
INDENTURE OF TRUST

by and between

HIGHER EDUCATION LOAN AUTHORITY OF THE STATE OF MISSOURI

and

WELLS FARGO BANK, NATIONAL ASSOCIATION
as Trustee

\$186,000,000
Student Loan Asset-Backed Notes, Series 2009-1
(LIBOR Floating Rate Notes)
Class A-1
Class A-2

Dated as of November 1, 2009

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST, dated as of November 1, 2009 (this “Indenture”), is by and between the **HIGHER EDUCATION LOAN AUTHORITY OF THE STATE OF MISSOURI** (the “Authority”), a public instrumentality and body politic and corporate organized and existing under the laws of the State of Missouri, and **WELLS FARGO BANK, NATIONAL ASSOCIATION**, a national banking association duly organized and existing under the laws of the United States of America, as trustee hereunder (together with its successors, the “Trustee”) (all capitalized terms used in these preambles, recitals and granting clauses shall have the same meanings assigned thereto in Article I hereof).

WITNESSETH:

WHEREAS, pursuant to the laws of the State of Missouri, including particularly the Authorizing Act, the Authority is authorized to issue bonds or other forms of indebtedness to purchase student loan notes or finance student loans; and

WHEREAS, the Authority represents that it, by proper action, has duly authorized the execution and delivery of this Indenture, which Indenture provides for the payment of student loan asset-backed notes (the “Notes”); and

WHEREAS, the Trustee has agreed to accept the trusts herein created upon the terms herein set forth; and

WHEREAS, it is hereby agreed between the parties hereto, the Registered Owners of the Notes (the Registered Owners evidencing their consent by their acceptance of the Notes) that, in the performance of any of the agreements of the Authority herein contained, any obligation it may thereby incur for the payment of money shall not be a general debt or obligation of the Authority, but shall be secured by and payable solely from the Trust Estate, payable in such order of preference and priority as provided herein;

NOW, THEREFORE, the Authority, in consideration of the premises and acceptance by the Trustee of the trusts herein created, of the purchase and acceptance of the Notes by the Registered Owners thereof and the acknowledgement thereof by the Trustee, of the acknowledgement by the Trustee of the Granting Clauses set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, do hereby GRANT, CONVEY, PLEDGE, TRANSFER, ASSIGN AND DELIVER to the Trustee, for the benefit of the Registered Owners of the Notes, all of the moneys, rights and properties described in the granting clauses A through E below (the “Trust Estate”), as follows:

GRANTING CLAUSE A

The Available Funds (other than moneys released from the lien of the Trust Estate as provided herein);

GRANTING CLAUSE B

All moneys and investments held in the Funds and Accounts created under Section 5.01 hereof, including all proceeds thereof and all income thereon;

GRANTING CLAUSE C

The Financed Eligible Loans (other than Financed Eligible Loans released from the lien of the Trust Estate as provided herein) and all obligations of the obligors thereunder including all moneys received thereunder on or after the Cut-off Date;

GRANTING CLAUSE D

The rights of the Authority in and to any Servicing Agreement, any Student Loan Purchase Agreement, any Origination Agreements and the Guarantee Agreements as the same relate to the Financed Eligible Loans; and

GRANTING CLAUSE E

All proceeds from any property described in these Granting Clauses and any and all other property, rights and interests of every kind or description that from time to time hereafter is granted, conveyed, pledged, transferred, assigned or delivered to the Trustee as additional security hereunder.

TO HAVE AND TO HOLD the Trust Estate, whether now owned or held or hereafter acquired, unto the Trustee and its successors or assigns;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit and security of all present and future Registered Owners, without preference of any Note over any other, except as provided herein, and for enforcement of the payment of the Notes in accordance with their terms, and all other sums payable hereunder or on the Notes, and for the performance of and compliance with the obligations, covenants and conditions of this Indenture, as if all the Notes at any time Outstanding had been executed and delivered simultaneously with the execution and delivery of this Indenture;

PROVIDED, HOWEVER, that if the Authority, its successors or assigns, shall well and truly pay, or cause to be paid, the principal of the Notes and the interest due and to become due thereon, or provide fully for payment thereof as herein provided, at the times and in the manner mentioned in the Notes according to the true intent and meaning thereof, and shall make all required payments into the Funds and Accounts as required under Article V hereof, or shall provide, as permitted hereby, for the payment thereof by depositing with the Trustee sums sufficient to pay or to provide for payment of the entire amount due and to become so due as herein provided, then this Indenture (other than Sections 7.05, 9.06, and 9.14 hereof) and the rights hereby granted shall cease, terminate and be void; otherwise, this Indenture shall be and remain in full force and effect;

NOW, THEREFORE, it is mutually covenanted and agreed as follows:

ARTICLE I

DEFINITIONS AND USE OF PHRASES

Capitalized terms used herein and not otherwise defined shall have the meanings set forth below, as applicable, unless the context clearly requires otherwise:

“*Account*” shall mean any of the accounts created and established within any Fund pursuant to this Indenture.

“*Acquisition Fund*” shall mean the Fund by that name created in Section 5.01(a) hereof and further described in Section 5.02 hereof, including any additional Accounts and Subaccounts created therein.

