and qualified NFP servicers to service loans. The Authority executed a Memorandum of Understanding, as amended, with the Department Education, as a prime contractor for the purpose of satisfying requirements to obtain an Authorization to Operate and to receive a NFP Servicer contract award with the Department. Nelnet was identified as the system subcontractor.

Subsequently, the Authority entered into a Remote Hosted Service License Agreement with Nelnet Servicing, LLC, effective October 28, 2011, for provision of a Direct Loan servicing system (the "Remote System") operated by Nelnet Servicing, LLC. The license agreement provides for a 5-year term, subject to various conditions, and is renewable for subsequent terms pursuant to a written agreement of the parties.

Effective as of July 16, 2012, the Authority was awarded a NFP Servicer loan servicing contract by the Department to service loans owned by the Department, primarily, in its Direct Loan Program under the Higher Education Act. Under such contract the Authority currently is servicing approximately 101,000 borrower accounts.

For additional information on this subject, see the caption "OPERATING BUSINESS - Federal Direct Loan Servicing" and "STUDENT LOAN SERVICING" in Appendix C hereto.

USE OF PROCEEDS

We will use the proceeds of the Series 2013-1 Bonds, together with an equity contribution to the Trust Estate: (1) to current refund all outstanding Series 2004A-3 Notes; (2) to refinance all outstanding Straight-A Facility Notes; (3) to purchase in lieu of redemption certain Series 2001A-2 Bonds tendered to the Authority; (4) to acquire Eligible Loans from some of our various OSLA Network participants; (5) to fund the initial Specified Debt Service Reserve Account Balance; (6) to make a deposit to the Capitalized Interest Account; and (7) to pay a portion of the costs of issuance, including an underwriting fee.

There is an aggregate outstanding principal amount of approximately $40.4 million of Series 2004A-3 Notes and an aggregate outstanding principal amount of approximately $141.1 million of Straight-A Facility Notes. The Series 2004A-3 Notes and the Straight-A Facility Notes will be redeemed at par plus accrued interest shortly after the issuance of the Series 2013-1 Bonds. Funds for payment of accrued interest will be paid from the related trust accounts of the Series 2004A-3 Notes and the Straight-A Facility Notes and other amounts available to the Authority.

In addition, there is an aggregate outstanding principal amount of $26,400,000 of Series 2001A-2 Bonds. The Authority received and accepted an unsolicited offer from the holder of $20,000,000 in principal amount of its Series 2001A-2 Bonds to tender such Series 2001A-2 Bonds for purchase in lieu of redemption. The Authority will use proceeds of the Series 2013-1 Bonds, together with funds from the Series 2001A-2 Bonds trust estate and other available funds of the Authority, to purchase such Series 2001A-2 Bonds on the date of issuance of the Series 2013-1 Bonds.

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

Estimated Sources of Funds:	
Principal Amount of the Series 2013-1 Bonds	$211,820,000
Original Issue Discount	(488,182)
Equity Contribution[1]	7,500,000
Total	$218,831,818
Estimated Uses of Funds:	
Acquire student loans from Straight-A Facility trust estate[2]	$141,401,383
Acquire student loans from 1995 Master Bond Resolution trust estate[3]	59,915,811
Deposit proceeds to Debt Service Reserve Account[4]	529,550
Deposit proceeds to Acquisition Account to purchase student loans	4,915,067
Deposit Equity Contribution to Acquisition Account[1]	7,500,000
Deposit to Collection Account	3,320,741
Deposit proceeds to Capitalized Interest Account[5]	500,000
Deposit additional proceeds to Acquisition Account to pay costs of issuance, including underwriting fee[6]	749,266
Total	$218,831,818

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[1] Equity contribution consists of principal and accrued interest of available student loans ($7,037,780 principal balance as of the February 28, 2013 statistical cut-off date) owned by the Authority plus cash provided by the Authority from other sources.

[2] Approximately $141,667,177 in principal amount of financed student loans (as of the February 28, 2013 statistical cut-off date) plus accrued interest will be acquired from the Straight-A Facility trust estate and deposited into the Acquisition Account. Proceeds of such acquisition will be used to pay the outstanding principal amount of the Straight-A Facility Notes plus ratable financing costs and fees on or shortly after the date of delivery of the Series 2013-1 Bonds.

[3] Approximately $61,084,020 in principal amount of financed student loans (as of the February 28, 2013 statistical cut-off date) plus accrued interest will be acquired from the 1995 Master Bond Resolution trust estate and deposited into the Acquisition Account. Proceeds of such acquisition will be used to refund or pay the outstanding principal amount of the Series 2004A-3 Notes and certain of the Series 2001A-2 Bonds on or shortly after the date of delivery of the Series 2013-1 Bonds.

[4] The initial Specified Debt Service Reserve Account Balance is equal to 0.25% of the principal amount of the Series 2013-1 Bonds.

[5] Deposit to the Capitalized Interest Account created by the Indenture for liquidity.

[6] To the extent funds in the Acquisition Account are not available to pay all costs of issuance, including the underwriting fee, the Authority will pay such costs from other available funds of the Authority. Estimated assets in the Trust Estate, after payment of costs of issuance, are expected to provide an initial collateralization of not less than 103.50% of the principal amount of the Series 2013-1 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 2013-1 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 Authority 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 "STUDENT LOAN SERVICING" in Appendix C for additional information about our loan servicing activities.

We also perform loan servicing for 7 other eligible lenders that are members of the OSLA Student Lending Network (the "*OSLA Network*"). Three of the OSLA Network members have offered the loans that we service for them to us for purchase with proceeds of the 2013-1 Bonds .

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 2013-1 Bonds remain Outstanding unless the Authority receives the consent of the registered owners of a majority of the Outstanding Amount of the Series 2013-1 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 an initial term through June 30 2018, 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 2013-1 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 certain prior series of bonds secured by separate trust estates (the "*Prior Bonds*"), the Authority (in its capacity as the issuer of the Prior Bonds and as the initial Servicer) entered into an Amended and Restated Backup Third Party Servicing Agreement (the "*Amended and Restated Backup Servicing Agreement*") with Nelnet Servicing, LLC (the "*Backup Servicer*") to provide for back up servicing for the Prior Bonds. In connection with the issuance of the Series 2013-1 Bonds, the Authority (in its capacity as the issuer of the Series 2013-1 Bonds and as the initial Servicer for the financed student loans securing the Series 2013-1 Bonds) has entered into a Second Amended and Restated Backup Third Party Servicing

Agreement, dated as of March 15, 2013 (the "*Backup Servicing Agreement*") with the Backup Servicer, amending and restating the Amended and Restated Backup Servicing Agreement for the purpose of adding the portfolio of financed student loans securing the Series 2013-1 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 2013-1 Bonds and the portfolios securing the Prior Bonds, the provisions of the Backup Servicing Agreement will apply independently to each portfolio.

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 2013-1 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 2013-1 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

financed student loans at any time prior to conversion of such financed 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 through June 30, 2018; 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 Backup 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 December 31, 2012 employed approximately 2,400 employees. As of December 31, 2012, Nelnet serviced approximately $95.5 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 2013-1 BONDS – Collection Account; Flow of Funds" herein.

Fees	Recipient	Amount
Administration Fee	Oklahoma Student Loan Authority	0.15% [1]
Servicing Fee	Oklahoma Student Loan Authority	Per borrower cost[2]
Trustee Fee	BOKF, NA dba Bank of Oklahoma	0.007% [3]
Other Administrative Expenses	Backup Servicer, Rating Agency Surveillance, Audit, etc.	$50,000 per year[4]
Extraordinary Trustee Fees and Expenses	BOKF, NA dba Bank of Oklahoma	$15,000 per year[5]

[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 (which amount will increase by 1% per annum on each June Monthly Distribution Date commencing on June 2014) is payable on each monthly payment date. The administration fee is subject to a monthly minimum of $15,000. Such fee also may be increased upon receipt of a Rating Agency Condition and upon providing 45 days notice to S&P.

[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 January of 2014 by 3% annually. For the first full month of the transaction, the servicing fees will be approximately 0.55% per annum of the principal balance of the student loans. Such fees also may be increased upon receipt of a Rating Agency Condition and upon providing 45 days notice to S&P. Initially the servicing fees will be equal to (i) $2.09 per borrower per month for in-school loans, (ii) $3.49 per borrower per month for loans in grace periods, (iii) $3.88 per borrower per month for loans in repayment, and (iv) $4.79 per borrower per month for delinquent status loans, with a monthly minimum charge of $10,000.

[3] The initial trustee fee will be 0.007% per annum of the principal amount of the Series 2013-1 Bonds outstanding at the end of the immediately preceding quarterly period (or the initial outstanding amount of the Series 2013-1 Bonds, with respect to the initial distribution date) and is payable on each monthly distribution date occurring in March, June, September and December, with a minimum annual fee of $2,000. The trustee fee shall not exceed the amount described herein without receiving a Rating Agency Condition and upon providing 45 days notice to S&P.

[4] Such annual amount may be increased upon receipt of a Rating Agency Condition and providing 45 days notice to S&P.

[5] Any portion of such amount not used in a given year is carried forward for use in later years, without limitation.

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 FEDERAL FAMILY EDUCATION LOAN PROGRAM.

We have previously acquired or originated separate portfolios of student loans in the trust estate for the Series 2004A-3 Notes and the Straight-A Facility Notes. These two portfolios 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 2004A-3 Notes under the 1995 Master Bond Resolution and the Straight-A Facility Notes under the Straight-A Facility. In addition, on or shortly after the date of delivery of the Series 2013-1 Bonds, we expect to acquire approximately $5,000,000 in principal amount of student loans (as of the February 28, 2013 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.

Approximately 13.82% of the financed student loans are Federal Consolidation Loans (as of the February 28, 2013 statistical cut-off date). 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 ("*READ*") program. READ 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 was discontinued for borrowers who were 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 above under the caption "Oklahoma Student Loan Authority - Cash Flow Projections" herein and the caption "Risk Factors" herein for additional information.

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

As of February 28, 2013, 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 $2,341,485 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 is based upon information provided by the Authority. 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.

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

Summary	
Aggregate Outstanding Principal Balance	$214,833,289
Accrued Loan Interest to be Capitalized	$2,341,485
Number of Borrowers	25,846
Average Outstanding Principal Balance Per Borrower	$8,312
Number of Loans	66,244
Average Outstanding Principal Balance Per Loan	$3,243
Weighted Average Remaining Term to Scheduled Maturity (Months) [(a)]	127
Weighted Average Payments Made (Months) [(b)]	35
Weighted Average Statutory Borrower Interest Rate [(c)]	5.15%
Weighted Average Effective Borrower Interest Rate [(d)]	4.69%
Weighted Average Special Allowance Payment Repayment Margin to 1 month LIBOR [(e)]	2.36%
Weighted Average Special Allowance Payment Repayment Margin to T-Bill [(f)]	3.06%

[(a)] Without giving effect to any current periods of school, grace, deferment or forbearance or any that may be granted in the future.
[(b)] For loans currently in repayment only.
[(c)] Calculated based on the current borrower interest rate, without giving effect to any borrower benefits.
[(d)] Calculated based on the current borrower interest rate, after giving effect to currently utilized borrower benefits, but without giving effect to any such benefits that may be utilized in the future.
[(e)] For LIBOR based loans only.
[(f)] For T-Bill based loans only.

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

Loan Program	Current Balance ($)	% Total Balance	# Loans
Stafford Unsubsidized	83,889,667	39.0%	24,664
Stafford Subsidized	88,147,740	41.0%	36,294
Consolidation Unsubsidized	17,506,085	8.1%	1,209
Consolidation Subsidized	12,188,519	5.7%	1,123
PLUS or SLS	13,101,278	6.1%	2,954
TOTALS	214,833,289	100.0%	66,244

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

Statutory Borrower Interest Rate	Current Balance ($)	% Total Balance	# Loans
Less than 3.00%	75,342,299	35.1%	30,917
3.00% to 3.49%	5,265,900	2.5%	1,911
3.50% to 3.99%	1,684,776	0.8%	106
4.00% to 4.49%	1,103,196	0.5%	104
4.50% to 4.99%	8,541,145	4.0%	778
5.00% to 5.49%	2,161,894	1.0%	277
5.50% to 5.99%	1,383,102	0.6%	257
6.00% to 6.49%	3,221,070	1.5%	640
6.50% to 6.99%	96,363,742	44.9%	28,454
7.00% or more	19,766,165	9.2%	2,800
TOTALS	214,833,289	100.0%	66,244

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

School Type	Current Balance ($)	% Total Balance	# Loans
4-Year +	140,260,518	65.3%	43,605
2-Year	29,463,361	13.7%	14,061
Proprietary	15,414,807	7.2%	6,246
Other/Unknown	29,694,604	13.8%	2,332
TOTALS	214,833,289	100.0%	66,244

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

SAP Interest Rate Index	Current Balance ($)	% Total Balance	# Loans
1-month LIBOR	208,947,501	97.3%	64,383
91-Day T-Bill Index	5,885,788	2.7%	1,861
TOTALS	214,833,289	100.0%	66,244

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

Borrower Payment Status	Current Balance ($)	% Total Balance	# Loans
School	6,396,736	3.0%	2,022
Grace	2,406,495	1.1%	813
Deferment	43,431,448	20.2%	13,636
Forbearance	20,954,041	9.8%	4,812
Repayment:			
0 to 12 Payments Made	38,279,791	17.8%	10,579
13 to 24 Payments Made	18,689,974	8.7%	5,029
25 to 36 Payments Made	19,041,696	8.9%	5,493
37 to 48 Payments Made	19,796,531	9.2%	6,329
49 to 60 Payments Made	20,099,510	9.4%	7,868
61 to 72 Payments Made	12,005,117	5.6%	4,826
More than 73 Payments Made	11,835,554	5.5%	4,341
Total Repayment	139,748,173	65.0%	44,465
Claim	1,896,397	0.9%	496
TOTALS	214,833,289	100.0%	66,244

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

Days Delinquent	Current Balance ($)	% Total Balance	# Loans
Not in Repayment or Claims Status	73,188,720	34.1%	21,283
0-30 days	112,643,367	52.4%	36,519
31-60 days	6,620,455	3.1%	1,907
61-90 days	5,552,216	2.6%	1,515
91-120 days	3,797,735	1.8%	1,147
121-150 days	3,604,219	1.7%	1,044
151-180 days	2,298,612	1.1%	748
181 days and above	7,127,966	3.3%	2,081
TOTALS	214,833,289	100.0%	66,244

Distribution of the Financed Student Loans by Guarantee Percentage
(Dates Correspond to Changes in Guarantee Percentages[1])
(As of the Statistical Cut-off Date)

Guarantee Percentage	Current Balance ($)	% Total Balance	# Loans
On or After July 1, 2006 (97%)	121,239,873	56.4%	32,341
October 1, 1993 - June 30, 2006 (98%)	93,096,248	43.3%	33,524
Before October 1, 1993 (100%)	497,168	0.2%	379
TOTALS	214,833,289	100.0%	66,244

[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 FEDERAL FAMILY EDUCATION LOAN PROGRAM."

Distribution of the Financed Student Loans by Origination Date[1]
(Dates Correspond to Changes in Special Allowance Payment)
(As of the Statistical Cut-off Date)

Origination Date	Current Balance ($)	% Total Balance	# Loans
On or After October 1, 2007	17,782,898	8.3%	5,293
April 1, 2006 - September 30, 2007	109,812,461	51.1%	29,053
Before April 1, 2006	87,237,930	40.6%	31,898
TOTALS	214,833,289	100.0%	66,244

[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 FEDERAL FAMILY EDUCATION LOAN PROGRAM."

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

Current Loan Balance	Current Balance ($)	% Total Balance	# Loans
$2,000 or less	31,114,085	14.5%	29,234
$2,000.01 to $4,000	62,196,560	29.0%	21,600
$4,000.01 to $6,000	43,299,067	20.2%	8,731
$6,000.01 to $8,000	19,168,809	8.9%	2,805
$8,000.01 to $10,000	14,135,410	6.6%	1,592
$10,000.01 to $15,000	14,722,885	6.9%	1,229
$15,000.01 to $20,000	6,357,504	3.0%	372
$20,000.01 to $25,000	4,692,459	2.2%	211
$25,000.01 to $30,000	3,225,036	1.5%	118
$30,000.01 to $40,000	5,676,955	2.6%	163
$40,000.01 to $50,000	5,359,364	2.5%	120
$50,000.01 to $60,000	1,355,568	0.6%	25
$60,000.01 to $70,000	1,419,049	0.7%	22
$70,000.01 to $80,000	594,468	0.3%	8
$80,000.01 or more	1,516,069	0.7%	14
TOTALS	214,833,289	100.0%	66,244

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Distribution of the Financed Student Loans by Range of Remaining Term to Scheduled Maturity [(1)] (As of the Statistical Cut-off Date)

Remaining Term (months)	Current Balance ($)	% Total Balance	# Loans
0 to 24	293,788	0.1%	486
25 to 36	967,807	0.5%	1,151
37 to 48	3,646,736	1.7%	2,503
49 to 60	9,080,023	4.2%	4,994
61 to 72	16,463,180	7.7%	8,012
73 to 84	17,157,867	8.0%	6,780
85 to 96	17,631,150	8.2%	6,329
97 to 108	22,489,251	10.5%	6,995
109 to 120	86,564,214	40.3%	24,999
121 to 132	1,270,824	0.6%	148
133 to 144	1,170,529	0.5%	132
145 to 156	1,050,809	0.5%	96
157 to 168	1,743,236	0.8%	164
169 to 180	1,621,353	0.8%	140
181 to 192	1,110,043	0.5%	68
193 to 220	2,969,512	1.4%	150
221 to 260	9,035,389	4.2%	934
261 to 300	15,844,119	7.4%	2,054
Over 300	4,723,460	2.2%	109
TOTALS	214,833,289	100.0%	66,244

[(1)] Exclusive of current periods of school, grace, deferment or forbearance or any that may be granted in the future.