“*Additional Approved Servicer*” means those Servicers listed in Exhibit E hereto as the same may be modified in accordance with Section 4.07(h) hereof.

“*Adjusted Pool Balance*” shall mean, for any Quarterly Distribution Date as determined by the Trustee in reliance upon the Authority’s determination of the Pool Balance, the sum of the Pool Balance, amounts then on deposit in the Capitalized Interest Fund and the Specified Reserve Fund Balance for that Quarterly Distribution Date.

“*Administration Fee*” shall mean the fee for administering the duties of the Authority and/or Administrator under this Indenture, which fee shall initially be 0.05% per annum, based on the aggregate principal amount of the Pool Balance as of the end of the preceding month.

“*Administrator*” shall mean the Authority or any successor to the Authority performing any administrative duties of the Authority hereunder.

“*Affiliate*” shall mean, with respect to any specified Person, any other Person controlling or controlled by or under common control with such specified Person. For the purposes of this definition, “control” when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“*Authority*” shall mean the Higher Education Loan Authority of the State of Missouri, a public instrumentality and body politic and corporate of the State of Missouri, and its successors and assigns, or any body, agency, or instrumentality of the State of Missouri succeeding to or charged with the powers, duties and functions of the Authority.

“*Authority Order*” shall mean a written order signed in the name of the Authority by an Authorized Representative.

“*Authority Servicing Agreement*” shall have the meaning and provisions set forth in Section 4.07(g) hereof.

“*Authorized Denominations*” shall have the meaning ascribed to such term in Section 2.02 hereof

“*Authorized Representative*” shall mean, when used with reference to the Authority, its Chairman, Vice Chairman, Treasurer, Secretary, Assistant Secretary, Executive Director, Chief Financial Officer, General Counsel or any other officer, board member or employee authorized in writing by another Authorized Representative to act on behalf of the Authority.

“*Authorizing Act*” shall mean the Missouri Higher Education Loan Authority Act, Title XI, Chapter 173, Sections 173.350 to 173.445 of the Missouri Revised Statutes, inclusive, as amended, and as the same may be in effect at any given time.

“*Available Funds*” shall mean, with respect to a Quarterly Distribution Date, a Monthly Servicing Fee Payment Date or a Monthly Administration Fee Payment Date, the sum of the following amounts received to the extent not previously distributed: (a) all collections received by any Servicer on the Financed Eligible Loans (including late fees received by any Servicer with respect to the Financed Eligible Loans and payments from any Guaranty Agency received with respect to the Financed Eligible Loans) but net of (i) any collections in respect of principal on the Financed Eligible Loans applied by the Authority to repurchase Eligible Loans from the Guaranty Agencies or any Servicer in accordance with its Guarantee Agreement or the related Servicing Agreement or Origination Agreement, as applicable 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 Eligible Loan), with respect to the Financed Eligible Loans; (b) any Interest Benefit Payments and Special Allowance Payments received by the Trustee or the Authority with respect to Financed Eligible Loans; (c) all Liquidation Proceeds from any Financed Eligible Loans which became Liquidated Financed Eligible Loans in accordance with the related Servicer’s customary servicing procedures, and all other moneys collected with respect to any Liquidated Financed Eligible 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 Eligible Loan; (d) the aggregate Purchase Amounts received for Financed Eligible 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 Eligible 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 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 Fund. “*Available Funds*” shall be determined pursuant to the terms of this definition by the Authority and reported to the Trustee. Amounts described in clause (a)(i) and (ii) hereof shall be paid by the Trustee upon receipt of a written direction from the Authority. The Trustee may conclusively rely on such determinations without further duty to review or examine such information.

“*Backup Servicing Agreement*” shall mean the Back-Up Third Party Servicing Agreement dated November 5, 2009 between the Authority and Pennsylvania Higher Education Assistance Agency, and any replacements thereof with an Additional Approved Servicer.

“*Basic Documents*” shall mean this Indenture, any Servicing Agreement, any Backup Servicing Agreement, any Student Loan Purchase Agreement, any Origination Agreement, the Guarantee Agreements, and other documents and certificates delivered in connection with any thereof.

“*Board*” shall mean the governing board of the Authority.

“*Bond Counsel*” shall mean counsel of nationally recognized standing in the field of law relating to municipal, state and public agency financing selected by the Authority.

“*Business Day*” shall mean (a) 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 (b) for all other purposes, any day other than a Saturday, a Sunday, a holiday or any other day on which the Federal Reserve Bank or banks located in St. Louis, Missouri or the city in which the applicable corporate trust office of the Trustee is located (initially, Jacksonville, Florida) are authorized or permitted by law, regulation or executive order to close.

“*Bylaws*” shall mean the bylaws of the Authority as in effect on the Date of Issuance, as the same may be amended and supplemented from time to time.

“*Capitalized Interest Fund*” shall mean the Fund by that name created in Section 5.01(b) hereof and further described in Section 5.03 hereof.

“*Carryover Administration and Servicing Fees*” shall mean the sum of (a) the amount of specified increases in the costs incurred by the Servicers or the Administrator; (b) the amount of any conversion, transfer and removal fees; (c) any amounts referenced in clauses (a) or (b) that remain unpaid after prior Monthly Administration Fee Payment Dates, Monthly Servicing Fee Payment Dates or Quarterly Distribution Dates, as applicable and (d) interest thereon at a rate of Three-Month LIBOR. The Carryover Administration and Servicing Fees shall be subject to increase by the Authority or Administrator and agreed to by the Servicer and the Initial Owner to the extent that a demonstrable and material increase occurs in the costs incurred by the Administrator or a Servicer in providing the services to be provided under this Indenture or the applicable Servicing Agreement, whether due to changes in the Higher Education Act, Regulations or other applicable governmental regulations, Guaranty Agency program requirements or regulations, or postal rates. For the avoidance of doubt, the amounts payable pursuant to clauses (a) and (b) of this definition shall be zero on the date hereof and may only be increased with the consent of the Initial Owner pursuant to the immediately preceding sentence.

“*Class*” shall mean, as appropriate, the Class A-1 Notes and the Class A-2 Notes.

“*Class A Noteholder*” shall mean the Person in whose name a Class A Note is registered in the Note registration books of the Trustee.

“*Class A Noteholders’ Interest Distribution Amount*” shall mean, for any Quarterly Distribution Date for any Class of Class A Notes, the Class A-1 Noteholders’ Interest Distribution Amount or the Class A-2 Noteholders’ Interest Distribution Amount, as applicable, in each case to the extent payable on such Quarterly Distribution Date.

“*Class A Notes*” or “*Notes*” shall mean, collectively, the Class A-1 Notes and the Class A-2 Notes.

“*Class A-1 Maturity Date*” shall mean the August 2019 Quarterly Distribution Date.

“*Class A-1 Note Interest Shortfall*” shall mean, with respect to any Quarterly Distribution Date, the excess, if any, of (a) the Class A-1 Noteholders’ Interest Distribution Amount on the immediately preceding Quarterly Distribution Date over (b) the amount of interest actually distributed to the Class A-1 Noteholders on such preceding Quarterly Distribution Date, plus interest on the amount of such excess interest due to the Class A-1 Noteholders, to the extent permitted by law, at the interest rate borne by the Class A-1 Notes from such immediately preceding Quarterly Distribution Date to the current Quarterly Distribution Date.

“*Class A-1 Noteholder*” shall mean the Person in whose name a Class A-1 Note is registered in the Note registration books maintained by the Trustee.

“*Class A-1 Noteholders’ Interest Distribution Amount*” shall mean, with respect to any Quarterly Distribution Date, the sum of (a) the amount of interest accrued at the Class A-1 Rate for the related Interest Accrual Period on the Outstanding Amount of the Class A-1 Notes immediately prior to such Quarterly Distribution Date; and (b) the Class A-1 Note Interest Shortfall for such Quarterly Distribution Date, as based on the actual number of days in such Interest Accrual Period divided by 360 and rounding the resultant figure to the fifth decimal place.

“*Class A-1 Notes*” shall mean the \$67,700,000 Student Loan Asset-Backed Notes, Series 2009-1 (LIBOR Floating Rate Notes) Class A-1 issued by the Authority pursuant to this Indenture, substantially in the form of Exhibit A-1 hereto.

“*Class A-1 Rate*” shall mean, for any Interest Accrual Period, other than the first Interest Accrual Period, the applicable Three-Month LIBOR plus 0.60%, as calculated by the Trustee. For the first Interest Accrual Period, the Class A-1 Rate shall be calculated by reference to the following formula:

$x + [a/b * (y-x)]$ plus 0.60%, as calculated by the Trustee.

where:

x = Three-Month LIBOR;

y = Four-Month LIBOR;

a = 20 (the actual number of days from the maturity date of Three-Month LIBOR to the first Quarterly Distribution Date); and

b = 28 (the actual number of days from the maturity date of Three-Month LIBOR to the maturity date of Four-Month LIBOR).

“*Class A-2 Maturity Date*” shall mean the February 2036 Quarterly Distribution Date.

“*Class A-2 Note Interest Shortfall*” shall mean, with respect to any Quarterly Distribution Date, the excess, if any, of (a) the Class A-2 Noteholders’ Interest Distribution Amount on the immediately preceding Quarterly Distribution Date over (b) the amount of interest actually distributed to the Class A-2 Noteholders on such preceding Quarterly Distribution Date, plus interest on the amount of such excess interest due to the Class A-2 Noteholders, to the extent permitted by law, at the interest rate borne by the Class A-2 Notes from such immediately preceding Quarterly Distribution Date to the current Quarterly Distribution Date.

“*Class A-2 Noteholder*” shall mean the Person in whose name a Class A-2 Note is registered in the Note registration books maintained by the Trustee.

“*Class A-2 Noteholders’ Interest Distribution Amount*” shall mean, with respect to any Quarterly Distribution Date, the sum of (a) the amount of interest accrued at the Class A-2 Rate for the related Interest Accrual Period on the Outstanding Amount of the Class A-2 Notes immediately prior to such Quarterly Distribution Date; and (b) the Class A-2 Note Interest Shortfall for such Quarterly Distribution Date, as based on the actual number of days in such Interest Accrual Period divided by 360 and rounding the resultant figure to the fifth decimal place.