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:

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Distribution of the Financed Student Loans by State of Borrower's Address
(As of the Statistical Cut-off Date)

State of Borrower's Address	Current Balance ($)	% Total Balance	# Loans
Alabama	714,144	0.3%	125
Alaska	186,024	0.1%	71
Arizona	1,071,688	0.5%	294
Arkansas	20,985,859	9.8%	6,438
California	3,512,927	1.6%	863
Colorado	2,424,968	1.1%	645
Connecticut	137,328	0.1%	34
Delaware	61,397	0.0%	20
District of Columbia	190,062	0.1%	53
Florida	2,243,736	1.0%	530
Georgia	1,612,231	0.8%	390
Hawaii	209,496	0.1%	64
Idaho	301,162	0.1%	65
Illinois	1,718,857	0.8%	389
Indiana	804,996	0.4%	204
Iowa	661,947	0.3%	125
Kansas	3,113,273	1.4%	1,079
Kentucky	643,537	0.3%	119
Louisiana	4,808,091	2.2%	1,657
Maine	81,905	0.0%	15
Maryland	518,086	0.2%	113
Massachusetts	293,813	0.1%	63
Michigan	734,894	0.3%	163
Minnesota	658,230	0.3%	140
Mississippi	393,244	0.2%	108
Missouri	3,340,825	1.6%	756
Montana	293,859	0.1%	75
Nebraska	513,126	0.2%	143
Nevada	465,417	0.2%	132
New Hampshire	41,721	0.0%	10
New Jersey	159,781	0.1%	61
New Mexico	450,315	0.2%	143
New York	1,129,286	0.5%	269
North Carolina	1,372,845	0.6%	288
North Dakota	109,231	0.1%	33
Ohio	729,254	0.3%	187
Oklahoma	129,963,839	60.5%	42,408
Oregon	608,349	0.3%	202
Pennsylvania	709,403	0.3%	156
Puerto Rico	66,722	0.0%	16
Rhode Island	7,922	0.0%	4
South Carolina	423,038	0.2%	131
South Dakota	127,685	0.1%	42
Tennessee	950,736	0.4%	267
Texas	20,572,250	9.6%	6,061
Utah	679,385	0.3%	93
Vermont	26,599	0.0%	7
Virginia	1,295,246	0.6%	306
Washington	1,319,075	0.6%	324
West Virginia	129,903	0.1%	28
Wisconsin	553,943	0.3%	118
Wyoming	133,896	0.1%	58
Other or Unknown	577,742	0.3%	159
TOTALS	214,833,289	100.0%	66,244

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

Guarantee Agency	Current Balance ($)	% Total Balance	# Loans
Oklahoma Guaranteed Student Loan Program	174,747,320	81.3%	55,683
Student Loan Guarantee Foundation of Arkansas	23,194,355	10.8%	7,050
Texas Guaranteed Student Loan Corporation	11,563,093	5.4%	1,586
Louisiana Student Financial Assistance Commission	3,678,814	1.7%	1,294
National Student Loan Program	1,173,012	0.5%	430
United Student Aid Funds	474,370	0.2%	200
College Assist	2,326	0.0%	1
TOTALS	214,833,289	100.0%	66,244

Distribution of the Financed Student Loans
by Borrower Incentive Eligibility and Utilization
(As of the Statistical Cut-off Date)

Borrower Incentives	Receiving ($)	Eligible, Not Receiving ($)	Ineligible ($)	Total ($)
0.25% ACH Benefit	188,446	0	214,644,843	214,833,289
1.00% ACH Benefit	31,276,568	0	183,556,722	214,833,289
1.50% Timely Pay Benefit	48,111,907	67,207,162	99,514,221	214,833,289

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

Rehabilitation Status	Current Balance ($)	% Total Balance	# Loans
Not rehabilitated	205,971,521	95.9%	63,579
Rehabilitated	8,861,769	4.1%	2,665
TOTALS	214,833,289	100.0%	66,244

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INFORMATION REPORTS

For each Collection Period, the Authority will post on its web site a monthly distribution date certificate report setting forth information with respect to the Series 2013-1 Bonds as of the immediately preceding Collection Period, including the following:

- identification of remaining Series 2013-1 Bonds balances;
- description of amounts applied from the Collection Account, including the distribution allocable to principal and interest for the Series 2013-1 Bonds; and
- current fees payable by the trust estate.

In addition, for each calendar quarter, the Authority will post on its website a report setting forth information with respect to the Series 2013-1 Bonds and the Financed Student Loans as of the end of such period, including the following:

- descriptions of portfolio characteristics;
- identification of remaining Series 2013-1 Bonds balances;
- Parity Ratio of Series 2013-1 Bonds;
- description of amounts applied from the Collection Account, including the distribution allocable to principal and interest for the Series 2013-1 Bonds;
- current fees payable to the trust estate; and
- limited descriptions of activity in the Available Funds.

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GUARANTEE AGENCIES

The material in this Section of this Offering Memorandum 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 FEDERAL FAMILY EDUCATION LOAN 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 "STUDENT 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 81.34% of the financed student loans (as of the February 28, 2013 statistical cut-off date) 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 2011, 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 2013-1 Bonds includes overcollateralization, cash on deposit in the Debt Service Reserve Account and Capitalized Interest 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 2013-1 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 and Capitalized Interest 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 Capitalized Interest Account and other funds and accounts of the Trust Estate to the aggregate principal amount of the Series 2013-1 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 and $500,000 will be deposited in the Capitalized Interest Account. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2013-1 BONDS" herein. The Debt Service Reserve Account and the Capitalized Interest Account are intended to enhance the likelihood of timely distributions of interest to the registered owners of the Series 2013-1 Bonds and to decrease the likelihood that the registered owners of the Series 2013-1 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. Amounts deposited to the Capitalized Interest Account will not be replenished, and any amounts on deposit in the Capitalized Interest Account on the April 2014 monthly distribution date will be transferred to the Collection Account on such monthly distribution date.

Credit enhancement will not provide protection against all risks of loss and may not guarantee payment to registered owners of the Series 2013-1 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 2013-1 Bonds will bear their allocable share of deficiencies.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2013-1 BONDS

General

The Series 2013-1 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 2013-1 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;
- Capitalized Interest 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 2013-1 Bonds will be used to make the initial deposits to the Debt Service Reserve Account and the Capitalized Interest Account described below. Certain of the remaining proceeds and other amounts available to the Authority will be used to acquire certain FFELP loans from third party sellers or that are presently pledged by the Authority under separate trust estates. 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 2013-1 Bonds, and financed student loans to

be 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 April 30, 2013 will be transferred to the Collection Account.

Capitalized Interest Account

On the date of issuance, the Trustee will deposit $500,000 into the Capitalized Interest Account. On each monthly distribution 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 2013-1 Bonds, an amount equal to such deficiency will be withdrawn from the Capitalized Interest Account, prior to any withdrawal of amounts from the Debt Service Reserve Account, and deposited in the Collection Account. On the April 2014 monthly distribution date, all remaining funds in the Capitalized Interest Account will be deposited in 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 monthly distribution date or monthly payment date, to the extent that money in the Collection Account, after any required withdrawal of amount from the Capitalized Interest 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 2013-1 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 2013-1 Bonds and to decrease the likelihood that the registered owners of the Series 2013-1 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 2013-1 Bond will be made from the Debt Service Reserve Account only (a) on the final maturity date for the Series 2013-1 Bonds or (b) on any monthly 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 2013-1 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 FEDERAL FAMILY EDUCATION LOAN PROGRAM — Special Allowance Payments" in Appendix B hereto.

Collection Account; Flow of Funds

On the date of delivery of the Series 2013-1 Bonds, the Trustee will deposit $3,320,741 into the Collection Account. Thereafter, 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 Capitalized Interest 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.

Each month, money available in the Collection Account will also be used to pay when due: (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. The amounts of the initial servicing fee and administration fee payable in the third and fourth bullet points below are specified under the caption "FEES AND EXPENSES" herein. On each monthly 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 permitted to be made on other than a monthly distribution date 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 2013-1 Bonds, to pay interest due on such Series 2013-1 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 2013-1 Bonds, on a *pro rata* basis, any remaining funds until the Series 2013-1 Bonds are paid in full; and

- to the Authority, any excess (but only if no Series 2013-1 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 2013-1 Bonds, and after the payment of certain fees and expenses, payments of interest on the Series 2013-1 Bonds will be made, *pro rata*, without preference or priority of any kind, and then payments of principal on the Series 2013-1 Bonds will be made, *pro rata*, without preference or priority of any kind, until all of the Series 2013-1 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 2013-1 BONDS

General

The Series 2013-1 Bonds will be issued pursuant to the terms of the Indenture between the Authority and the Trustee. The Indenture and the Series 2013-1 Bonds will each be governed by the laws of the State of Oklahoma. The following summary describes the material terms of

the Series 2013-1 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 2013-1 Bonds. Certain other provisions of the Indenture are described under the captions "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2013-1 BONDS" and "SUMMARY OF PROVISIONS OF THE INDENTURE" herein.

Interest Payments

Interest will accrue on the Series 2013-1 Bonds at the interest rate described herein during each interest accrual period.

The initial interest accrual period for the Series 2013-1 Bonds begins on the date of issuance and ends on June 24, 2013. For all other monthly distribution dates, the interest accrual period will begin on the prior monthly distribution date and end on the day before such monthly distribution date.

Interest on the Series 2013-1 Bonds will be payable to the registered owners on each monthly distribution date commencing June 25, 2013. Subsequent monthly distribution dates for the Series 2013-1 Bonds will be on the 25th day of each calendar monthly, or if such day is not a business day, on the immediately succeeding business day. Interest accrued but not paid on any monthly distribution date will be due on the next monthly distribution date together with an amount equal to interest on the unpaid amount at the interest rate borne by the Series 2013-1 Bonds from the monthly distribution date on which such interest was not paid to, but excluding, the next monthly distribution date.

The interest rate on the Series 2013-1 Bonds for each interest accrual period, except for the initial interest accrual period, will be equal to one-month LIBOR plus the spread shown on the cover hereof, but not in excess of the Maximum Rate. The LIBOR rate for the Series 2013-1 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 0.50%, as calculated by the Trustee, where:

x = two-month LIBOR;

y = three-month LIBOR;

a = 14 (the actual number of days from the maturity date of two-month LIBOR to the first monthly distribution date); and

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

The Trustee will calculate the rate of interest on the Series 2013-1 Bonds on the LIBOR determination date described below.

The Maximum Rate of interest on the Series 2013-1 Bonds will not exceed an average rate of 14% per annum from the date of issuance.

The amount of interest payable on a monthly distribution date for the Series 2013-1 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 monthly 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 monthly interest payment date for the Series 2013-1 Bonds is equal to the excess, if any, of (a) the interest due and payable on the Series 2013-1 Bonds on the immediately preceding monthly distribution date over (b) the amount of interest actually distributed to the owners of the Series 2013-1 Bonds on such preceding monthly distribution date, plus interest on the amount of such excess interest due to the owners of the Series 2013-1 Bonds, to the extent permitted by law, at the interest rate borne by the Series 2013-1 Bonds from such immediately preceding monthly distribution date to, but excluding, the current monthly 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 2013-1 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 2013-1 Bonds will be due and payable on the monthly distribution date occurring in February 2032. The actual date on which the final distribution on the Series 2013-1 Bonds will be made may be earlier than the maturity date set forth above as a result of a variety of factors. The principal on the final maturity date for the Series 2013-1 Bonds will be payable only upon presentation and surrender of such Series 2013-1 Bonds.

Principal payments will be made on the Series 2013-1 Bonds with Available Funds remaining in the Collection Account as of the end of the preceding Collection Period on each monthly distribution date after the payment of all fees and expenses, interest due on the Series 2013-1 Bonds, and funds required to replenish the Debt Service Reserve Account, all as further described above under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2013-1 BONDS – Collection Account; Flow of Funds." 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 payment of principal on the Series 2013-1 Bonds will reduce the outstanding amount of each $1,000 of original principal amount of the Series 2013-1 Bonds on a pro rata basis.

Other than amounts in excess of the specified Debt Service Reserve Account Balance transferred to the Collection Account, principal payments due on the Series 2013-1 Bonds will be made from the Debt Service Reserve Account only (a) on the final maturity date for the Series 2013-1 Bonds or (b) on any monthly 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 2013-1 Bonds (after making payments from the Collection Account).

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 monthly 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 monthly distribution date to repay all outstanding Series 2013-1 Bonds, which will result in early retirement of the Series 2013-1 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 2013-1 Bonds then outstanding on the related monthly distribution date to zero;

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

- pay any unpaid administration fees and 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 2013-1 Bonds and the yield on the Series 2013-1 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 2013-1 Bonds will occur prior to the final maturity date for the Series 2013-1 Bonds. Accordingly, in the event that the financed student loans experience significant prepayments, the actual final payment on the Series 2013-1 Bonds may occur substantially before their final maturity date, causing a shortening of the weighted average life of the Series 2013-1 Bonds. Weighted average life refers to the average amount of time that will elapse from the date of issuance of a Series 2013-1 Bond until each dollar of principal of such Series 2013-1 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 2013-1 Bonds and the yield on such Series 2013-1 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 2013-1 Bonds.

More information on weighted average lives, expected maturities and percentages of original principal remaining at each monthly distribution date is set forth in APPENDIX D - "PREPAYMENTS, EXTENSIONS, WEIGHTED AVERAGE LIVES AND EXPECTED MATURITIES OF THE SERIES 2013-1 BONDS."

BOOK-ENTRY REGISTRATION

General

The Depository Trust Company, New York, NY, will act as the securities depository for the Series 2013-1 Bonds. The Series 2013-1 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 2013-1 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 a Standard & Poor's rating of AA+. 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.

Purchases of Series 2013-1 Bonds under The Depository Trust Company system must be made by or through Direct Participants, which will receive a credit for the Series 2013-1 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 2013-1 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 2013-1 Bonds, except in the event that use of the book-entry system for the Series 2013-1 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2013-1 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 2013-1 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 2013-1 Bonds; its records reflect only the identity of the Direct Participants to whose accounts the Series 2013-1 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 2013-1 Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Series 2013-1 Bonds, such as redemptions, tenders, defaults and proposed amendments to the Series 2013-1 Bonds' documents. For example, Beneficial Owners may wish to ascertain that the nominee holding the Series 2013-1 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 2013-1 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 2013-1 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 Bonds; or
- any other action taken by The Depository Trust Company.

TRUSTEE

We will issue the Series 2013-1 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 1995 Master Bond Resolution from which the outstanding Series 2004A-3 Notes will be refunded and certain of the Series 2001A-2 Bonds will be purchased in lieu of redemption. The Trustee is also the corporate trustee for our 1992 General Student Loan Fund Trust, our Series 2010 Indenture and our Series 2011 Indenture, which are separate trust estates that will remain outstanding after the issuance of the Series 2013-1 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 Offering Memorandum. 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 $27 billion regional financial services company based in Tulsa, Okla. The company's stock is publicly traded on NASDAQ under the Global Select market listings (symbol: BOKF). Through its subsidiaries, the company provides commercial and consumer banking, investment and trust services, mortgage origination and servicing, and an electronic funds transfer network.

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.

BOK Financial 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 consumers.

The Trustee has more than 30 years of experience in the administration of taxable and tax-exempt debt issues and their related trust accounts. The Corporate Trust group, with offices in Oklahoma City, OK, Tulsa, OK, Dallas, TX, Houston, TX, Fort Worth, TX, Austin, TX, Albuquerque, NM, Denver, CO, Lincoln, NE, Phoenix, AZ and Kansas City, MO, has a dedicated staff of 40 committed to providing the corporate and municipal debt markets with the highest level of professional service available. 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.

As of December 31, 2012, the Trustee and its affiliates are responsible for more than 6,000 trust and agency accounts amounting to approximately $15 billion in assets, including $8 billion in assets under management. These accounts represent approximately 600 municipal and corporate bond issues, and more than $7 billion in debt outstanding.

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 2013-1 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 2013-1 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 2013-1 Bonds and to execute and deliver the Indenture and to make the pledge to the payment of the Series 2013-1 Bonds under the Indenture;
- all necessary action for the issuance of the Series 2013-1 Bonds and the execution and delivery of the Indenture has been duly and effectively taken; and
- the Series 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 Bonds remain Outstanding unless the Authority receives the written consent of the registered owners of a majority of the Outstanding Amount of the Series 2013-1 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 2013-1 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 2013-1 Bond when the same becomes due and payable on the final maturity date of the Series 2013-1 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 2013-1 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 2013-1 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 2013-1 Bonds for amounts due and unpaid on the Series 2013-1 Bonds for interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Series 2013-1 Bonds for such interest;

FIFTH, to registered owners of the Series 2013-1 Bonds for amounts due and unpaid on the Series 2013-1 Bonds for principal, ratably, without preference or priority of any kind, according to the amounts due and payable on the Series 2013-1 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 2013-1 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 2013-1 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 2013-1 Bonds.

Notwithstanding the foregoing and whether or not the principal of all outstanding Series 2013-1 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 2013-1 Bond, unless:

- The registered owners of all of the Series 2013-1 Bonds outstanding consent to such sale;

- The proceeds of such sale are sufficient to pay in full all outstanding Series 2013-1 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 2013-1 Bond as such payments would have become due if such Series 2013-1 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 2013-1 Bonds outstanding to such sale.

Appointment of Receiver. If an event of default occurs, if all of the outstanding Series 2013-1 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 2013-1 Bonds may declare all the outstanding Series 2013-1 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 2013-1 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 2013-1 Bonds and all other amounts that would then be due under the Indenture or upon such Series 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 Bonds. However, any event of default in the payment of the principal of or interest due on any Series 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 Bonds, which trustee fee will be applicable so long as the Series 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 Bonds;

- to make any change as may be necessary in order to obtain and maintain for any of the Series 2013-1 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 2013-1 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 (other than changes with respect to any matter requiring a Rating Agency Condition unless such Rating Agency Condition has been delivered to the Trustee and S&P has been given at least 45-days prior written notice of any such change), is not to the material prejudice of the registered owners of any Series 2013-1 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 2013-1 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 2013-1 Bonds:

- an extension of the stated maturity date of the principal of or the interest on any Series 2013-1 Bonds;
- a reduction in the principal amount of any Series 2013-1 Bonds or the rate of interest thereon;
- a privilege or priority of any Series 2013-1 Bond or Series 2013-1 Bonds under the Indenture over any other Series 2013-1 Bond or Series 2013-1 Bonds except as otherwise provided in the Indenture;
- a reduction in the aggregate principal amount of the Series 2013-1 Bonds required for consent to such supplemental indenture; or
- the creation of any lien other than a lien ratably securing all of the Series 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 Bond will be considered to have been paid if the Series 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 Bonds and the documents described herein.