“*Class A-2 Notes*” shall mean the \$118,300,000 Student Loan Asset-Backed Notes, Series 2009-1 (LIBOR Floating Rate Notes) Class A-2 issued by the Authority pursuant to this Indenture, substantially in the form of Exhibit A-2 hereto.

“*Class A-2 Rate*” shall mean, for any Interest Accrual Period, other than the first Interest Accrual Period, the applicable Three-Month LIBOR plus 1.05%, as calculated by the Trustee. For the first Interest Accrual Period, the Class A-2 Rate shall be calculated by reference to the following formula:

$x + [a/b * (y-x)]$ plus 1.05%, as calculated by the Trustee.

where:

x = Three-Month LIBOR;

y = Four-Month LIBOR;

a = 20 (the actual number of days from the maturity date of Three-Month LIBOR to the first Quarterly Distribution Date); and

b = 28 (the actual number of days from the maturity date of Three-Month LIBOR to the maturity date of Four-Month LIBOR).

“*Clearing Agency*” shall mean an organization registered as a “clearing agency” pursuant to Section 17A of the Exchange Act. The initial Clearing Agency shall be The Depository Trust Company and its successor or assigns and the initial nominee for the Clearing Agency shall be Cede & Co. If (a) the then Clearing Agency resigns from its functions as depository of the Notes or (b) the Authority discontinues use of the Clearing Agency, any other securities depository which agrees to follow the procedures required to be followed by a securities depository in connection with the Notes and which is selected by the Authority with the consent of the Trustee.

“*Clearing Agency Participant*” shall mean a broker, dealer, bank, other financial institution or other Person for whom from time to time a Clearing Agency effects book-entry transfers and pledges of securities deposited with the Clearing Agency.

“*Collection Fund*” shall mean the Fund by that name created in Section 5.01(c) hereof and further described in Section 5.04 hereof.

“*Collection Period*” shall mean, with respect to the first Quarterly Distribution Date, the period beginning on the Date of Issuance and ending on January 31, 2010 and with respect to each subsequent Quarterly Distribution Date, the Collection Period shall mean the three calendar months immediately preceding such Quarterly Distribution Date.

“*Cut-off Date*” shall mean with respect to the initial pool of Financed Eligible Loans the Date of Issuance, and thereafter the date of which any Eligible Loan is pledged to the Trustee under this Indenture.

“*Date of Issuance*” shall mean November 5, 2009.

“*Department*” shall mean the United States Department of Education, an agency of the Federal government.

“*Department Rebate Fund*” shall mean the Fund by that name created in Section 5.01(d) hereof and further described in Section 5.06 hereof, including any Accounts and Subaccounts created therein.

“*Department Rebate Interest Amount*” means, with respect to any date of determination, the greater of (a)(i) the amount of interest paid by borrowers on the Financed Eligible Loans first disbursed on or after April 1, 2006 that exceeds the Special Allowance Payment support levels applicable to such Financed Student Loans under the Higher Education Act since the prior Department Rebate Payment Date less (ii) the amount of accrued Interest Benefit Payments or Special Allowance Payments due to the Authority since the prior Department Rebate Payment Date and (b) \$0.00.

“*Department Rebate Payment Date*” means the quarterly date that (i) the Department Rebate Interest Amount is due and payable to the Department or (ii) the Department offsets the Department Rebate Interest Amount from Interest Benefit Payments or Special Allowance Payments due to the Authority.

“*Determination Date*” shall mean, with respect to any Quarterly Distribution Date, Monthly Servicing Fee Payment Date or Monthly Administration Fee Payment Date, as

applicable, the second Business Day preceding such Quarterly Distribution Date, Monthly Servicing Fee Payment Date or Monthly Administration Fee Payment Date.

“*E-loans*” shall mean Eligible Loans which are electronically signed.

“*Eligible Lender*” shall mean the Authority and all other entities which are “eligible lenders,” as defined in the Higher Education Act (including, but not limited to, “eligible lender trustees”) which have received an eligible lender number or other designation from the Secretary with respect to Eligible Loans made under the Higher Education Act.

“*Eligible Loan*” shall mean a loan made to finance post-secondary education that is made and Guaranteed under the Higher Education Act.

“*Event of Bankruptcy*” shall mean (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.

“*Event of Default*” shall have the meaning specified in Article VI hereof.

“*Exchange Act*” shall mean the Securities Exchange Act of 1934, as amended.

“*Financed*” or “*Financing*” when used with respect to Eligible Loans, shall mean or refer to Eligible Loans (a) financed by the Authority with balances in the Acquisition Fund or otherwise deposited in or accounted for in the Acquisition Fund or otherwise constituting a part of the Trust Estate and (b) Eligible Loans substituted or exchanged for Financed Eligible Loans, but does not include Eligible Loans released from the lien of this Indenture and sold or transferred, to the extent permitted by this Indenture.

“*Fiscal Year*” shall mean the fiscal year of the Authority (initially July 1 to June 30) as established from time to time.

“*Fitch*” shall mean Fitch Inc., its successors and assigns.

“*Four-Month LIBOR*” shall have the meaning ascribed to such term under the definition of “*Three-Month LIBOR*.”

“*Funds*” shall mean each of the Funds created pursuant to Section 5.01 hereof.

“*Guarantee*” or “*Guaranteed*” shall mean, with respect to an Eligible Loan, the insurance or guarantee by a Guaranty Agency pursuant to such Guaranty Agency’s Guaranty Agreement of the maximum percentage of the principal of and accrued interest on such Eligible Loan allowed by the terms of the Higher Education Act with respect to such Eligible Loan at the time it was originated (but without giving effect to adjustments for “exceptional performer” status under the Higher Education Act) and the coverage of such Eligible Loan by the federal reimbursement contracts, providing, among other things, for reimbursement to such Guaranty Agency for payments made by it on defaulted Eligible Loans insured or guaranteed by such Guaranty Agency of at least the minimum reimbursement allowed by the Higher Education Act with respect to a particular Eligible Loan.

“*Guarantee Agreements*” shall mean a guaranty or lender agreement between the Authority and any Guaranty Agency, and any amendments thereto.

“*Guaranty Agency*” shall mean any entity authorized to guarantee student loans under the Higher Education Act and with which the Authority maintains a Guarantee Agreement.

“*Higher Education Act*” shall mean 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*” shall mean this Indenture of Trust, including all supplements and amendments hereto.

“*Independent*” shall mean, when used with respect to any specified Person, that the Person (a) is in fact independent of the Authority, any other obligor upon the Notes, and any Affiliate of any of the foregoing Persons; (b) does not have any direct financial interest or any material indirect financial interest in the Authority, any such other obligor, or any Affiliate of any of the foregoing Persons; and (c) is not connected with the Authority, any such other obligor, or any Affiliate of any of the foregoing Persons as an officer, employee, promoter, underwriter, placement agent, trustee, partner, director or person performing similar functions.

“*Index Maturity*” shall mean (i) for Three-Month LIBOR, three months and (ii) for Four-Month LIBOR, four months.

“*Initial Owner*” shall mean the Majority Purchaser, but only at such times as the Majority Purchaser and/or any of its affiliates shall be the Registered Owner (or if a Clearing Agency is used as the depository for the Notes, the beneficial owner) of not less than a majority of the aggregate principal amount of the Notes then Outstanding. No other Person shall constitute the Initial Owner.

“*Initial Pool Balance*” shall mean the Pool Balance as of the Date of Issuance.

“*Interest Accrual Period*” shall mean, initially, the period commencing on the Date of Issuance and ending on February 24, 2010 and thereafter, with respect to each Quarterly Distribution Date, the period beginning on and including the immediately preceding Quarterly Distribution Date and ending on the day immediately preceding such current Quarterly Distribution Date.

“*Interest Benefit Payment*” shall mean an interest payment on Eligible Loans received pursuant to the Higher Education Act and an agreement with the federal government, or any similar payments.

“*Investment Securities*” shall mean:

(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 shall move 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 Corporation 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 shall be 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 shall move 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); 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 shall 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 shall move 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 moves 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 shall (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; provided, however, (i) only amounts in the Collection Fund may be invested under this clause (h), (ii) the total amount of such investments shall not represent more than 20% of the outstanding principal amount of the Notes, (iii) each such investment shall not mature beyond 30 days, (iv) such investments are not eligible for the Reserve Fund, (v) such investments shall have a predetermined fixed dollar amount of principal due at maturity that cannot vary, (vi) if such investments are rated, shall not have an “r” suffix attached to the rating, and (vii) such investments shall have interest which is tied to a single interest rate index plus a single fixed spread (if any) and move proportionately with such index;

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

(j) any other investment with a Rating Confirmation from each Rating Agency.

“Joint Sharing Agreement” means any joint sharing agreement that may be entered into by the Authority in the future with the Trustee and other trustees to properly pay to or from the correct trust estate or indenture amounts which should be reallocated to reflect payments (or liabilities) on the student loans securing each such trust estate or indenture.

“LIBOR” shall mean Three-Month LIBOR or Four-Month LIBOR, as applicable.

“LIBOR Determination Date” shall mean, for each Interest Accrual Period, the second Business Day before the beginning of that Interest Accrual Period.

“Liquidated Financed Eligible Loan” shall mean any Financed Eligible Loan liquidated by a Servicer (which shall not include any Financed Eligible Loan on which payments are received from a Guaranty Agency) or which such Servicer has, after using all reasonable efforts to realize upon such Financed Eligible Loan, determined to charge off.

“Liquidation Proceeds” shall mean, with respect to any Liquidated Financed Eligible Loan which became a Liquidated Financed Eligible Loan during the current Collection Period in accordance with the Servicer’s customary servicing procedures, the moneys collected in respect of the liquidation thereof from whatever source, other than moneys collected with respect to any Liquidated Financed Eligible Loan which was written off in prior Collection Periods or during the current Collection Period, net of the sum of any amounts expended by such Servicer in connection with such liquidation and any amounts required by law to be remitted to the obligor on such Liquidated Financed Eligible Loan.