The opinions expressed by Bond Counsel with respect to the enforceability of the Series 2013-1 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 Offering Memorandum for the form of Bond Counsel's opinion on the Series 2013-1 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 2013-1 Bonds and the Indenture in this Offering Memorandum, the exemption from securities registration of the Series 2013-1 Bonds and the creation of a first perfected security interest in the Trust Estate which secures the Series 2013-1 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

General Matters. Bond Counsel is of the opinion that interest on the Series 2013-1 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 2013-1 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 2013-1 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 2013-1 Bonds under the Code, the regulatons 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. Potential purchasers of the Series 2013-1 Bonds should consult their own tax advisors in determining the federal, state or local tax consequences to them of the purchase, holding and disposition of the Series 2013-1 Bonds.

In general, interest paid on the Series 2013-1 Bonds, original issue discount, if any, and market discount, if any, will be treated as ordinary income to the owners of the Series 2013-1 Bonds, and principal payments (excluding the portion of such payments, if any, characterized as original issue discount or accrued market discount) will be treated as a return of capital.

Bond Premium. An investor that acquires a Series 2013-1 Bond for a cost greater than its remaining stated redemption price at maturity and holds such bond as a capital asset will be considered to have purchased such bond at a premium and, subject to prior election permitted by Section 171(c) of the Code, may 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. Bond premium is generally amortized over the bond's term using constant yield principles, based on the purchaser's yield to maturity. Investors of any Series 2013-1 Bond purchased with a bond premium should consult their own tax advisors as to the effect of such bond premium with respect to their own tax situation and as to the treatment of bond premium for state tax purposes.

Market Discount. An investor that acquires a Series 2013-1 Bond for a price less than the adjusted issue price of such bond (or an investor who purchases a Series 2013-1 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 2013-1 Bond originally issued at a discount, the amount by which the issue price of such 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 2013-1 Bond not originally issued at a discount, the amount by which the stated redemption price of such bond at maturity exceeds the initial tax basis of the owner therein. Under Section 1276 of the Code, the owner of such a Series 2013-1 Bond will generally be required (i) to allocate each principal payment to accrued market discount not previously included in income and, upon sale or other disposition of the bond, to recognize the gain on such sale or disposition as ordinary income to the extent of such cumulative amount of accrued market discount as of the date of sale or other disposition of such a bond or (ii) to elect to include such

market discount in 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 will apply. Under those rules, market discount will be included in income either (a) on a constant interest basis or (b) in proportion to the accrual of stated interest or, in the case of a Series 2013-1 Bond with original issue discount, in proportion to the accrual of original issue discount.

An owner of a Series 2013-1 Bond that acquired such bond at a market discount also may be required to defer, until the maturity date of such 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 such 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 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 2013-1 Bond for the days during the taxable year on which the owner held such 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 2013-1 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 an owner of a Series 2013-1 Bond sells the bond, such person will recognize gain or loss equal to the difference between the amount realized on such sale and such owner's basis in such bond. Ordinarily, such gain or loss will be treated as a capital gain or loss. However, if a Series 2013-1 Bond was, at its initial issuance, sold at a discount, a portion of such gain will be recharacterized as interest and therefore ordinary income.

If the terms of a Series 2013-1 Bond were materially modified, in certain circumstances, a new debt obligation would be deemed created and exchanged for the prior obligation in a taxable transaction. Among the modifications that may be treated as material are those that relate to redemption provisions and, in the case of a nonrecourse obligation, those which involve the substitution of collateral. Each potential owner of a Series 2013-1 Bond should consult its own tax advisor concerning the circumstances in which such bond would be deemed reissued and the likely effects, if any, of such reissuance.

Defeasance. The legal defeasance of the Series 2013-1 Bonds may result in a deemed sale or exchange of such bonds under certain circumstances. Owners of such Series 2013-1 Bonds should consult their tax advisors as to the federal income tax consequences of such a defeasance.

Backup Withholding. An owner of a Series 2013-1 Bond may be subject to backup withholding at the applicable rate determined by statute with respect to interest paid with respect to the Series 2013-1 Bonds, if such owner, upon issuance of the Series 2013-1 Bonds, fails to provide to any person required to collect such information pursuant to Section 6049 of the Code with such owner's taxpayer identification number, furnishes an incorrect taxpayer identification number, fails to report interest, dividends or other "reportable payments" (as defined in the Code) properly, or, under certain circumstances, fails to provide such persons with a certified statement, under penalty of perjury, that such owner is not subject to backup withholding.

Net Investment Income. Pursuant to Section 1411 of the Code, as enacted by the Health Care and Education Reconciliation Act of 2010, an additional tax is imposed on individuals beginning January 1, 2013. The additional tax is 3.8% of the lesser of (i) net investment income (defined as gross income from interest, dividends, net gain from disposition of property not used in a trade or business, and certain other listed items of gross income), or (ii) the excess of "modified adjusted gross income" of the individual over $200,000 for unmarried individuals ($250,000 for married couples filing a joint return and a surviving spouse). Holders of the Series 2013-1 Bonds should consult with their tax advisor concerning this additional tax as it may apply to interest earned on the Series 2013-1 Bonds as well as gain on the sale of a Series 2013-1 Bond.

Foreign Investors. An owner of a Series 2013-1 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 2013-1 Bond will generally not be subject to United States income or withholding tax in respect of a payment on a Series 2013-1 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 of America, 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 of America 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.

Except as explained in the preceding paragraph and subject to the provisions of any applicable tax treaty, a 30% United States withholding tax will apply to interest paid and original issue discount accruing on Series 2013-1 Bonds owned by foreign investors. In those instances in which payments of interest on the Series 2013-1 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 2013-1 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 2013-1 Bond.

Tax-Exempt Investors. In general, an entity that is exempt from federal income tax under the provisions of Section 501 of the Code is subject to tax on its unrelated business taxable income. An unrelated trade or business is any trade or business that is not substantially related to the purpose that forms the basis for such entity's exemption. However, under the provisions of Section 512 of the Code, interest may be excluded from the calculation of unrelated business taxable income unless the obligation that gave rise to such interest is subject to acquisition indebtedness. Therefore, except to the extent any owner of a Series 2013-1 Bond incurs acquisition indebtedness with respect to such bond, interest paid or accrued with respect to such owner may be excluded by such tax exempt owner from the calculation of unrelated business taxable income. Each potential tax exempt holder of a Series 2013-1 Bond is urged to consult its own tax advisor regarding the application of these provisions.

ERISA Considerations. The Employee Retirement Income Security Act of 1974, as amended ("ERISA"), imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA) subject to ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, "ERISA Plans") and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the ERISA Plan. The prudence of any investment by an ERISA Plan in the Series 2013-1 Bonds must be determined by the responsible fiduciary of the ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment. Government and non electing church plans are generally not subject to ERISA. However, such plans may be subject to similar or other restrictions under state or local law.

In addition, ERISA and the Code generally prohibit certain transactions between an ERISA Plan or a qualified employee benefit plan under the Code 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 the Series 2013-1 Bonds 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. Section 503 of the Code includes similar restrictions with respect to governmental and church plans. In this regard, the Authority or any dealer of the Series 2013-1 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 the Series 2013-1 Bonds are acquired by such plans or arrangements with respect to which the Authority or any dealer 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 2013-1 Bonds. The sale of the Series 2013-1 Bonds to a plan is in no respect a representation by the Authority or the Underwriter that such

an investment meets the relevant legal requirements with respect to benefit plans generally or any particular plan. Any plan proposing to invest in the Series 2013-1 Bonds should consult with its counsel to confirm that such investment is permitted under the plan documents and will not result in a non exempt prohibited transaction and will satisfy the other requirements of ERISA, the Code and other applicable law.

Treasury Circular 230 Disclosure. Any federal tax advice contained in this Offering Memorandum was written to support the marketing of the Series 2013-1 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 taxpayers' particular circumstances from an independent tax advisor. This disclosure is provided to comply with Treasury Circular 230.

Changes in Federal and State Tax Law. From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading "TAX MATTERS" or adversely affect the market value of the Series 2013-1 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2013-1 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2013-1 Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2013-1 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2013-1 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

RATINGS

Fitch has assigned the Series 2013-1 Bonds a long-term rating of "AAAsf" (negative outlook) and Standard & Poor's has assigned the Series 2013-1 Bonds a long-term rating of "AA+ (sf)."

The Ratings reflect only the view of the Rating Agencies. The Ratings are not a recommendation to buy, sell or hold the Series 2013-1 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 2013-1 Bonds. Neither the Authority nor the Underwriter has undertaken any responsibility either to bring to the attention of the registered owners of the Series 2013-1 Bonds any proposed change in, or proposed withdrawal of, the Ratings on the Series 2013-1 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 2013-1 Bonds.

UNDERWRITING

General

The Series 2013-1 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 2013-1 Bonds of $211,331,818.45 (which amount is equal to par less original issue discount of $488,181.55, and no accrued interest).

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 2013-1 Bonds if any are purchased. Upon delivery of, and payment for, the Series 2013-1 Bonds, the Underwriter will be paid a fee of $709,597.00, which is 0.335% of the aggregate principal amount of the Series 2013-1 Bonds, for its services and expenses.

Offering Prices of the Series 2013-1 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 2013-1 Bonds to certain dealers (including dealers depositing Series 2013-1 Bonds into investment trusts) and others at prices lower than the price shown on the cover page hereof.

Until the initial distribution of Series 2013-1 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 2013-1 Bonds. As an exception to these rules, the Underwriter is permitted to engage in transactions that stabilize the price of the Series 2013-1 Bonds. These transactions consist of bids of purchase for the purpose of pegging, fixing or maintaining the price of the Series 2013-1 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 2013-1 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

The Underwriter is the remarketing agent for our Series 2004A-3 Notes that will be refunded with some of the proceeds of the Series 2013-1 Bonds. The Underwriter also is the appointed broker-dealer on four of our outstanding series of auction rate securities, including our Series 2001A-2 Bonds, a portion of which will be purchased in lieu of redemption with proceeds of the Series 2013-1 Bonds as a result of an unsolicited tender offer by the holder of such Series 2001A-2 Bonds.

CONTINUING SECONDARY MARKET DISCLOSURE

We will enter into a Continuing Disclosure Undertaking (the *"Undertaking*") for the benefit of the Beneficial Owners of the Series 2013-1 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 2013-1 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 2013-1 Bonds in the secondary market. Consequently, such a failure may adversely affect the market price, transferability and liquidity of the Series 2013-1 Bonds.

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APPROVAL

This Offering Memorandum has been approved by the Authority for distribution by the Underwriter to the prospective purchasers and the Registered and Beneficial Owners of the Series 2013-1 Bonds.

OKLAHOMA STUDENT LOAN AUTHORITY

/s/ Patrick Rooney

Chairman

ATTEST:

/s/ Hilarie Blaney
Secretary

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APPENDIX A

GLOSSARY OF TERMS

Some of the terms used in this Offering Memorandum are set forth below. The Indenture contains the definition of other terms used in this Offering Memorandum. 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 2013-1 Bonds.

"*Available Funds*" means 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 monthly distribution date, the period beginning on the cut-off date (i.e., April 11, 2013) and ending on May 31, 2013, and with respect to each subsequent monthly distribution date, the Collection Period means the calendar month immediately preceding such monthly distribution date.

"*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 2013-1 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, 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 – "*One-Month LIBOR*" or "*Two-Month LIBOR*" or "*Three-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, One-Month LIBOR, Two-Month LIBOR or Three-Month LIBOR, as the case may be, in effect for the applicable interest accrual period will be One-Month LIBOR, Two-Month LIBOR or Three-Month LIBOR, as the case may be, in effect for the previous interest accrual period.

"*Outstanding*" means, when used in connection with any Series 2013-1 Bond, a Series 2013-1 Bond which has been executed and delivered pursuant to the Indenture which at such time remains unpaid as to principal or interest, excluding Series 2013-1 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 2013-1 Bonds Outstanding at such date of determination.

"*Parity Ratio*" means on any monthly distribution date (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 2013-1 Bonds as of the end of the preceding Collection Period. The Parity Ratio shall be calculated 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 2013-1 Bonds.

"*Rating Agency Condition*" shall mean, as of any date, a letter addressed to the Trustee or the Authority, or public notice from each Rating Agency other than S&P, confirming that the action proposed to be taken by the Authority as described in such letter or notice will not, in and of itself, result in a downgrade of such Rating Agency's rating on any Series 2013-1 Bonds Outstanding or cause such Rating Agency to suspend or withdraw its rating on any Series 2013-1 Bonds outstanding.

"*Registered Owner*" shall mean shall mean the Person in whose name a Series 2013-1 Bond is registered on the registration records maintained by the Trustee for the Series 2013-1 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 and for which the Authority has obtained a Rating Agency Condition.

"*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, $529,550, and thereafter with respect to any monthly distribution date as long as the Series 2013-1 Bonds are outstanding, the greater of (a) 0.25% of the Outstanding Amount of Series 2013-1 Bonds as of the close of business on the last day of the related Collection Period; or (b) $317,730; provided that in no event will such balance exceed the sum of the Outstanding Amount of the Series 2013-1 Bonds; and provided further that such Specified Debt Service Reserve Account Balance may be reduced upon receipt of a Rating Agency Condition and providing 45 days notice to S&P.

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 2013-1 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.

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

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APPENDIX B

DESCRIPTION OF
THE FEDERAL FAMILY EDUCATION LOAN 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 trust 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 FFELP 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 originated 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 was enrolled and was 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 was 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 to students who did 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 began.

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 were permitted to 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 was federally insured or reinsured only if such loan was 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 as of July 1, 2010 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 was entering the first year of a program of undergraduate education and who had not previously obtained a FFEL Program loan (a "First FFEL Student") must have been 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.

Public Law 112-74, dated December 23, 2011, amended the Higher Education Act, reflecting financial market conditions, to allow FFELP lenders to make an affirmative election to permanently change the index for Special Allowance Payment calculations on all FFELP loans in the lender's portfolio (with certain limited exceptions) disbursed after January 1, 2000 from the Three Month Commercial Paper Rate (as hereafter defined) to the One Month LIBOR Rate (as hereafter defined), commencing with the Special Allowance Payment calculations for the calendar quarter beginning on April 1, 2012. Such election to permanently change the index for Special Allowance Payment calculations must be made by April 1, 2012 and must also waive all contractual, statutory or other legal rights to the Special Allowance Payment calculation formula in effect at the time the loans were first disbursed

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. The term "One Month LIBOR Rate" means the one-month London Interbank Offered Rate for United States dollars in effect for each of the days in such quarter as compiled and released by the British Bankers Association.

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]

*Substitute "One Month LIBOR Rate" for "Three Month Commercial Paper Rate" in this formula where lenders made the affirmative election by no later than April 1, 2012 under Public Law 112-74, dated December 23, 2011, to permanently change the index for Special Allowance Payment calculations for all loans in the lender's portfolio.

[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%

*Substitute "One Month LIBOR Rate" for "Three Month Commercial Paper Rate" in this formula where lenders made the affirmative election by no later than April 1, 2012 under Public Law 112-74, dated December 23, 2011, to permanently change the index for Special Allowance Payment calculations for all loans in the lender's portfolio.

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%

*Substitute "One Month LIBOR Rate" for "Three Month Commercial Paper Rate" in this formula where lenders made the affirmative election by no later than April 1, 2012 under Public Law 112-74, dated December 23, 2011, to permanently change the index for Special Allowance Payment calculations for all loans in the lender's portfolio.

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 rebate 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 rebate 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, is 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 were 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. However, any purchase of loans 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 to utilize its temporary purchasing authority, two of which have expired. The third program, the Asset-Backed Commercial Paper Conduit Program, is defined and described below.

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 ability to finance eligible FFELP Loans under the Asset-Backed Commercial Paper Conduit Program terminated on June 30, 2010. The Asset-Backed Commercial Paper Conduit Program currently 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.

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.

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APPENDIX C

GENERAL DESCRIPTION OF THE OKLAHOMA STUDENT LOAN AUTHORITY

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OPERATING BUSINESS

General

The Oklahoma Student Loan Authority ("*OSLA*", "*Authority*" or "*we*") is an express public trust created in 1972 for the benefit of the State of Oklahoma. We are a loan servicer, an eligible lender/holder and a secondary market in the guaranteed Federal Family Education Loan ("*FFEL*") Program under the Higher Education Act of 1965, as amended (the "*Higher Education Act*"). In addition, pursuant to a loan servicing contract with the U.S. Department of Education (the "*Department of Education*") we are a Not-For-Profit Servicer ("*NFP Servicer*") of student loans that are owned by the Department of Education.

We perform loan servicing functions under the registered trade name "OSLA Student Loan Servicing™". At December 31, 2012, we serviced student loans approximately as shown in the Table below:

Loan Owner(s)	Student Loan Program	Borrower Accounts	Current Loan Principal Balance	Percent of Total
Oklahoma Student Loan Authority	FFEL	63,292	$ 672,362,896	25.1%
Seven OSLA Network Lenders [1]	FFEL	5,605	44,798,713	1.7
U.S. Department of Education	Direct Loans	101,637	1,964,695,691	73.2
	Total	170,534	$2,681,857,300	100.0%

[1] Approximately 77% owned by one lender.

A Five Year summary of our Balance Sheets and of Statements of Revenue and Expense is included in the section captioned "FINANCIAL INFORMATION". The December 31, 2012 brief outline of our *Unaudited* financial statements is set forth in the following Table:

Financial Statement Item	12-31-2012 [1]
Total Assets	$ 738,389,471
Total Liabilities	678,207,867
Fund Balance (equity)	60,181,604

[1] Unaudited.

Annual, quarterly and periodic financial, operating and other related information on us and our FFEL Program portfolio, including our annual audited financial statements, is available on our investor web site located at www.OSLAfinancial.com.

End of FFEL Program Loan Origination

The Student Aid and Fiscal Responsibility Act of 2009 ("*SAFRA*"), Title II of the Health Care and Education Affordability Reconciliation Act of 2010, became law on March 30, 2010. Beginning July 1, 2010, eligible lenders, including OSLA and our OSLA Student Lending Network of eligible lenders (the "*OSLA Network*"), were no longer allowed to originate FFEL Program student loans and all federal student loans began to be solely originated by the federal government pursuant to its Federal 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. In June 2011, we purchased 34 of these portfolios with some of the proceeds of our pass through Taxable LIBOR-Indexed Floating Rate Bonds, Series 2011-1.

Seven of the remaining OSLA Network lenders elected to hold their portfolios and have their student loans serviced by us. Two remaining lenders who did not sell their portfolios to us elected to deconvert their loans to another loan servicer.

FFEL Program Loan Guarantees

In servicing a portfolio of FFEL Program loans, we are required to use due diligence in the servicing and collection of loans 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 throughout the life of the loan.

At June 30, 2012, approximately 87% of the FFEL Program student loans that we held were 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 2011, Sections 622 and 623, to guarantee FFEL Program loans.

Numerous eligible lenders made 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 for 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 FFEL Program loans guaranteed by the State Regents' OCAP.

Although the State Regents' OCAP is our primary loan guarantor, the State Regents' OCAP is a separate legal entity from us, and the members of the State Regents and the trustees of OSLA do not overlap. In addition, our administrative management and the management of the OCAP are separate.

Consolidation Loan Activity

Consolidation Loans combine and refinance the various education loans of a borrower. We originated the Consolidation Loans that we hold. These Consolidation Loans were a refinance of loans that we, or an OSLA Network lender, owned. 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.

ECASLA Financing Activities

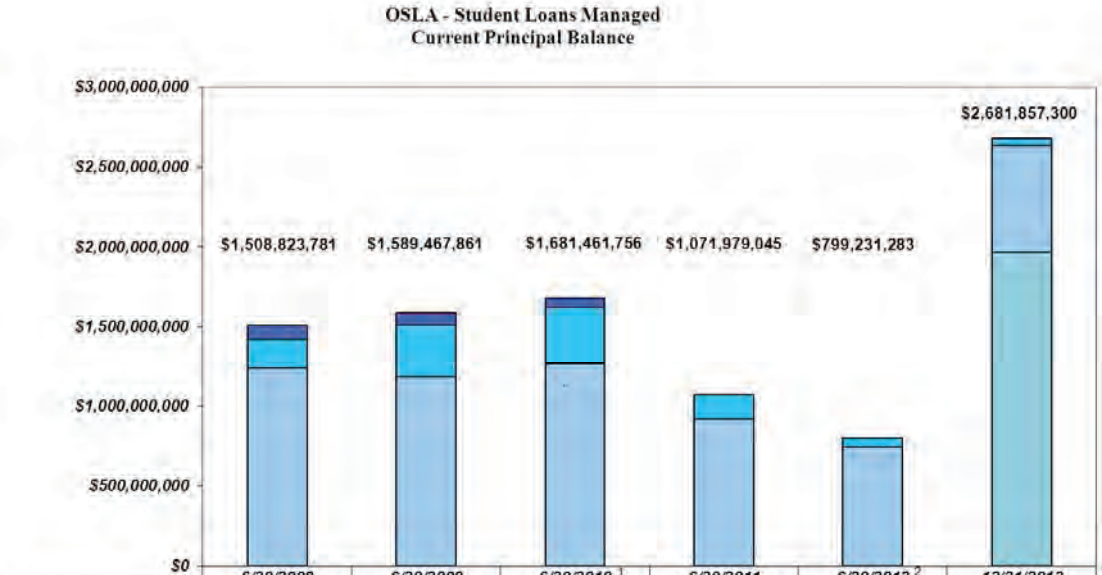
We utilized several of the programs made available through the Ensuring Continued Access to Student Loans Act ("*ECASLA*") legislation in fiscal years 2008-2009 and in 2009-2010. OSLA staff developed internal applications necessary to participate in the Department of Education's Loan Participation Program and Loan Sale Program, and in the Straight-A Funding Asset Backed Commercial Paper Conduit Program. We participated $295,842,000 in loans through the ECASLA Loan Participation Program. Additionally, we put $853,895,000 in loans that we owned or serviced to the Department of Education under the ECASLA Loan Sale Program. We also issued $328,000,000 in Funding Notes through the Straight-A Funding Asset Backed Commercial Paper Conduit Program which was authorized by ECASLA.

The Department of Education offers Federal Direct Consolidation Loans where borrowers of OSLA held Stafford and PLUS loans could prepay our FFEL Program loans. The effect of such actions has been 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. Such consolidation has the result of increasing prepayment of our FFEL Program loans and debt obligations and reducing future loan servicing income received from our trust estates.

Furthermore, in October 2011, President Obama announced a program permitting students with both FFEL Program loans and Federal Direct loans to consolidate their existing FFEL Program loans into the Department of Education's Direct Loan program during the period from January 1, 2012 through June 30, 2012. Such students received up to a 0.5% interest rate reduction on the FFEL

Program loans consolidated. FFEL Program loan holders, such as OSLA, were paid 100% of outstanding principal and interest balance on any FFEL Program loans consolidated. Such payments were treated as a prepayment of the FFEL Program loans consolidated. This was a factor in reducing the current principal balance of our FFEL Program student loans.

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 Network and student loans owned by the Department of Education, with current principal balances as shown in the following Graph and Table:



	6/30/2008	6/30/2009	6/30/2010 [1]	6/30/2011	6/30/2012 [2]	12/31/2012
REMOTE LOANS	$83,027,803	$75,017,905	$81,504,951	$0	$0	$0
NETWORK LOANS	$184,931,414	$330,727,467	$353,177,779	$152,193,148	$51,127,304	$44,798,713
OSLA LOANS	$1,240,864,564	$1,183,722,489	$1,266,779,026	$919,785,897	$748,103,979	$672,362,896
US DEPT ED LOANS	$0	$0	$0	$0	$0	$1,964,695,691
# EMPLOYEES	71	70	58	61	63	76

[1] 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 Loan Sale Program.

[2] At June 30, 2012, the principal amount of FFEL Program education loans serviced by us was approximately $799 million compared to the $1.072 billion in the Table above that were serviced at June 30, 2011. This change was accounted for by run-off of the portfolio, including prepayments through Federal Direct Loan consolidation and claim payments, and the deconversion of loans to another servicer by one of the lenders that was serviced by us at June 30, 2011.

Supplemental Loan Program Inactive

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. SHELF loan originations were financed by general funds, *not* bond proceeds. The origination of SHELF loans was discontinued as of July 1, 2008.

At the dates indicated in the Table below, the SHELF loan and guarantee reserve account balances in our SHELF Program portfolio were approximately as shown in the Table below:

	06-30-2011	06-30-2012	12-31-2012
Current Principal Balance	$ 2,593,000	$ 2,417,000	$ 2,327,017
OSLA Reserve Account	$ 138,946	$ 139,366	$ 603,371

Consequently, SHELF loans are *not* a material portion of the loans that we own. In addition, SHELF loans are *not* included in any of our debt financings.

Federal Direct Loan Servicing

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. We entered into a Memorandum of Understanding, as amended, with the Department of Education, as a prime contractor for the purpose of satisfying requirements to obtain an Authorization to Operate and to receive a NFP Servicer contract award with the Department of Education.

Nelnet was identified as our system subcontractor. Subsequently, we entered into a Remote Hosted Service License Agreement with Nelnet Servicing, LLC, (together with its parent and affiliates, "*Nelnet*"), effective October 28, 2011, for provision of a Direct Loan servicing system (the "*Remote System*") operated by Nelnet. The license agreement provides for a 5-year term, subject to various conditions, and is renewable for subsequent terms pursuant to a written agreement of the parties. Nelnet uses the same platform for servicing Direct Loan Program student loans under contract with the Department of Education as a Title IV Additional Servicer.

Effective as of July 16, 2012, we were awarded a NFP Servicer loan servicing contract by the Department of Education to service loans owned by the Department of Education, primarily, in its Direct Loan Program under the Higher Education Act. Under that contract, we on-boarded 5,000 borrower accounts on July 26, 2012 to prepare for going live in servicing those student loans. We on-boarded approximately 22,000 additional borrower accounts in August, 2012, and another 76,000 borrower accounts in September 2012, resulting in a total of approximately 103,000 borrower accounts. That allocation of borrower accounts represented a significant increase in loan servicing accounts for us because previously we serviced a high of approximately 94,600 borrowers as of December 31, 2010 (87,000 borrowers at June 30, 2011 and 65,000 borrowers at June 30, 2012) in our existing FFEL Program loan servicing portfolio.

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 student loan programs.

We issue bonds and notes as a municipal issuer. 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*. The OSLA finance division e-mail address is *finance@osla.org*.

ORGANIZATION AND POWERS

Organization

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 2011, Sections 695.1 *et seq*.; and the Public Trust Act at Title 60, Oklahoma Statutes 2011, Sections 176 to 183.3, inclusive.

Governance

We are governed by a Board of five trustees who are appointed by the Governor of the State 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.; Oklahoma City, OK
Tom Fagan	Vice Chairman	April 6, 2014	Vice President for Administration and Finance, Southwestern Oklahoma State University; Weatherford, OK
Hilarie Blaney [1]	Secretary	April 6, 2017	Senior Vice President, BancFirst; Oklahoma City, OK
Kathy Elliott	Assistant Secretary	April 6, 2013	Associate Vice President & Controller, Oklahoma State University; Stillwater, OK
Tom McCasland III [2]	Trustee	April 6, 2016	President, Mack Energy Company; Duncan, OK

[1] BancFirst is a 3rd party loan servicing customer of OSLA.
[2] Mr. McCasland is a shareholder and an independent director of BancFirst, which is a 3rd party loan servicing customer of OSLA.

Trust Indenture

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 of OSLA 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 cannot 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.

Ken Ontko, CISSP, CISM, CGEIT, CRISC, CBCP, G2700, Vice President – Information Technology. Mr. Ontko has been employed by OSLA as VP of IT since September 2012. His primary duties include managing the Information Technology staff, and administration of the infrastructure for loan portfolio servicing, information management and communications. In addition, he oversees information security, development and support projects and technology architecture and planning.

From 2003 to 2011, Mr. Ontko was the Information Security Officer for the State of Oklahoma and for the Office of State Finance, where he was responsible for the Security Operations Center, Incident Response Planning and Support, Annual Statewide Risk Assessment, Business Continuity, Disaster Recovery and Continuity of Operation Planning, Policies Procedures and Guidelines, Security Awareness Training Education, and the Annual Cyber-Security Seminar. From 2001 to 2003, Mr. Ontko was Enterprise Technology Manager for Fleming Companies in Oklahoma City, a nationwide wholesale foods distributor, where his duties included management of the Network and Security Operations, Intel Servers, Voice and Data Communications, Desktop Systems, and Performance Management teams.

Mr. Ontko has worked in an Information Technology capacity throughout his career. Prior to 2001, he held management and executive management positions, while working in the Telecommunications, Cable Television, Software and Database Development, and Petroleum industries, at national and international companies, including Logix Communications, TV Guide, MPSI Systems Inc., AMOCO and Sun Company.

Mr. Ontko received a Bachelor of Science degree in 1970 from Oklahoma State University and received his professional certifications during the past 10 years. He is a member of the InfraGard Oklahoma Members Alliance, a partnership with the Federal Bureau of Investigation, in association with private and public organizations, academic institutions, state and local law enforcement agencies, where he was past President, Vice President and a Board member for 9 years and is the current IT Sector Chief.

James W. Bartlett, C.P.A., Director – Accounting and Finance. Mr. Bartlett has been employed by OSLA since July 2011. His primary duties include management of the Finance, Loan Accounting and Payment Processing teams which handle: compliance and analysis for debt financings and related loan portfolios; accounting and related reporting for FFELP and Direct Loan servicing; and application of loan payments to and research on borrower accounts.

From 1997 to 2011, Mr. Bartlett served as Controller for several software sales and development companies. From 1985 to 1997, Mr. Bartlett was Director of Corporate Accounting for Fleming Companies, a large publicly held food wholesale distribution and retail grocery company. In this role, Mr. Bartlett was active in SEC reporting and the company's capital market transactions. From 1983 to 1984, Mr. Bartlett worked as Controller for a publicly held restaurant company. From 1980 to 1983, he worked in public accounting for a predecessor of Deloitte, where his duties were primarily providing audit services for a variety of small to medium-sized entities.

Mr. Bartlett received a Bachelor of Science degree in 1979 from Central Michigan University and received his CPA certificate in 1981. He received a Master of Business Administration degree in 1992 from the University of Central Oklahoma. He is a member of the American Institute of Certified Public Accountants.

Melissa Burgard – Financial Analyst. Ms. Burgard has been employed by OSLA since May, 2008. Her primary duties as Financial Analyst include asset analysis for debt financings and related loan portfolios, cash flow projections, producing financial management reporting and managing investor relations.

Prior to joining OSLA, Ms. Burgard worked for A.G. Edwards & Sons from 2003 to2008 as a Financial Associate. Her duties were primarily reviewing client's financial data, investment goals/risks and making recommendations on fiscal planning strategies.

Ms. Burgard received a Bachelor of Business degree in Finance from the University of Central Oklahoma in 2003.

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.

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, 2012, we had approximately 76 full time equivalent employees, including the individuals listed above, which was up from approximately 63 full time equivalent employees at June 30, 2012. We may add additional employees in the near future in conjunction with the loan servicing activities as a NFP servicer for the Department of Education. The statutory full time equivalent limit on OSLA employees presently is 85.

The Authority offers its employees health, dental and vision insurance through the State of Oklahoma's Employees Group Insurance Division ("*EGID*"). The health insurance premium is paid by the Authority for the employee. The Authority also provides life and long term disability insurance for all employees at no cost to them.

Pension Benefits

The Authority participates in the Teacher's Retirement System of Oklahoma ("*OTRS*") for its defined benefit retirement program. The Authority pays the monthly contribution for the employee. The OTRS is a cost sharing multiple-employer public employee retirement system that is self-administered by OTRS. The OTRS provides retirement, disability and death benefits to plan members and beneficiaries. The benefit provisions are established, and may be amended, by the Oklahoma legislature.

Employees of the Authority, as OTRS members, are required to contribute to the plan at a rate set by Oklahoma Statutes (employees' contributions). The contribution rate for OTRS members is based currently on 7% of their covered salary. The Authority makes the system members' required contribution on behalf of its employees.

The Authority itself is required to contribute a statutory percentage of the participating employees' regular annual compensation for administration of the plan (employer's contributions). The contribution rate for the Authority currently is 9.5% of the covered salaries.

State law assigns the responsibility for management and operation of the system plan to the Board of Trustees of the OTRS, and OSLA has no administrative responsibility for the system plan. The OTRS issues a publicly available annual financial report that includes financial statements and required supplementary information for the OTRS. That annual report may be obtained by writing to: OTRS, P. O. Box 53524, Oklahoma City, OK 73152; or at the OTRS web site www.ok.gov/TRS.[1]

However, a new accounting pronouncement issued in June 2012 by the Governmental Accounting Standards Board ("*GASB*"), (Statement No. 68 which amends GASB Statement No. 27) regarding pension expenses will be effective in the Authority's fiscal year ending June 30, 2015. The pronouncement regards the recognition and disclosure requirements for employers with liabilities to a defined benefit pension plan. The Authority believes OTRS would be classified as a cost-sharing plan, but has not yet determined the impact that implementation of GASB No. 68 will have on its net position.

Retirement and Other Post Employment Benefits

Retirement and other post-employment benefits are provided for former employees by the OTRS and by EGID and are not the responsibility of the Authority.

Code of Business Conduct and Ethics

We have adopted a Code of Business Conduct and Ethics that applies to every Trustee, officer and employee of OSLA, and any independent contractor who is authorized to act on behalf of OSLA. The Code of Business Conduct, among other things, describes policies, disclosure, reporting and accountability for conflicts of interest, corporate opportunities, fair dealing, compliance with accounting practices and disclosure and consequences of violations, as well as providing an independent "hotline" for reporting suspected violations.

In addition to the Code of Business Conduct and Ethics, OSLA has adopted numerous policies and procedures addressing specific aspects of its business operations. In addition, all employees are required to sign a Rules of Behavior and also a Nondisclosure and Confidentiality Agreement.

[1] Internet and website addresses are provided for convenience of reference. The Authority does not adopt any information that may be provided at these addresses and disclaims any responsibility for such information.

Properties

Our offices, including the loan servicing center, are maintained under a lease agreement with an unaffiliated third party. That lease was extended recently and presently expires January 31, 2018.

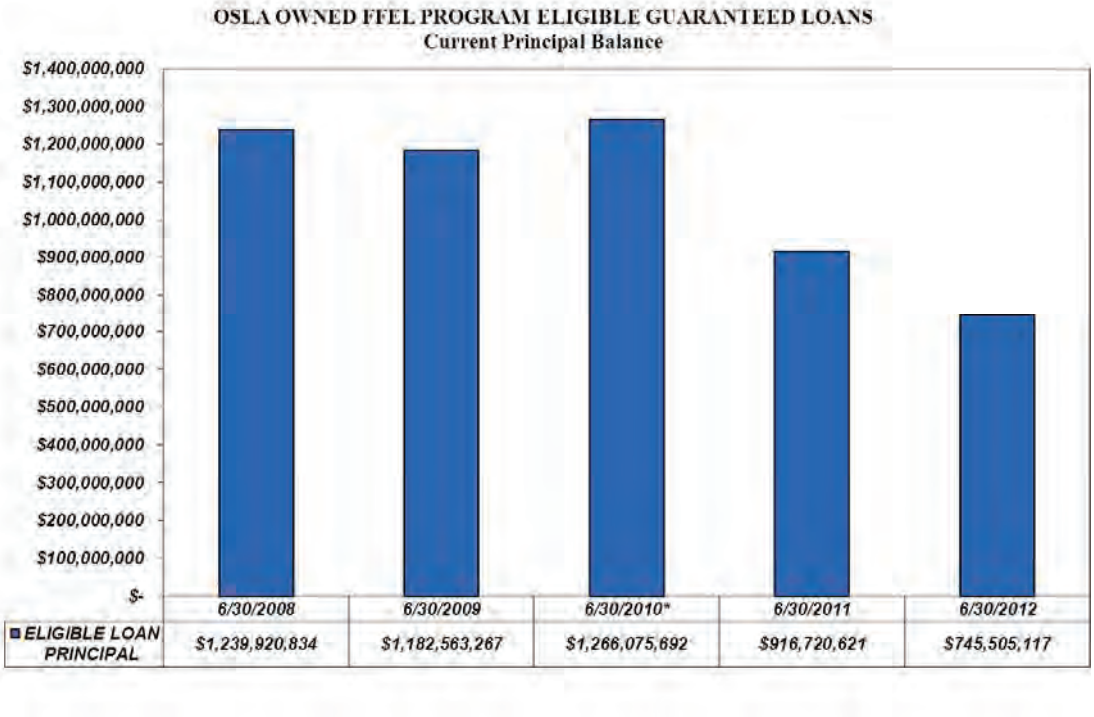
LOAN FINANCE PROGRAMS

FFEL Program Activity

As previously discussed, beginning July 1, 2010, SAFRA eliminated new FFEL Program loan origination. Consequently, 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 Federal Direct Loan Program. As a result, existing FFEL Program portfolios are winding down.