“Majority Purchaser” shall have the meaning as set forth in the definition of Note Purchase Agreement herein.

“Master Promissory Note” shall mean a note (a) that evidences one or more loans made to finance post-secondary education and (b) that is in the form mandated by Section 432(m)(1) of the Higher Education Act, as added by Public Law No: 105-244 § 427, 112 Stat. 1702 (1998), as amended by Public Law No: 106-554 (enacted December 21, 2000) and as codified in 20 U.S.C. § 1082(m)(1).

“Maturity” when used with respect to any Note, shall mean the date on which the principal thereof becomes due and payable as therein or herein provided, whether at its Note Final Maturity Date, by earlier prepayment or purchase, by declaration of acceleration, or otherwise.

“Minimum Purchase Amount” shall mean, on any Quarterly Distribution Date, an amount that would be sufficient to (a) reduce the Outstanding Amount of each Class of Notes on such Quarterly Distribution Date to zero; (b) pay to the respective Registered Owners the Class A Noteholders’ Interest Distribution Amount payable on such Quarterly Distribution Date; and (c) pay any Administration Fees, Servicing Fees, Carryover Administration and Servicing Fees, and Trustee Fees (and any unpaid expenses of the Trustee) due and owing.

“Monthly Administration Fee Payment Date” shall mean the twenty-fifth (25th) day of each calendar month or, if such day is not a Business Day, the immediately succeeding Business Day, commencing on November 25, 2009.

“Monthly Rebate Fee” means the monthly rebate fee payable to the Department on the Financed Eligible Loans.

“Monthly Servicing and Administration Payment Date Certificate” shall have the meaning set forth in Section 5.04(b) hereof and shall be in the form of Exhibit B-1 attached hereto.

“Monthly Servicing Fee Payment Date” shall mean the twenty-fifth (25th) day of each calendar month or, if such day is not a Business Day, the immediately succeeding Business Day, commencing on November 25, 2009.

“Note Final Maturity Date” for a Class of Notes or for any Note of such Class, as the context may require, shall mean the Class A-1 Maturity Date and the Class A-2 Maturity Date, as applicable.

“Note Purchase Agreement” shall mean, collectively, the Note Purchase Agreement dated November 2, 2009, between the Authority and Morgan Stanley & Co. Incorporated, as a purchaser of \$86,000,000 in aggregate principal amount of the Notes on the Date of Issuance; and the Note Purchase Agreement dated November 2, 2009 between the Authority and the “Purchaser” as defined therein of \$100,000,000 in aggregate principal amount of the Notes on the Date of Issuance (the “Majority Purchaser”).

“Noteholder” shall mean, (a) with respect to a book-entry Note, the Person who is the owner of such book-entry Note, as reflected on the books of the Clearing Agency, or on the books of a Person maintaining an account with such Clearing Agency (directly as a Clearing Agency Participant or as an indirect participant, in each case in accordance with the rules of such Clearing Agency); and (b) with respect to Notes held in definitive form pursuant to Section 2.09 hereof, the Person in whose name a Note is registered in the Note registration books of the Trustee.

“Opinion of Counsel” shall mean (a) with respect to the Authority, one or more written opinions of counsel who may, except as otherwise expressly provided in the Indenture, be employees of or counsel to the Authority and who shall be reasonably satisfactory to the Trustee, and which opinion or opinions shall be addressed to the Trustee, as trustee, and shall be in form and substance satisfactory to the Trustee; and (b) with respect to each Servicer, one or more written opinions of counsel who may be an employee of or counsel to such Servicer.

“Optional Purchase Date” shall have the meaning set forth in Section 10.03 hereof.

“Origination Agreement” shall mean any origination agreement entered into by the Authority for the origination of Eligible Loans financed in the Trust Estate, as amended from time to time.

“Outstanding” shall mean, when used in connection with any Note, a Note which has been executed and delivered pursuant to this Indenture which at such time remains unpaid as to principal or interest, excluding Notes which have been replaced pursuant to Section 2.03 or 2.04 hereof and excluding Notes for which provision for payment has been made pursuant to Article X hereof.

“*Outstanding Amount*” shall mean, as of any date of determination, the aggregate principal amount of all Notes or the applicable Class or Classes of Notes, as the case may be, Outstanding at such date of determination.

“*Parity Ratio*” shall mean, on any Quarterly Distribution Date, (a) the Adjusted Pool Balance (including all accrued interest on the Financed Eligible Loans) divided by (b) the Outstanding Amount of the Notes, after giving effect to distributions to be made on that Quarterly Distribution Date. The Parity Ratio shall be calculated by the Authority or the Administrator and certified to the Trustee upon which the Trustee may conclusively rely with no duty to further examine or determine such information.

“*Person*” shall mean an individual, corporation, partnership, joint venture, association, joint stock company, trust, limited liability company, unincorporated organization or government or agency, or political subdivision thereof.