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:



*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	6/30/2008	6/30/2009	6/30/2010	6/30/2011	6/30/2012
Stafford Subsidized	$ 5,775	$ 5,338	$ 4,487	$ 4,634	$ 4,386
Stafford Unsubsidized	$ 6,610	$ 6,275	$ 5,469	$ 5,804	$ 5,651
PLUS/GRAD/SLSS	$ 9,047	$ 8,592	$ 8,176	$ 7,205	$ 6,451
Consolidation	$21,230	$21,145	$20,959	$20,867	$20,328

Guarantee of FFEL Program Loans

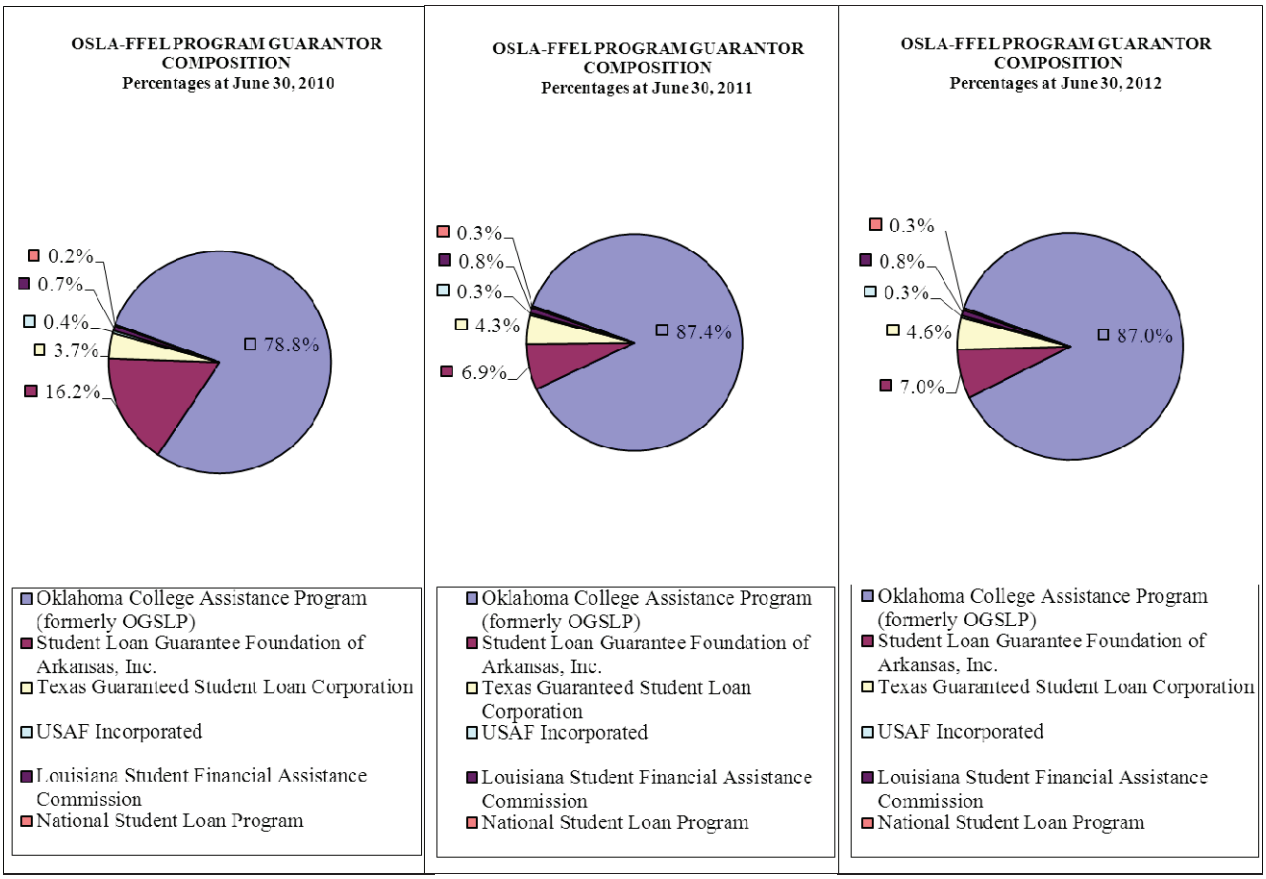
Under contracts with guarantee agencies, as a lender/holder of FFEL Program loans, we are entitled to a claim payment from the guarantee agency for 97% (98% for loans first disbursed on or before June 30, 2006) resulting from any proven loss from default (generally, a failure of the borrower to honor their repayment obligation for 270 days), or 100% of any proven loss resulting from death, permanent and total disability, discharge in bankruptcy of the borrower or on a lender of last resort loan. As an eligible lender/holder that services our own FFEL Program loans, we are required to use due diligence in the servicing and collection of loans in order to maintain the guarantee.

Pursuant to a guarantee agreement and a supplemental guarantee agreement with the Department of Education, a guarantee agency is reinsured and reimbursed for amounts expended by it in the discharge of its guarantee obligations. 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 the loan was a lender of last resort loan, and whether the claim is for default, bankruptcy, death or permanent and total disability.

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

- Oklahoma State Regents for Higher Education, College Assistance Program (*OCAP*), formerly the Oklahoma Guaranteed Student Loan Program (*OGSLP*), 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.

The relative composition of loans guaranteed by the above guarantors at the fiscal year end dates is set forth in the graphs below:



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 until June 30, 2011, performed servicing of FFEL Program loans for the OSLA Network of 43 lenders pursuant to separate education loan servicing agreements between us and each participating lender. On June 29, 2011, we acquired loans from 34 of the OSLA Network lenders.

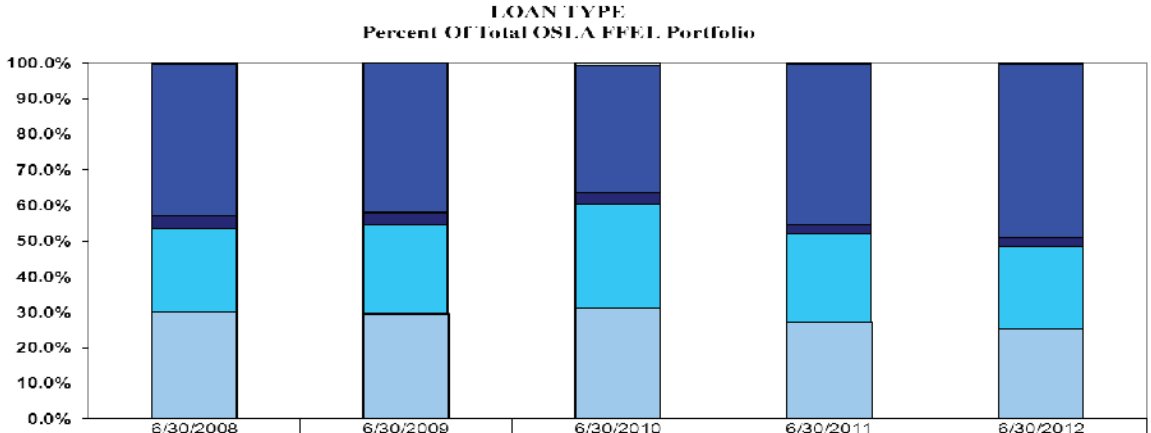
Presently, we service loans for seven other OSLA Network lenders. We indemnify each of the OSLA Network lenders against any servicing errors made by us in the performance of this work. Due to the discontinuance of new loan origination in the FFEL Program, the acquisition of most of the OSLA Network lender portfolios and the transition from purchasing loans to servicing them, our secondary market activities now have limited activity. We are purchasing the loans of three of our seven OSLA Network lenders with some of the proceeds of the Series 2013-1 Bonds.

FFEL PROGRAM LOAN 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.

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:



	6/30/2008	6/30/2009	6/30/2010	6/30/2011	6/30/2012
GRAD PLUS	0.3%	0.1%	0.6%	0.3%	0.3%
CONSOLIDATION	42.4%	42.0%	35.9%	45.0%	48.8%
FEDERAL PLUS/SLS	3.6%	3.3%	3.0%	2.7%	2.4%
STAFFORD - UNSUB	23.7%	25.0%	29.3%	24.6%	23.3%
STAFFORD - SUB	30.0%	29.6%	31.2%	27.5%	25.2%

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

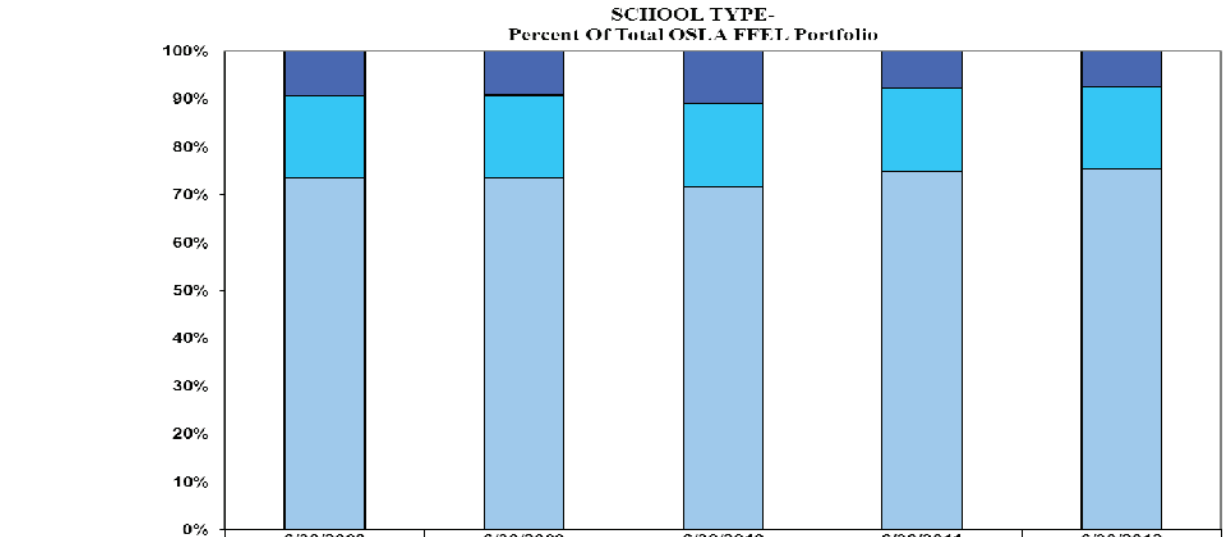
Consolidation Loan Share of Repayment Portfolio

6/30/2008	6/30/2009	6/30/2010	6/30/2011	6/30/2012
55.1%	52.4%	50.9%	52.1%	54.8%

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.

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:



	6/30/2008	6/30/2009	6/30/2010	6/30/2011	6/30/2012
Vocational Proprietary	9.3%	9.2%	10.9%	7.8%	7.5%
COLLEGE - 2 YEAR	17.1%	17.3%	17.4%	17.3%	17.1%
UNIVERSITY - 4 YEAR	73.6%	73.5%	71.7%	74.9%	75.4%

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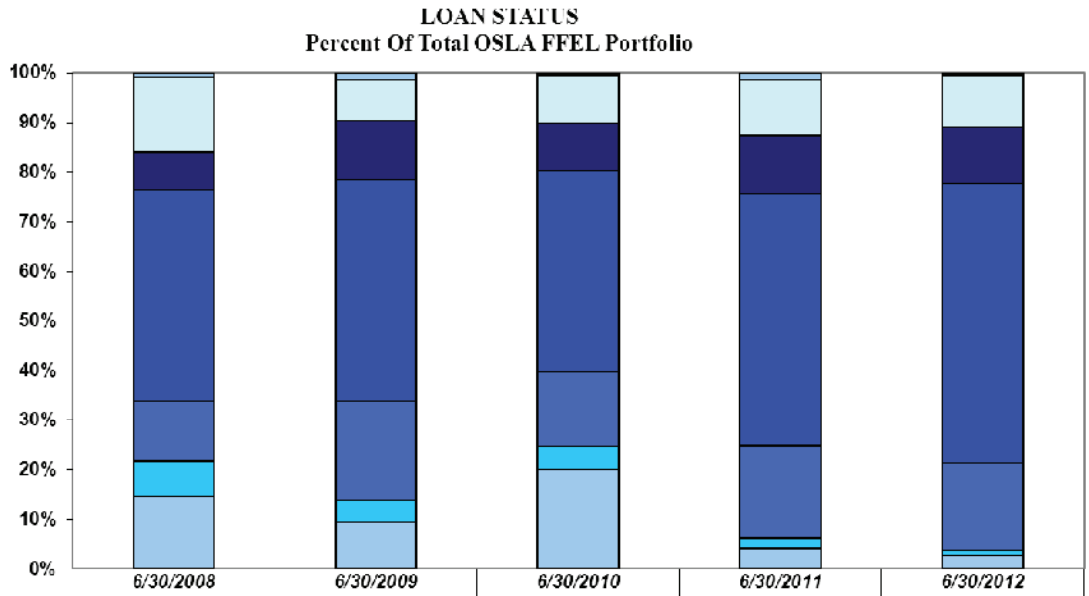
Loan Status

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:



	6/30/2008	6/30/2009	6/30/2010	6/30/2011	6/30/2012
CLAIMS	0.9%	1.4%	0.5%	1.5%	0.6%
FORBEARANCE	15.0%	8.3%	9.6%	11.0%	10.3%
DELINQUENT > 30 DAYS	7.7%	11.8%	9.5%	11.7%	11.3%
CURRENT REPAY	42.5%	44.6%	40.6%	51.0%	56.5%
DEFERMENT (1)	12.3%	20.0%	15.3%	18.6%	17.5%
GRACE	7.0%	4.4%	4.6%	2.0%	1.1%
IN-SCHOOL	14.6%	9.5%	19.9%	4.2%	2.7%

[1] At June 30, 2012, approximately 52.5% of this category (53.1% at June 30, 2011, 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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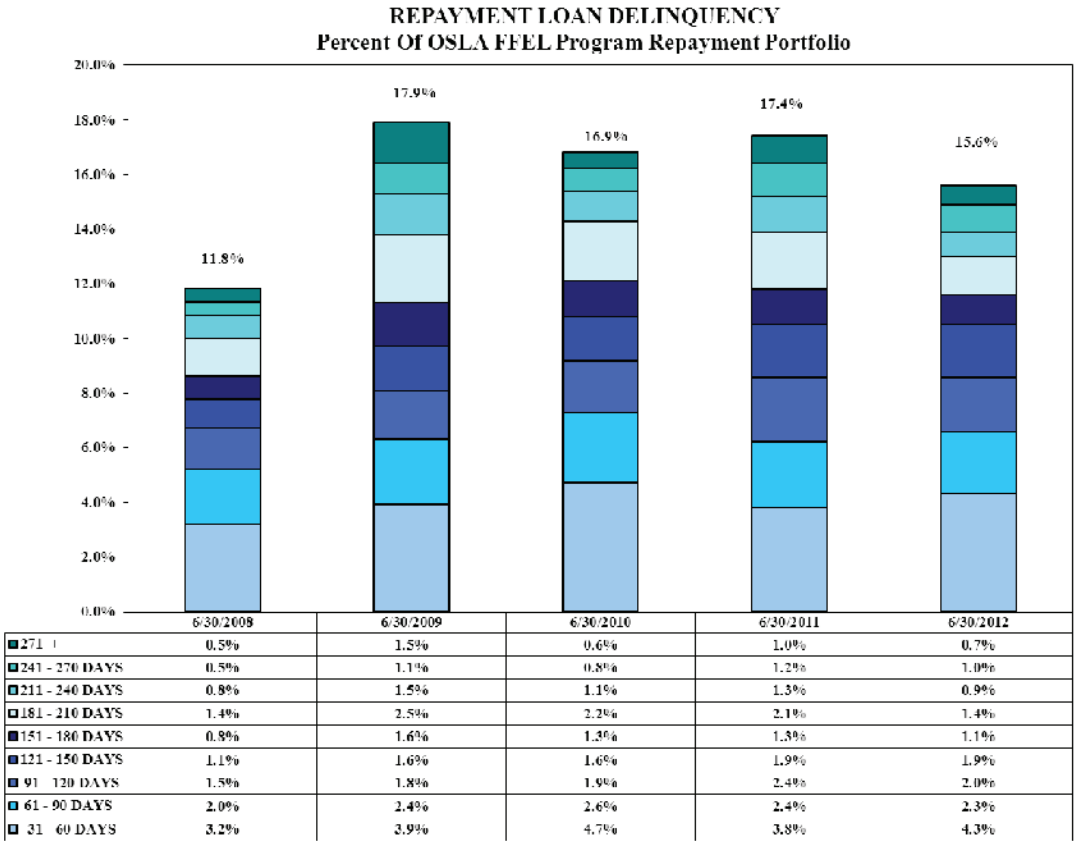
Repayment Loan Delinquency

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:



	6/30/2008	6/30/2009	6/30/2010	6/30/2011	6/30/2012
271 +	0.5%	1.5%	0.6%	1.0%	0.7%
241 - 270 DAYS	0.5%	1.1%	0.8%	1.2%	1.0%
211 - 240 DAYS	0.8%	1.5%	1.1%	1.3%	0.9%
181 - 210 DAYS	1.4%	2.5%	2.2%	2.1%	1.4%
151 - 180 DAYS	0.8%	1.6%	1.3%	1.3%	1.1%
121 - 150 DAYS	1.1%	1.6%	1.6%	1.9%	1.9%
91 - 120 DAYS	1.5%	1.8%	1.9%	2.4%	2.0%
61 - 90 DAYS	2.0%	2.4%	2.6%	2.4%	2.3%
31 - 60 DAYS	3.2%	3.9%	4.7%	3.8%	4.3%

At December 31, 2012, the delinquency rate by principal amount of FFEL Program loans in repayment was 16.8% compared to 15.6% at June 30, 2012. Delinquency rates can be seasonal. For instance, May graduates finish their grace period in November and enter repayment in larger numbers than other months. In addition, total delinquency rates vary widely by loan type as shown in the following Table:

Repayment Loan Delinquency By Loan Type

Loan Type	6/30/2008	6/30/2009	6/30/2010	6/30/2011	6/30/2012
Stafford	18.8%	27.7%	24.0%	24.5%	21.5%
PLUS/GRAD/SLS	7.5%	11.4%	10.3%	11.5%	11.0%
Consolidation	7.5%	11.9%	11.4%	17.3%	15.4%

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, or paid to the Department of Education by, lenders in the FFEL Program.