“*Pool Balance*” shall mean as of any date the aggregate principal balance of the Financed Eligible Loans on such date (including accrued interest thereon to the extent such interest is expected to be capitalized), after giving effect to the following, without duplication: (i) all payments received by the Authority through such date from or on behalf of obligors on such Financed Eligible Loans; (ii) all Purchase Amounts on Financed Eligible Loans received by the Authority through such date from a Seller or a Servicer or otherwise deposited by the Authority; (iii) all Liquidation Proceeds and Realized Losses on Financed Eligible Loans liquidated through such date; (iv) the aggregate amount of adjustments to balances of Financed Eligible Loans permitted to be effected by the Servicer under its related Servicing Agreement, if any, recorded through such date; and (v) the aggregate amount by which reimbursements by Guarantee Agencies of the unpaid principal balance of defaulted Financed Eligible Loans through such date are reduced from 100% to 97%, or other applicable percentage as required by the risk sharing provisions of the Higher Education Act. The Pool Balance shall be calculated by the Authority as part of the Quarterly Distribution Date Certificate, upon which the Trustee may conclusively rely with no duty to further examine or determine such information.

“*Principal Distribution Amount*” shall mean, (a) for the February 2010 Quarterly Distribution Date, the amount, if any, by which the sum of the Initial Pool Balance and initial amounts on deposit in the Capitalized Interest Fund and the Reserve Fund as of the Date of Issuance exceeds the Adjusted Pool Balance as of the last day of the related Collection Period for the February 2010 Quarterly Distribution Date; and (b) with respect to each Quarterly Distribution Date thereafter, the amount, if any, by which the Adjusted Pool Balance for the preceding Quarterly Distribution Date exceeds the Adjusted Pool Balance for the current Quarterly Distribution Date. Further, on the Note Final Maturity Date for a Class of Notes, the Principal Distribution Amount on that date also shall include the amount needed to reduce the Outstanding Amount of such Class of Notes to zero.

“*Principal Office*” shall mean the principal office of the party indicated, as set forth in Section 9.01 hereof or elsewhere in this Indenture.

“*Program*” shall mean the Authority’s program with respect to Eligible Loans pursuant to this Indenture, as the same may be modified from time to time.

“*Purchase Amount*” with respect to any Financed Eligible Loan shall mean the amount required to prepay in full such Financed Eligible 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.

“*Quarterly Distribution Date*” shall mean the twenty-fifth (25th) day of February, May, August and November or, if such day is not a Business Day, the immediately succeeding Business Day, commencing on February 25, 2010.

“*Quarterly Distribution Date Certificate*” shall have the meaning set forth in Section 4.15 hereof and shall be in the form of Exhibit B-2-A attached hereto.

“*Quarterly Distribution Date Information Form*” shall have the meaning set forth in Section 4.15 hereof and shall be in the form of Exhibit B-2-B attached hereto.

“*Rating*” shall mean one of the rating categories of each Rating Agency currently rating the Notes.

“*Rating Agency*” shall mean Fitch and S&P or any other rating agency requested by the Authority to maintain a rating on any of its Notes.

“*Rating Confirmation*” shall mean a letter or other written communication from each Rating Agency (other than (a) Fitch and (b) any other Rating Agency that has provided notification that it will not longer provide rating confirmations for proposed actions, failures to act or other events in student loan financing transactions) then providing a Rating for any of the Notes, stating that a proposed action, failure to act, or other event specified therein will not, in and of itself, result in a downgrade of any of the Ratings then applicable to the Notes, or cause any Rating Agency (other than (a) Fitch and (b) any other Rating Agency that has provided notification that it will not longer provide rating confirmations for proposed actions, failures to act or other events in student loan financing transactions) to suspend, withdraw or qualify the Ratings then applicable to the Notes.

“*Realized Loss*” shall mean the excess of the principal balance (including any interest that had been or had been expected to be capitalized) of any Liquidated Financed Eligible Loan over Liquidation Proceeds with respect to such Financed Eligible Loan to the extent allocable to principal (including any interest that had been or had been expected to be capitalized).

“*Record Date*” shall mean, with respect to a Quarterly Distribution Date, the close of business on the day preceding such Quarterly Distribution Date.

“*Reference Banks*” shall mean, with respect to a determination of LIBOR for any Interest Accrual Period by the Trustee, the four largest United States banks by total consolidated assets as listed by the Federal Reserve in its most current statistical release on its website with respect thereto, with an office in London.

“*Registered Owner*” shall mean any Noteholder, unless the context otherwise requires.

“*Regulations*” shall mean the Regulations promulgated from time to time by the Secretary or any Guaranty Agency guaranteeing Financed Eligible Loans.

“*Reserve Fund*” shall mean the Fund by that name created in Section 5.01(e) hereof and further described in Section 5.05 hereof, including any Accounts and Subaccounts created therein.

“*S&P*” shall mean Standard & Poor’s Ratings Group, a Division of The McGraw-Hill Companies, Inc., its successors and assigns.

“*Secretary*” shall mean the Secretary of the Department or any successor to the pertinent functions thereof under the Higher Education Act.

“*Seller*” shall mean any seller selling loans to the Authority pursuant to a Student Loan Purchase Agreement.

“*Servicer*” shall mean the Authority and Pennsylvania Higher Education Assistance Agency and their successors and any other Additional Approved Servicer with which the Authority has entered into a Servicing Agreement with respect to the Financed Eligible Loans and for which the Authority has obtained a Rating Confirmation.