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 previously has been based on an index of either: (1) the quarterly average of three-month financial commercial paper (the "Commercial Paper Index"), or (2) 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 of Education.

Change of Student Loan Special Allowance Index

Previously, substantially all of the FFEL Program student loans that we own had a lender's yield based on a 3-month commercial paper index. Pursuant to authorization in an omnibus spending bill, the U.S. Department of Education announced in February 2012 certain conditions which, under the Higher Education Act, would allow lenders to make an election to substitute the 1-Month LIBOR for the 3-month commercial paper rate for purposes of special allowance calculations if, by April 1, 2012, the holder of the loan affirmatively and permanently waived all contractual, statutory, or other legal rights to a special allowance paid pursuant to the Commercial Paper Index in effect at the time the loans were first disbursed.

On March 30, 2012, OSLA waived rights to a special allowance paid pursuant to the 3-month commercial paper index in effect at the time the loans were first disbursed, and elected to change the special allowance payment index on the loans that we own to the 1-Month LIBOR index. That filing was accepted and the election approved by the U.S. Department of Education. The change in calculation of special allowance payment method was effective for the billing for the quarter ended June 30, 2012.

STUDENT LOAN SERVICING

FFEL Program Standards and Activities

We have serviced our own loans, and performed third party servicing of the loans of the OSLA Network, since 1994. With the termination of new loan origination in the FFEL Program effective on July 1, 2010, loan servicing activities performed by us in FFEL Program loan servicing 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 in the quarterly Total Portfolio Servicing Report located 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 of the loan 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).

FFEL Program Loan Servicing System

From 1994 to 2002, we performed loan servicing as a remote user of another party's loan servicing system. Presently, we service FFEL Program student 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;
- 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 on a perpetual basis from Idaho Financial Associates, Inc., now 5280 Solutions, LLC, a wholly owned subsidiary of Nelnet; and
- Ancillary software programs of proprietary software and database query reports that we developed and various commercial software applications licensed from multiple vendor sources.

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 5280 Solutions, LLC 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.

Also, in our Remote Hosted Service System contract with Nelnet as the System provider for our Federal Direct Loan Servicing, we have the option to use the Remote System in the future for servicing our FFEL Program loans. No specific timetable has been set by OSLA to do this, but present plans contemplate preliminary planning for conversion to, and use of, that system servicing platform during the Fiscal Year beginning July, 2013.

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 most recent Disaster Recovery test was completed successfully during the period from April 8 through April 11, 2011.

Claims Filing Experience

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[1]	Net Rejection Rate[1]
6/30/2012	$69,029,329	$ 57,009	0.08%	$ 9,151	$ 47,858	0.07%
6/30/2011	$81,955,544	$189,910	0.23%	$ 124,860	$ 65,050	0.08%
6/30/2010	$91,821,763	$184,119	0.20%	$ 130,035	$ 54,084	0.06%
6/30/2009	$71,638,799	$474,724	0.64%	$ 290,544	$184,180	0.26%
6/30/2008	$50,823,231	$187,024	0.37%	$ 84,970	$102,054	0.20%
6/30/2007	$37,261,708	$ 57,376	0.14%	$ 48,326	$ 9,050	0.02%
6/30/2006	$33,030,794	$209,951	0.70%	$ 176,446	$ 33,505	0.10%
6/30/2005	$27,356,200	$215,037	0.79%	$ 215,037	$ 0	0.00%
6/30/2004	$23,581,512	$152,746	0.65%	$ 132,602	$ 20,144	0.09%
6/30/2003	$21,172,322	$ 90,370	0.43%	$ 74,779	$ 15,591	0.07%

[1]As of December 31, 2012. Annual amounts are adjusted, over the three year cure time period allowed to reinstate the guarantee of the loans, due to reconciliation and capitalized interest from recovery. However, collection efforts continue after the three year cure period.

Federal Direct Loan Servicing

Effective as of July 16, 2012, we were awarded a NFP Servicer loan servicing contract by the Department of Education to service loans owned by the Department of Education in its Federal Direct Loan Program. Under that contract we on-boarded approximately 5,000 borrower accounts on July 26, 2012 to prepare for going live in servicing those student loans. We on-boarded approximately 22,000 additional borrower accounts in August, 2012, and we on-boarded approximately 76,000 borrower accounts in September 2012, for a total of approximately 103,000 borrower accounts.

The current loans that we service for the Department of Education are all in repayment status and were converted from a previous servicer. Geographically, the loans are for borrowers located all across the country.

Standards and Activities for Federal Loans

The Department of Education has established servicing requirements and standards for all of their NFP Servicers. These requirements and standards cover the full scope of loan servicing and reporting functions, including but not limited to loan processing and servicing, financial reporting and reconciliations, treasury interface and reporting, internal controls and audit, operational and portfolio reporting, security and various interfaces and reporting with other federal loan servicers.

To comply with these requirements and standards, OSLA staff must perform many of the same loan servicing activities on Department of Education student loans as are performed on FFEL Program

loans, including but not limited to; customer service counseling for borrowers; account maintenance for processing deferments, forbearances and status changes; production of notices, correspondences, forms and billing statements for borrowers and various default aversion activities.

Some of the Department of Education's requirements and standards require OSLA staff to perform activities not normally performed on FFEL Program loans, such as transferring loans to various other servicers and requesting refunds from the Treasury Department on overpaid borrower accounts. Additionally, while OSLA staff are responsible for posting payments to borrower accounts based on files received from various federal payment processors, OSLA staff do not process any monetary payments received from the borrowers on Federal Student Loans; and, because there is no guarantee of these loans, there is no claim filing activity. Instead, Federal Direct Loans in default are transferred to a collection agency for collection on behalf of the Department of Education.

OSLA Remote Servicing System

We performed significant due diligence on third party remote user Federal student loan servicing platforms provided by organizations that have already been awarded federal servicing contracts with the Department of Education. As a result, we selected Nelnet's Servicing system as our remote platform to service Federal Student Loans. Nelnet currently is using the same platform for servicing Federal Student Loans under contract with the Department of Education as a Title IV Additional Servicer.

Subsequently, we entered into a Remote Hosted Service License Agreement with Nelnet, effective October 28, 2011, for provision of a Federal student loan servicing system. The license agreement provides for a 5-year term, subject to various conditions, and is renewable for subsequent terms pursuant to a written agreement of the parties. Also, we have the option to use Nelnet's remote hosted FFEL System in the future for servicing our FFEL Program loans. Nelnet is responsible for maintaining the Remote System compliant with Department of Education requirements and functional updates. Nelnet is also responsible for maintaining and periodically testing their Business Continuity and Disaster Recovery Plans for this system. OSLA staff will be working with Nelnet on the testing of these plans.

In addition to utilizing the Remote System, OSLA also maintains various support, reporting and communications systems at our offices as part of these loan servicing activities. OSLA is responsible for maintaining our in-house systems compliant with all applicable current and future requirements, including but not limited to system and security controls from the National Institute of Standards and Technology.

We perform the Federal Direct Student Loan Servicing under the trade name "OSLA Student Loan Servicing™" also.

Direct Loan Servicing Requirements

OSLA is subject to periodic compliance examination per Statement of Standards on Attestation Engagements pronouncement #16 (SSAE-16) on both key financial controls and systems controls per the Federal Information Security Control Audit Manual. OSLA is also responsible for supporting the

Department of Education's annual A-123 audit and will be working with Department's staff and auditor on this requirement.

Revenues and Sustainability

We received per account conversion fees for on-boarding the borrower accounts that we are servicing currently. Ongoing revenue from servicing Federal Direct Loan Program student loans is $1.15 per month per borrower account in school or grace and $2.32 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. Any borrower accounts awarded to us in excess of the first 100,000 are paid at reduced unit levels from the first 100,000 borrower accounts. These rates are significantly less than we charge for servicing FFEL Program loans.

The Department of Education's NFP Servicer Contract contains Allocation Methodology for the allocation of ongoing volume to NFP Servicers, such as OSLA. This methodology is based on quarterly metric results that are compiled by Department of Education staff for each NFP Servicer based on the following performance factors: (1) borrower surveys; (2) the Department of Education's Federal Student Assistance staff surveys; (3) the percentage of borrowers in current repayment status; (4) the percentage of borrowers more than 90 days delinquent in their payments; and (5) delinquency resolution of borrowers delinquent more than 180 days. The Department of Education publishes the quarterly metric results on its web site at www.ifap.ed.gov[2] under "electronic announcements".

Each NFP Servicer will be assigned an allocation percentage based on dividing that servicer's annual score on the above performance factors by the combined total yearly scores of all NFP Servicers. However, the Department of Education has not committed to when, and if, they will allocate additional loans to NFP Servicers, so we are unable to predict future allocations of federally held loan asset volume, if any.

PROGRAM REVIEWS

Federal Reviews

The Department of Education 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 of Education conducted a Program Review with OSLA as a loan servicer during the week of May 2, 2011. In October 2011, the Department of Education issued its draft Program Review Report that listed two items of noncompliance, one of which did not affect the borrower's qualifying monthly payment and had no further adjustment necessary.

We responded to the Department of Education draft Program Review Report in November 2011 regarding the other issue, Income Based Repayment. A Final Program Review Determination letter was issued by the Department of Education on April 23, 2012 and we responded on May 25, 2012. The final

[2] Internet and website addresses are provided for convenience of reference. The Authority does not adopt any information that may be provided at these addresses and disclaims any responsibility or such information.

step in closing the review was posting adjustments to the OSLA LARS for the quarter ended June 30, 2012. On March 5, 2013, the Department of Education issue a letter to OSLA that the program review was closed, with no further action required.

In December 2012, the Department of Education and TG conducted a combined premise review of OSLA program administration focused on the calculation and payment of Consolidation Loan Rebate Fees. During that review, no findings were identified . The Department of Education in a letter and report on January 11, 2013, the Department of Education closed the review.

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. Subsequent to that review, this type of program review is being done as a Common Review Initiative "*CRI*".

Guarantor Common Review Initiative

OGSLP, now called OCAP, TG, SLGFA, LOSFC and USAF conducted a bi-annual review under the 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.

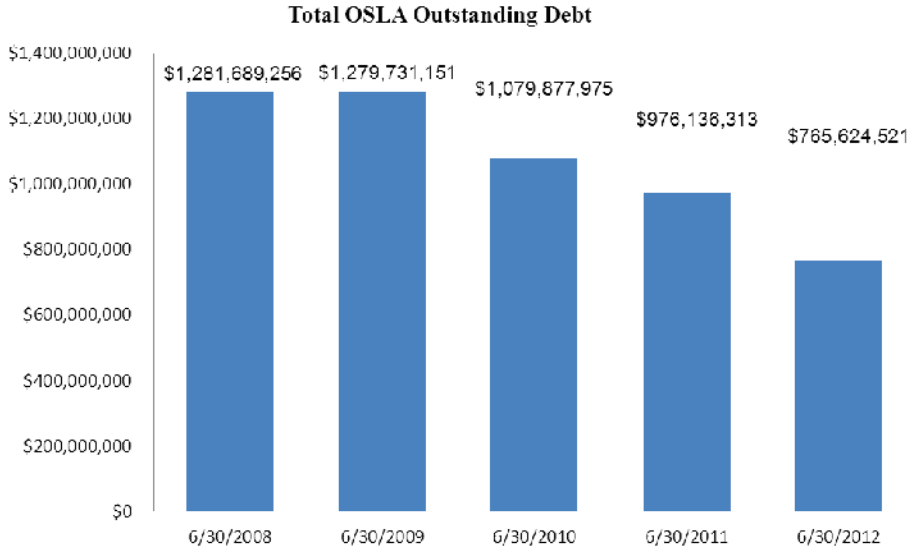
In November 2012, a CRI was performed by representatives of OCAP, USAF, TG, SLGFA and LOSFA. In the exit interview, no material issues were expressed. The reviewers are completing their work offsite. Presently, no draft report has been issued.

SUMMARY DEBT INFORMATION

General

We issue bonds and notes as a municipal issuer. 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 and indentures.

At the dates indicated below, the total outstanding debt in our various financing systems was as shown in the following Table:



At December 31, 2012, the outstanding principal balance of our bonds and notes was paid down to $676,231,362.

Credit Ratings

The bonds and notes described herein are collateralized by FFEL Program student loans supported under the Higher Education Act by the Department of Education in the form of guarantee or reinsurance (97% or 98% of principal and interest), special allowance payments and interest subsidy payments.

A. *Recent Developments in S&P Student Loan Asset Backed Securities Ratings*:

On July 15, 2011, S&P published a list on which numerous United States asset backed securities, including many of the bonds and notes of OSLA, were placed on Credit Watch Negative because S&P had placed the long-term sovereign credit rating of the United States of America on Credit Watch Negative. On August 5, 2011, S&P published a lowering of the long-term sovereign credit rating of the United States from "AAA" with a negative outlook, to "AA+". On September 19, 2011, S&P published new criteria to describe their methodology for the treatment of partial loan-level support to loans backing "AAA" rated securities where United States government agencies or entities, such as the Department of Education, that are rated by S&P provide such support.

Subsequently, on October 7, 2011, S&P published a press release regarding 118 Ratings From 70 U.S. Student Loan FFELP Asset Backed Securities Transactions Lowered To "AA+ (sf)" from "AAA(sf)". The bonds and notes described below in the section captioned 1995 Master Bond Resolution, were not among those series or classes of issues, but two other separate discrete debt trust estates of the Authority, the Series 2010A Bonds

and the Series 2011-1 Bonds, with separate assets and obligations, were lowered from "AAA(sf)" to "AA+(sf)".

In the press release, S&P indicated that they were planning to continue reviewing other classes and series of student loan asset backed securities. In March 2012, S&P lowered the long-term credit ratings of the Authority's senior securities in the 1995 Master Bond Resolution from "AAA(sf)" to "AA+(sf)".

No assurance can be given that the ratings by S&P will not be changed in the future.

B. *Recent Developments in Fitch Student Loan Asset Backed Securities Ratings:*

On Nov. 28, 2011, Fitch affirmed its long-term sovereign credit rating on the United States of America as "AAA", but revised its Outlook to Negative. On December 2, 2011, Fitch published a press release revising Outlooks that had been rated "AAA" Positive or Stable to "AAA" Outlook Negative for various United States FFEL Program student loan trusts. The ratings on these asset backed securities tranches are directly linked to the United States long-term sovereign credit rating, since the underlying collateral in these transactions is guaranteed by the Department of Education, which carries the full faith and credit of the United States government.

Bonds and notes issued under the OSLA 2010A/B Bond Indenture and the 2011-1 Bond Indenture described below are rated by Fitch and were listed as two of the many student loan issues affected by the Outlook revision to Negative. Fitch commented that, in the absence of material adverse shocks, it did not expect to resolve the Negative Outlook until late 2013. No assurance can be given that the ratings by Fitch will not be changed in the future.

1995 Master Bond Resolution

The 1995 Master Bond Resolution was adopted on November 2, 1995 and has been amended and supplemented numerous times to provide for issuances of various series of bonds and notes. BOKF, NA dba Bank of Oklahoma is the corporate trustee for the outstanding 1995 Master Bond Resolution bonds and notes.

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.

The 1995 Master Bond Resolution is self credit enhanced by the issuance of subordinate bonds as overcollateralization. The bonds and notes outstanding under the 1995 Master Bond Resolution are listed and summarized in the Table below.

Series	CUSIP	Interest Rate Type	Principal Balance Outstanding*	Type of Security	Ratings Moody's	Ratings S&P [1]
1995A-1	679110 CB0	Auction	$ 11,300,000	Senior	Aaa	AA+
1995B-2	679110 CE4	Fixed	2,250,000	Subordinate [2]	A2	A
2001B-1	679110 CR5	Auction	21,800,000	Subordinate [2]	A2	A
2001A-2	679110 CT1	Auction	26,400,000	Senior [3]	Aaa	AA+
2001A-4	679110 CS3	CP Floater	31,400,000	Senior	Aaa	AA+
2004A-1	679110 CY0	Auction	23,500,000	Senior	Aaa	AA+
2004A-2	679110 CZ7	Auction	27,925,000	Senior	Aaa	AA+
2004A-3	679110 DA1	1-Mo LIBOR	55,900,000	Senior [4]	Aaa	AA+
			$200,475,000			

*As of December 31, 2012. In addition, a notice of redemption for $1,700,000 of the Series 2001A-4 Notes was outstanding for redemption in January 2013.

[1] See the caption above entitled "Credit Ratings".

[2] The subordinate tax-exempt bonds represent debt that was issued to provide self credit enhancement for the senior debt obligations.

[3] Of this principal, we plan to purchase $20,000,000 in lieu of redemption from an unsolicited tender from the holder thereof.

[4] Of this principal, $12,000,000 was called for optional redemption on February 1, 2013, and the notes are subject to a quarterly mandatory term out redemptions of $3,500,000 on each March 1, June 1, September 1 and December 1. However, we plan to redeem all the remaining outstanding principal with some of the proceeds of the Series 2013-1 Bonds.

$110,925,000 (55%) of the total debt listed above is Auction Rate Securities, of which $84,525,000 (approximately 76%) was tax-exempt and $26,400,000 (approximately 24%) 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 subject to the bond document based caps. The failed auction rates reset at an average rate at December 31, 2012, of approximately 0.47% for tax-exempt series and 1.09% for taxable series. The prevailing thought in the credit markets continues to be that auction rate securities will continue in a failed state continuously for the foreseeable future.

On January 13, 2012, pursuant to an invitation for holders of certain bonds and notes outstanding under the 1995 Master Bond Resolution to tender those bonds and notes, we purchased the amount of $16,900,000 in outstanding taxable Series 2001A-2 auction rate bonds and taxable Series 2001A-3 auction rate bonds; and, we purchased the amount of $31,100,000 of taxable Series 2004A-3 rate reset notes. The purchases were made at a discount.

On May 17, 2012, pursuant to another invitation to offer certain bonds and notes outstanding under the 1995 Master Bond Resolution to tender their bonds and notes, we purchased the amount of $4,200,000 in outstanding Series 2001A-2, Series 2004A-1 and Series 2004A-2 auction rate bonds at a discount.

On August 15, 2012, pursuant to a third invitation to offer Series 2004-3 rate reset notes outstanding under the 1995 Master Bond Resolution to tender their notes, we purchased $1,372,000 of Series 2004A-3 Notes at a discount.

We have purchased other bonds and notes from time to time in lieu of redemption from unsolicited tender offers at a discount. We plan to purchase certain of the Series 2001A-2 Bonds from an unsolicited tender by the holder thereof with a portion of the proceeds of the 2013-1 Bonds. In addition, we plan to redeem all the remaining Series 2004A-3 rate reset notes with some of the proceeds of the 2013-1 Bonds.

The Debt Service Reserve Account Requirement for the 1995 Master Bond Resolution is an amount equal to 0.75% of all bonds and notes outstanding, which was funded at December 31, 2012. Of that requirement, we have $639,100 of debt service reserve trust funds from several series in the 1995 Master Bond Resolution invested in a Guaranteed Investment Contract with the New York branch of West LB.

At December 31, 2012, the Senior Bonds overcollateralization coverage in the 1995 Master Bond Resolution was 122.45%, and the total coverage for all bonds and notes in the 1995 Master Bond Resolution was 107.81%. The Authority is allowed to withdraw equity from the 1995 Master Bond Resolution under certain conditions, including that after the release the overcollateralization coverage for the Senior Bonds is 110.5% and there is a total overcollateralization of 103% of all bonds and notes outstanding.

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. BNY Mellon is the corporate trustee for Straight-A Funding, LLC on the transaction. The Master Note was for an aggregate principal amount of $328,000,000 in three funding notes advances.

Series	Interest Rate Type	Principal Balance Outstanding*	Type of Security	Ratings
Conduit	VFN CP based	$149,463,644	Student Loan Asset Backed	Not Rated

*As of December 31, 2012.

This funding note must be repaid by November 19, 2013. If we do not refinance this debt by that date, the student loans that are collateral for that obligation would be put to the Department of Education at a discount to satisfy the outstanding amount of the debt. However, we plan to refinance the

outstanding principal balance of the note payable to Straight-A Funding with a portion of the proceeds of the Series 2013-1 Bonds.

2010A/B Bond Indenture

The 2010A/B Bond Indenture is dated as of September 1, 2010. These tax-exempt bonds were issued originally on October 6, 2010, payable from a discrete trust with sequential payment of three senior series. BOKF, NA dba Bank of Oklahoma is the corporate trustee under the 2010A/B Bond Indenture. The 2010A/B Indenture was self credit enhanced by initial overcollateralization.

Series	CUSIP	Interest Rate Type	Original Principal Balance	Principal Balance Outstanding*	Type of Security
2010A-1	679110 DY9	LIBOR FRN	$ 132,545,000	$ 67,120,000	Senior
2010A-2A	679110 DZ6	LIBOR FRN	51,225,000	51,225,000	Senior
2010A-2B	679110 EB8	LIBOR FRN	44,230,000	44,230,000	Senior
		Total Senior	$ 228,000,000	$162,575,000	
2010B	N/A	Adj. Fixed Rate	15,517,718	15,517,718	Subordinate[1]
		Total Debt	$ 243,517,718	$178,092,718	

*As of December 31, 2012.

[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.

The Senior Series 2010A Bonds listed above are rated AA+(sf) by S&P and AAA (Negative Outlook) by Fitch. See the caption above entitled "Credit Ratings" for information about these ratings. The Subordinate Series 2010B Bond is not rated.

The Debt Service Reserve Account Requirement for the Senior Series 2010A Bonds is an amount equal to 0.25% of the outstanding Senior Series 2010A Bonds, which was funded at December 31, 2012. The Debt Service Reserve Account created by the 2010A/B Indenture is *not* security for the Subordinate Series 2010B Bond.

The overcollateralization parity ratio for the Series 2010A/B Bonds has been approximately as shown in the Table below:

Date	Senior Coverage[1]	Total Coverage[1]
1/312013	109.66%	100.13%
7/30/2012	108.61%	97.74%
7/31/2011	106.95%	99.62%
10/06/2010[2]	105.80%	N/A

[1]No minimum overcollateralization parity ratio is required to be maintained.
[2]Date of Issuance.

The 2010A/B Indenture does not allow for releases to the Authority while any Series 2010A/B Bonds are outstanding.

2011-1 Bond Indenture

The 2011-1 Bond Indenture is dated as of June 1, 2011. These taxable bonds were issued originally on June 29, 2011, payable from a discrete trust on a pass-through basis. BOKF, NA dba Bank of Oklahoma is the corporate trustee under the 2011-1 Bond Indenture. The 2011-1 Indenture was self credit enhanced by initial overcollateralization.

Series	CUSIP	Interest Rate Type	Original Principal Balance	Principal Balance Outstanding*	Type of Security
2011-1	679110 EC6	LIBOR FRN	$205,200,000	$148,200,000	Senior

*As of December 31, 2012. Pass-through distributions are made quarterly on each March 1, June 1, September 1 and December 1.

The Series 2011-1 Bonds listed above are rated AA+(sf) by S&P and AAA (Negative Outlook) by Fitch. See the caption above entitled "Credit Ratings" for information about these ratings.

The Debt Service Reserve Account Requirement for the Series 2011-1 Bonds is an amount equal to 0.25% of the outstanding Series 2011-1 Bonds, which was funded at December 31, 2012.

The overcollateralization parity ratio for the 2011-1 Bonds has been approximately as shown in the Table below:

Date	Coverage[1]
1/31/2013	107.40%
7/31/2012	106.70%
6/29/2011[2]	106.21%

[1]No minimum overcollateralization parity ratio is required to be maintained.
[2]Date of Issuance.

The 2011-1 Indenture does not allow for releases to the Authority while any Series 2011-1 Bonds are outstanding.

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.

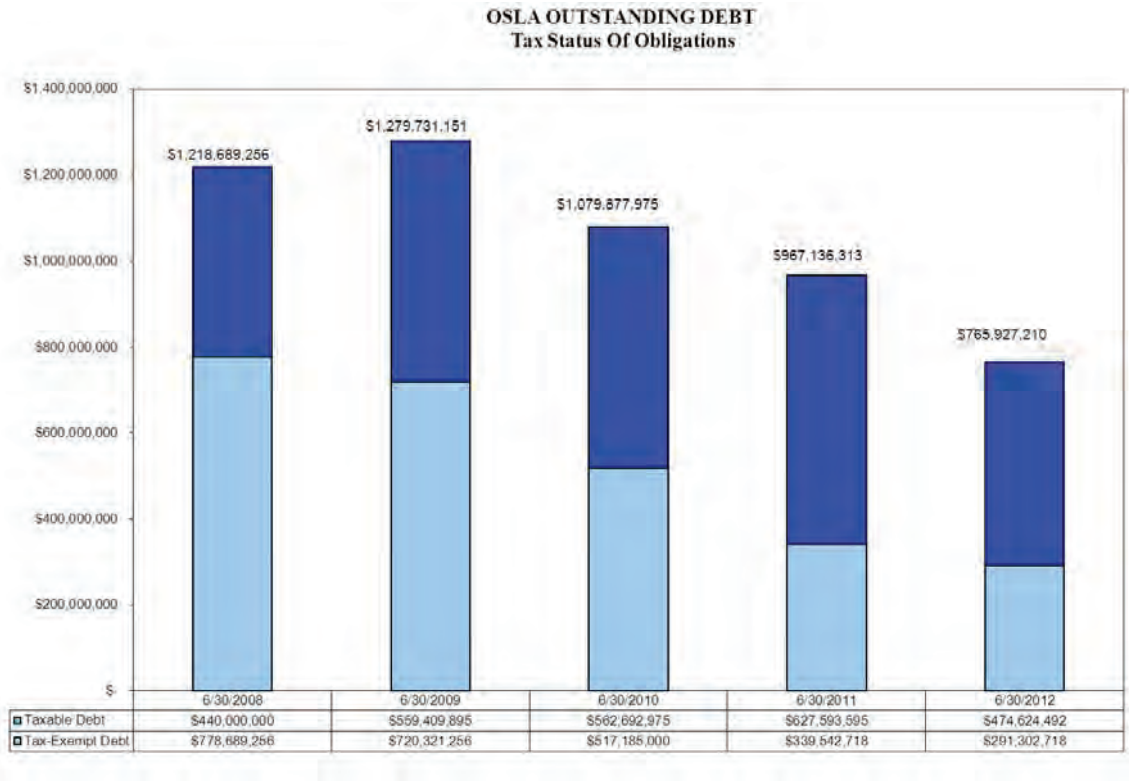
We do not have any swap agreements or utilize any other financial derivative products in association with our debt financings.

Lease Obligations

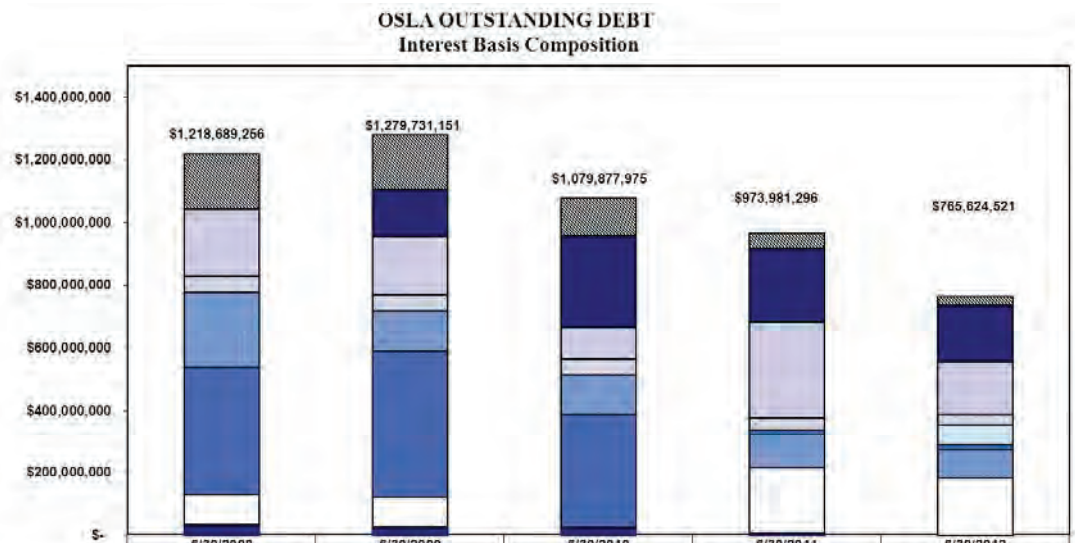
We lease certain facilities and equipment under non-cancelable operating leases that expire at various dates through calendar year 2018. The future minimum rental payments under these leases after June 30, 2012 total approximately $2,512,000, including a 5-year building lease renewal obligation that expires on January 31, 2018. 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:



The interest basis composition of our outstanding debt at the dates indicated below is depicted in the following graph and table.



	6/30/2008	6/30/2009	6/30/2010	6/30/2011	6/30/2012
TAXABLE ARS	$175,000,000	$175,000,000	$121,200,000	$49,900,000	$26,400,000
TAXABLE CP -VARIABLE FUNDING NOTE	$0	$150,000,000	$291,492,975	$232,793,595	$179,186,803
TAXABLE 3 MO LIBOR INDEX	$215,000,000	$184,409,895	$100,000,000	$305,200,000	$171,035,000
TAXABLE CP INDEX	$50,000,000	$50,000,000	$50,000,000	$39,700,000	$34,800,000
TAXABLE 1 MO LIBOR INDEX	$0	$0	$0	$0	$62,900,000
EXEMPT - ADJUSTABLE FIXED RATE	$0	$0	$0	$16,517,718	$16,517,718
EXEMPT - ARS	$237,575,000	$127,850,000	$127,850,000	$104,325,000	$92,750,000
EXEMPT - VRDO	$408,795,000	$468,382,000	$360,060,000	$0	$0
EXEMPT - LIBOR INDEX	$94,814,256	$94,814,256	$0	$210,340,000	$178,315,000
EXEMPT - FIXED RATE	$37,505,000	$29,275,000	$29,275,000	$9,360,000	$4,720,000

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.

Internal Revenue Service Examination

As a tax-exempt bond and note issuer, we are subject to routine examinations by the Internal Revenue Service for compliance with debt issuance requirements regarding our tax-exempt bond and note issues. Previously, we had not been audited by the Internal Revenue Service regarding our tax-exempt bond and note issues.

On March 20, 2012, the Internal Revenue Service ("*IRS*") announced a Voluntary Closing Agreement Program (the "*VCAP*") with respect to tax-exempt student loan revenue bonds generally. The VCAP relates to the allocation of student loans among student loan bonds of an issuer, such as OSLA. Because we had tax-exempt bonds outstanding, we were was subject to the VCAP. The Authority historically has used an accounting methodology that it believes satisfies the IRS regulations with respect to loan allocations for its tax-exempt bonds. Therefore, we did not submit a request to enter into a VCAP settlement.

In October 2012, we received a letter from the IRS requesting information and documents for examination of our compliance with debt issuance requirements regarding the $40,625,000 Oklahoma Student Loan Bonds and Notes, Tax Exempt Variable Rate Demand Obligations, Series 2002A-1 (the "*Series 2002 Bonds*"). However, in its letter, the Internal Revenue Service stated that they reserved the right to expand the examination to any aspect of Authority tax-exempt debt issuance.

The Series 2002 Bonds were issued on January 31, 2002, and were retired in full on October 6, 2010. The redemption of principal of the Series 2002 Bonds occurred from various payments of term-out installments of bank bonds from recoveries of principal on pledged student loans; from refinancing eligible collateral student loans by a taxable note issued to the Straight-A Conduit Commercial Paper Asset-Backed Program to redeem bank bonds; and from refunding, on October 6, 2010, the remaining $29,575,000 principal amount of Series 2002 Bonds, which were also held as bank bonds. The final principal amount of the Series 2002 Bonds were redeemed with a portion of the proceeds of our Oklahoma Student Loan Bonds and Notes, Tax-Exempt LIBOR Floating Rate Bonds, Senior Series 2010A-1 (collectively with the Senior Series 2010A-2A and Senior Series 2010A-2B, the "*Senior Series 2010A Bonds*") issued as sequential pay bonds under a discrete indenture.

We responded timely to the IRS's request for documentation in November of 2012. We received letters dated January 9, 2013, from the IRS requesting additional information with respect to the Series 2002 Bonds and expanding the audit with an information document request regarding the Series 2010 Bonds (which refunded the majority of the Series 2002 Bonds). We have responded to substantially all of the information requested.

We cannot predict the outcome of the audit. As part of the audit, the IRS may disagree with our accounting method. If that were to occur and a settlement between the Authority and the IRS cannot be reached, the IRS may act to impose tax on the holders of such tax exempt bonds issued by the Authority with respect to the interest received by such holders.

FINANCIAL INFORMATION

Audit Standards and Availability

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 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, 2012 and 2011 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[3], under our base CUSIP number 679110.

Compliance and Attestation Reports

In addition, the financial auditors conduct two compliance reviews or agreed upon procedures. These reports include:

- Schedule of Expenditures of Federal Awards and Accountants Report (A-133); and
- Compliance Audit for Lender Servicers in FFEL Program;

Copies of these reports are posted, as available, on our financial website located at "www.OSLAfinancial.com", under the navigation tab "Compliance Reports – Annual Compliance Reports".

Quarterly Unaudited Financial Statements

Quarterly unaudited comparative financial statements are available in our servicer report for the Authority. The information can be located on our financial website located at "www.OSLAfinancial.com", under the navigation tab "OSLA Total Portfolio Servicing".

Summary Financial Statement Information

A Five Year Summary of our Balance Sheets and of our Income Statements are attached on the following pages.

Accounting Treatment of Costs of Issuance

Previously, OSLA amortized costs of issuance on bond and note issues over a five year time period. However, GASB accounting pronouncement No. 63, which provides reporting guidance for deferred outflows of resources (and deferred inflows of resources), is effective for the current fiscal year ending June 30, 2013.

This accounting pronouncement will require OSLA to change its financial statement presentation and expense the costs of issuance for any issuance of bonds and notes, including the costs of issuance on the Series 2013 Bonds, in the year that such costs are incurred. This expense will have a significant adverse effect on the Authority's Financial Statement of Revenues, Expenses and Changes in Net Assets in its Fiscal Year ending June 30, 2013.

[3] Internet and website addresses are provided for convenience of reference. The Authority does not adopt any information that may be provided at these addresses and disclaims any responsibility or such information.

In addition, in the next fiscal year ending June 30, 2014, GASB accounting pronouncement No. 65, which establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources (or deferred inflows of resources), certain items that were previously reported as assets (or liabilities) will require the Authority to no longer defer the amortized costs of issuance on the Series 2010A/B Bonds and on the Series 2011-1 Bonds. The Authority is accelerating the amortization of those assets by June 30, 2014.

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Oklahoma Student Loan Authority

Components of the Authority's Balance Sheet
for the Fiscal Years Ended June 30

	2012	2011	2010	2009	2008
ASSETS					
Investments	$76,609,922	$106,016,904	$116,572,735	$153,123,597	$16,877,785
Loans, net of allowance for loan losses	739,010,915	914,755,752	1,042,099,502	1,199,654,290	1,258,034,521
Capital assets, net of accumulated depreciation	1,476,554	424,406	537,781	751,399	815,914
Other current assets	222,719	72,425	582,969	1,258,781	955,756
Other noncurrent assets	1,486,184	191,936	210,790	320,687	366,867
Other restricted assets	11,161,190	15,358,034	14,860,312	21,196,270	33,366,650
Total Assets	**$829,967,484**	**$1,036,819,457**	**$1,174,864,089**	**$1,376,305,024**	**$1,310,417,493**
LIABILITIES					
Notes and bonds payable	$765,251,810	$966,258,297	$1,104,859,765	$1,295,858,055	$1,218,689,256
Current liabilities	470,619	427,232	514,823	484,720	420,305
Other current liabilities payable from restricted assets	3,577,543	7,354,405	4,642,571	3,658,741	4,971,665
Other noncurrent liabilities payable from restricted assets	--	3,118	30,933	58,025	341,261
Total Liabilities	**$769,299,972**	**$974,043,052**	**$1,110,048,092**	**$1,300,059,541**	**$1,224,422,487**
NET ASSETS					
Invested in capital assets	$1,476,554	$424,406	$537,781	$751,399	$815,914
Restricted	31,085,137	32,217,966	28,815,209	37,203,273	32,459,482
Unrestricted	28,105,821	30,134,033	35,463,007	38,290,811	52,719,610
Total Net Assets	**$60,667,512**	**$62,776,405**	**$64,815,997**	**$76,245,483**	**$85,995,006**
Total Liabilities and Net Assets	**$829,967,484**	**$1,036,819,457**	**$1,174,864,089**	**$1,376,305,024**	**$1,310,417,493**

Oklahoma Student Loan Authority

Components of the Statement of Revenues, Expenses and Changes in Net Assets
for the Fiscal Years Ended June 30

	2012	2011	2010	2009	2008
Loan interest income, net of consolidation rebate fees	$13,629,019	$12,579,791	$12,555,083	$35,738,076	$59,216,963
Investment interst income	150,393	60,052	87,068	500,470	1,173,639
Total interest income	$13,779,412	$12,639,843	$12,642,151	$36,238,546	$60,390,602
Less: interest expense	10,986,393	12,894,702	21,019,593	38,699,951	57,003,410
Net interest margin (deficit)	$2,793,019	($254,859)	($8,377,442)	($2,461,405)	$3,387,192
Loan servicing fees	682,214	5,829,466	2,859,023	3,386,730	--
Other income	99	223,128	--	--	--
Gain on extinguishment of debt	1,739,625	356,500	4,357,000	--	--
Operating revenues, net of interest expense	**$5,214,957**	**$6,154,235**	**($1,161,419)**	**$925,325**	**$3,387,192**
Operating expenses					
General administration	6,628,035	6,403,417	7,220,708	7,082,175	6,553,069
External loan servicing	117,163	149,663	687,073	892,914	435,253
Professional fees	578,652	851,029	770,886	938,759	523,115
Provision for loan losses	--	1,572,000	1,589,400	1,761,000	2,191,500
Total operating expenses (excluding interest expense)	**$7,323,850**	**$8,976,109**	**$10,268,067**	**$10,674,848**	**$9,702,937**
Increase / (decrease) in net assets from operations	**($2,108,893)**	**($2,821,874)**	**($11,429,486)**	**($9,749,523)**	**($6,315,745)**

APPENDIX D

WEIGHTED AVERAGE LIVES, EXPECTED FINAL PAYMENT DATES AND REMAINING PRINCIPAL BALANCES AT CERTAIN MONTHLY PAYMENT DATES

Prepayments on pools of student loans can be calculated based on a variety of prepayment models. The model used to calculate prepayments in this Appendix D is the constant prepayment rate ("**CPR**").

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 (including accrued interest to be capitalized) outstanding at the beginning of a period, after applying scheduled payments, that prepays during that period. The CPR model assumes that student loans will prepay in each month according to the following formula:

$$\text{Monthly Prepayments} = (\text{Balance (including accrued interest to be capitalized) after scheduled payments}) \times (1-(1-\text{CPR})^{1/12})$$

Accordingly, monthly prepayments, assuming a $1,000 balance after scheduled payments, would be as follows for various levels of CPR:

CPR	0%	2%	4%	6%	8%
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 portfolio loans will not prepay at any constant CPR, nor will all of the portfolio loans prepay at the same rate. You must make an independent decision regarding the appropriate principal prepayment scenarios to use in making any investment decision.

For purposes of calculating the information presented in the tables, it was assumed, among other things, that:

- as of the date of issuance, the portfolio loans have an aggregate principal balance of approximately $214,833,289.32, aggregate accrued interest expected to be capitalized of approximately $2,341,484.99 and other accrued borrower interest of approximately $1,030,810.99;
- a total note issuance of $211,820,000;
- the date of issuance is April 11, 2013;
- all portfolio loans (as grouped within the "rep lines" described below) remain in their current status until their status end date and then move to repayment, with the exception of in-school status loans, which are assumed to have a 6-month grace period before moving to repayment, and no portfolio loan moves from repayment to any other status;
- accrued interest on (i) unsubsidized Stafford loans not in repayment status, (ii) subsidized Stafford loans in forbearance status, or (iii) PLUS loans is capitalized upon the student loans entering repayment;
- the portfolio loans that are subsidized Stafford loans and are in school, grace or deferment status have interest paid (interest subsidy payments) by the Department of Education quarterly, based on a quarterly calendar accrual period;
- no delinquencies or defaults occur on any of the portfolio loans, no repurchases for breaches of representations, warranties or covenants occur, and all borrower payments are collected in full;
- payment delays of 60 days for all interest subsidy payments and special allowance payments;

- index rates for calculation of borrower and government payments are;
    - 91-day Treasury bill bond equivalent rate of 0.08%; and
    - one-month LIBOR of 0.20%
- monthly distributions begin on June 25, 2013, and payments are made monthly on the 25th day of every month thereafter, whether or not the 25th is a business day;
- the interest rate on the notes (assuming a 360-day year consisting of the actual number of days in each month) at all times will be equal to 0.70%;
- administration fees equal to 0.15% per annum of the aggregate principal amount of the portfolio loans as of the beginning of the preceding calendar month are calculated on a monthly basis and paid on each monthly payment date, with an 1% per annum inflation commencing in June 2014 and a minimum fee of $15,000 per month.
- the servicing portion of the Administration and Servicing Fees to be paid monthly on the each monthly distribution date, beginning June 25, 2013, is equal to $2.09 per borrower per month while in school status, $3.49 per borrower per month while in grace status, $3.88 per borrower per month while in repayment status and $4.79 per borrower per month while in delinquent status, with a minimum of $10,000 per month and a 3% per annum inflation commencing in January 2014;
- a Trustee Fee equal to 0.01% per annum of the aggregate outstanding principal amount of the notes as of the end of the immediately preceding quarterly period payable on each monthly distribution date occurring in March, June, September and December, beginning June 25, 2013, with a minimum quarter fee of $500;
- the collection account has an initial balance equal to $1,030,810.99;
- the debt service reserve account has an initial balance equal to $529,550, which will be applied on monthly payment dates in accordance with the indenture and the remaining balance in excess of the greater of (a) 0.25% of the aggregate principal amount of the notes outstanding or (b) $317,730 will be released on each monthly payment date;
- a repayment incentive interest rate reduction of 0.47% applies to 100% of the portfolio loan principal balance, and no additional interest rate reductions or other repayment incentives are applied;
- the issuer does not exercise its option to sell the portfolio loans when the aggregate principal balance of the portfolio loans is equal to or falls below 10% of the initial balance;
- the portfolio loans were grouped into 437 representative loans ("**rep lines**"). These rep lines have been created, for modeling purposes, from individual portfolio loans based on combinations of similar individual student loan characteristics, which include, but are not limited to, loan status, interest rate, loan type, index, margin, and remaining term;
- the capitalized interest account has an initial balance of $500,000. Any funds remaining on deposit in the capitalized interest account will be deposited to the collection account in April 2014;
- rep lines with a next payment due date within 30 days of the statistical cut-off date are assumed to have a remaining term of 1 month;
- other administrative expenses of $50,000 per year and trustee extraordinary expenses of $15,000 per year are paid every June commencing in June 2013.

WEIGHTED AVERAGE LIVES AND FINAL PAYMENT DATES OF THE NOTES AT VARIOUS PERCENTAGES OF CPR

0%	2%	4%	6%	8%
Weighted Average Life (years)[(1)]				
5.43	4.99	4.62	4.31	4.03
Expected Final Payment Date				
10/25/2029	10/25/2027	12/25/2025	10/25/24	01/25/2024

(1) The weighted average life of the notes (assuming a 360-day year consisting of twelve 30-day months) is determined by: (1) multiplying the amount of each principal payment on the notes by the number of years from the date of issuance to the related monthly payment date, (2) adding the results, and (3) dividing that sum by the aggregate principal amount of the notes as of the date of issuance.

PERCENTAGES OF ORIGINAL PRINCIPAL OF THE NOTES REMAINING AT CERTAIN MONTHLY PAYMENT DATES AT VARIOUS PERCENTAGES OF CPR

Dates	0% CPR	2% CPR	4% CPR	6% CPR	8% CPR
Date of Issuance	100%	100%	100%	100%	100%
February 25, 2014	93%	92%	90%	89%	88%
February 25, 2015	83%	81%	79%	76%	74%
February 25, 2016	73%	69%	66%	62%	59%
February 25, 2017	62%	57%	53%	49%	46%
February 25, 2018	51%	46%	42%	38%	34%
February 25, 2019	41%	36%	32%	28%	25%
February 25, 2020	31%	27%	23%	20%	17%
February 25, 2021	23%	19%	16%	13%	11%
February 25, 2022	16%	13%	10%	8%	6%
February 25, 2023	10%	7%	5%	4%	2%
February 25, 2024	6%	4%	2%	1%	0%
February 25, 2025	4%	3%	1%	0%	
February 25, 2026	3%	1%	0%		
February 25, 2027	2%	1%			
February 25, 2028	1%	0%			
February 25, 2029	1%				
February 25, 2030	0%				

The above tables 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 portfolio loans,) and should be read in conjunction therewith. In addition, the diverse characteristics, remaining terms and loan ages of the portfolio 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 and loan ages are the same as the characteristics, remaining terms and loan ages assumed. Different assumptions will have a material impact on the information presented in this Annex, and investors should make an independent assessment of the assumptions used herein.

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APPENDIX E

GENERAL DESCRIPTION OF THE OKLAHOMA STATE REGENTS FOR HIGHER EDUCATION 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.

None of the Authority, the Underwriter, the Trustee, or counsel to those parties, has 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 Oklahoma State Regents for Higher Education (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.

OCAP is a state guarantee agency under the Higher Education Act of 1965, as amended (the "*Higher Education Act*"), pursuant to a guarantee agreement and a supplemental guarantee agreement with the Secretary (the "*Secretary*") of the U.S. Department of Education (the "*Department of Education*"). The guarantee agreement and supplemental guarantee agreement provide for reinsurance by reimbursement by the Department of Education of amounts expended by OCAP to discharge its guarantees of Federal Family Education Loan ("*FFEL*") Program loans and continue to remain in effect. The supplemental guarantee agreement with the Department of Education is subject to annual renegotiation and to termination for cause by the Department of Education.

The formula for OCAP's reinsurance on amounts expended to discharge its guarantees of FFEL Program loans ranges from 100% to 75% depending on the time the student loan was made, the claims "trigger rate" of OCAP, and whether the claim is for default, bankruptcy, death or disability or as a lender of last resort loan.

Following the FFEL Program changes from the Student Aid and Fiscal Responsibility Act of 2009, Title II of the Health Care and Education Affordability Reconciliation Act of 2010 (the "*Reconciliation Act*"), effective July 1, 2010, OCAP continues to administer and utilize a Guarantee Fund established in the State of Oklahoma Treasury by Title 70 Oklahoma Statutes 2011, Sections 622 and 623 (the "*Guarantee Fund*") to support the outstanding portfolio of guaranteed FFEL Program loans made to students who had attended approved universities,

colleges, vocational education or trade schools. However, no new FFEL Program loans have been guaranteed.

At the federal fiscal year ended September 30, 2012, FFEL Program loans made by various eligible lenders and guaranteed by OCAP were outstanding in the total principal amount of approximately $2.3 billion, compared to a principal amount of approximately $2.7 billion at September 30, 2011, and $3.3 billion at September 30, 2010.

Effective July 1, 2010, the Reconciliation Act eliminated the origination of new FFELP loans by eligible lenders after June 30, 2010, and all federal student loans since then have been made pursuant to the Federal Direct Student Loan Program. OCAP continues to maintain loan guarantees, for the existing FFELP portfolio, including compliance and program reviews, providing default aversion assistance to lenders for delinquent loans, paying lender claims for loans that default, and collecting on the defaulted loan portfolio. OCAP also continues to provide student support services including financial literacy and college access activities. OCAP's student support initiatives were further supported by an amendment to our enabling statute that authorizes the State Regents to contract with any necessary parties to provide these types of services.

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 85 full time equivalent employees, compared to approximately 130 full time equivalent employees at June 30, 2012. The reason for the reduction in the number of full time equivalent employees was the expansion of OCAP's agreement with Sallie Mae, Inc. to handle transaction services for lender claims review processing and post-default collection activities.

The offices of OCAP are located at 840 Research Parkway, Suite 450, Oklahoma City, Oklahoma 73104; 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 Oklahoma Student Loan Authority do not overlap. In addition, the administrative management of OCAP and the management of the Oklahoma Student Loan Authority are separate.

Electronic Data and Other 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.

Effective July 1, 2012, OCAP has expanded its agreement with Sallie Mae, Inc. to handle transaction services for lender claims review processing and post-default collection activities. This expansion will continue to provide the most robust and cost-effective servicing solution to allow OCAP to successfully continue its transition to a student support services provider as our business model continues to evolve.

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 Federal Direct Student Loan Program.

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Annual Education Loan Guarantees [1]

	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

[1] No new FFEL Program loans have been guaranteed since discontinuance of FFEL Program originations on July 1, 2010.

*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 9/30/2012	Federal Fiscal Year Ended 9/30/2011	Federal Fiscal Year Ended 9/30/2010	Federal Fiscal Year Ended 9/30/2009	Federal Fiscal Year Ended 9/30/2008
Amount (000)	$2,315,191	$2,656,132	$3,304,578	$3,798,066	$3,735,623
Loan Status	Percent	Percent	Percent	Percent	Percent
Interim	3.1	5.8	17.8	27.5	30.1
Deferred	12.7	14.1	15.3	11.5	11.1
Repayment	84.2	80.1	66.9	61.0	58.8
Total	100.0	100.0	100.0	100.0	100.0
School Type*	Percent	Percent	Percent	Percent	Percent
4 Year Univ.	73.1	72.9	72.9	73.8	73.8
2 Year College	21.3	21.5	21.6	20.7	20.4
Proprietary	5.6	5.6	5.5	5.6	5.8
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%. The Department of Education reimbursements can decrease to 75% to 90% if the trigger 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
2012	$98,900,462	$2,325,139,904	4.25%
2011	$116,585,294	$2,550,403,982	4.57%
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%

OCAP incurs a charge to the Federal Fund each federal fiscal year for loan defaults in excess of amounts covered by federal reinsurance paid by the Department of Education 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
2012	0.89%	0.25%
2011	0.84%	0.25%
2010	0.71%	0.25%
2009	0.63%	0.25%
2008	0.63%	0.25%

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 9/30/2012	Federal Fiscal Year Ended 9/30/2011	Federal Fiscal Year Ended 9/30/2010	Federal Fiscal Year Ended 9/30/2009	Federal Fiscal Year Ended 9/30/2008
Gross Default Rate	68.7%	53.6%	37.7%	29.3%	26.7%
Net Default Rate after Collections	11.4%	10.5%	9.3%	8.5%	8.3%

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.

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. There are currently no outstanding or scheduled reviews at this time.

The Ensuring Continued Access to Student Loans Act of 2008 ("*ECASLA*") 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 included the loss of guarantees when loans are "put" to the Department of Education. Through September 30, 2012, $1.02 Billion of OCAP's loans were put to the Department of Education. This resulted 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 were put also resulted 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 pursuant to the Federal Direct Student Loan Program. Guarantors are required to continue to provide services for outstanding FFEL Program 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 $2.3 Billion outstanding portfolio, OCAP continues to provide and expand important student support services including default prevention, financial literacy and college access/outreach programs. OCAP's student support initiatives were further supported by an amendment to the enabling statute that authorizes the State Regents to contract with any necessary parties to provide these types of services.

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, 2013.

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 2013-1 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 2013-1 Bond holders
- Bond calls, if material
- Defeasances
- Release, substitution or sale of property securing repayment of the Series 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 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 2013-1 Bonds for which disclosure is voluntary include:

- Amendment to the continuing disclosure Undertaking
- Change in obligated person
- Notice to investors pursuant to the Series 2013-1 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

April __, 2013

$211,820,000
OKLAHOMA STUDENT LOAN AUTHORITY
OKLAHOMA STUDENT LOAN BONDS AND NOTES
TAXABLE LIBOR-INDEXED FLOATING RATE BONDS
SERIES 2013-1

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, 2011, Sections 695.1 *et seq.*, as amended, and Title 60, Oklahoma Statutes, 2011, 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 $211,820,000 Oklahoma Student Loan Bonds and Notes, Taxable LIBOR-Indexed Floating Rate Bonds, Series 2013-1 (the "Series 2013-1 Bonds").

The Series 2013-1 Bonds are issued under and pursuant to the Authorizing Act and (a) a resolution of the Authority entitled "Series 2013-1 Bond Resolution" adopted by the trustees of the Authority on March 27, 2013 (the "Series 2013-1 Bond Resolution") and (b) an Indenture of Trust, dated as of April 1, 2013 (the "Indenture"), between the Authority and BOKF, NA dba Bank of Oklahoma, as trustee thereunder (the "Trustee"). The Series 2013-1 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 2013-1 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 2013-1 Bonds, including originals or copies, certified or otherwise identified to our satisfaction, of (a) the Trust Indenture, (b) the Series 2013-1 Bond Resolution, (c) the Indenture, (d) the Education Loan Servicing Agreement, dated as of April 1, 2013 (the "Servicing Agreement"), between the

Authority, as issuer, and the Authority, as servicer; (e) the Second Amended and Restated Backup Third Party Servicing Agreement, dated as of March 15, 2013 (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 2013-1 Bonds (including certifications as to the use of the proceeds of the Series 2013-1 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 2013-1 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 2013-1 Bonds and to adopt the Series 2013-1 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 2013-1 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 2013-1 Bond Resolution is required.

3. The Series 2013-1 Bonds have been duly authorized and issued by the Authority, are entitled to the benefits of the Series 2013-1 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 2013-1 Bond Resolution. The Series 2013-1 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 2013-1 Bonds.

4. The Series 2013-1 Bonds will constitute indebtedness of the Authority and the interest on the Series 2013-1 Bonds is includible in gross income each for federal income tax purposes.

5. Pursuant to the Authorizing Act, the Series 2013-1 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 2013-1 Bonds.

Any federal tax advice contained in this letter was written to support the marketing of the Series 2013-1 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 2013-1 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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