“*Servicing Agreement*” shall mean the servicing agreements with any third party Servicer and the Authority Servicing Agreement relating to the Financed Eligible Loans, as such servicing agreements may be amended from time to time.

“*Servicing Fee*” shall mean the fee for servicing the Financed Eligible Loans, which fee shall be 0.50% per annum, based on the aggregate principal amount of the Pool Balance as of the end of the preceding month.

“*Servicer’s Report*” shall mean the servicer reports to be furnished to the Authority by a Servicer pursuant to the related Servicing Agreement.

“*Special Allowance Payments*” shall mean 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 Reserve Fund Balance*” shall mean, with respect to the Date of Issuance, \$484,209, and thereafter with respect to any Quarterly Distribution Date, the greater of (a) 0.25% of the Pool Balance as of the close of business on the last day of the related Collection Period; and (b) 0.15% of the Initial Pool Balance, provided that in no event will such balance exceed the sum of the Outstanding Amount of the Notes and provided further that such Specified Reserve Fund Balance may be reduced with a Rating Confirmation. The Specified Reserve Fund Balance shall be calculated by the Authority and certified to the Trustee, upon which certification the Trustee may conclusively rely with no duty to further examine or determine such information.

“*Student Loan Purchase Agreement*” shall mean a loan purchase agreement entered into by the Authority in connection with the purchase by the Authority of a Financed Eligible Loan,

including any such Financed Eligible Loan that was purchased by the Authority prior to being Financed hereunder.

“*Subaccount*” shall mean any of the subaccounts which may be created and established within any Account by this Indenture.

“*Supplemental Indenture*” shall mean an agreement supplemental hereto executed pursuant to Article VIII hereof.

“*Three-Month LIBOR*” or “*Four-Month LIBOR*” shall mean, 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 Administrator at approximately 11:00 a.m., New York City time, on that LIBOR Determination Date, for loans in U.S. dollars to leading European banks having the applicable Index Maturity and in a principal amount of not less than U.S. \$1,000,000. If the banks selected as described above are not providing quotations, Three-Month LIBOR or Four-Month LIBOR, as the case may be, in effect for the applicable Interest Accrual Period will be Three-Month LIBOR or Four-Month LIBOR, as the case may be, in effect for the previous Interest Accrual Period.

“*Total Parity Ratio*” shall mean, on any Quarterly Distribution Date, (a) the total assets of the Trust Estate divided by (b) the total liabilities of the Trust Estate as of the end of the related Collection Period. The Total 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.

“*Trust Auction Date*” shall have the meaning set forth in Section 10.04 hereof.

“*Trust Estate*” shall mean the property described as such in the granting clauses hereto.

“*Trustee*” shall mean Wells Fargo Bank, National Association, acting in its capacity as Trustee under this Indenture, or any successor trustee designated pursuant to this Indenture.

“*Trustee Fee*” shall mean an amount equal to the annual amount set forth in the Trustee Fee Letter, dated October 13, 2009 or such other trustee fee letter as the Authority may designate prior to a successor Trustee being appointed hereunder which shall not exceed 0.024% of the

Outstanding Notes without a Rating Confirmation. Such fee shall be in satisfaction of the Trustee's compensation as trustee under this Indenture.

Words importing the masculine gender include the feminine gender, and words importing the feminine gender include the masculine gender. Words importing persons include firms, associations and corporations. Words importing the singular number include the plural number and vice versa. Additional terms are defined in the body of this Indenture.

All references herein to "New York City time" shall be presumed to refer to "Eastern time" unless the Trustee is notified in writing to the contrary.

ARTICLE II

NOTE DETAILS AND FORM OF NOTES

Section 2.01. Note Details. The Notes, together with the Trustee's certificate of authentication, shall be in substantially the forms set forth in Exhibits A-1 and A-2, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may, consistently herewith, be determined by the officers executing the Notes, as evidenced by their execution of the Notes. Any portion of the text of any Note may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Note.

The definitive Notes shall be typewritten, printed, lithographed or engraved or produced by any combination of these methods (with or without steel engraved borders), all as determined by the Authorized Representatives executing such Notes, as evidenced by their execution of such Notes.

Each Note shall be dated the Date of Issuance. The terms of the Notes set forth in Exhibits A-1 and A-2 hereto are part of the terms of this Indenture.

Section 2.02. Execution, Authentication and Delivery of Notes. The Notes shall be executed in the name and on behalf of the Authority by the manual or facsimile signature of an Authorized Representative of the Authority. Any Note may be signed (manually or by facsimile) or attested on behalf of the Authority by any person who, at the date of such act, shall hold the proper office or position, notwithstanding that at the date of authentication, issuance or delivery, such person may have ceased to hold such office or position.

The Trustee shall upon Authority Order authenticate and deliver Notes for original issue in an aggregate principal amount of \$186,000,000. The aggregate principal amount of Notes Outstanding at any time may not exceed such amount except as provided in Section 2.04 hereof.

Each Note shall be dated the date of its authentication. The Notes shall be issuable as registered Notes, in minimum denominations of \$100,000 and in integral multiples of \$1,000 in excess thereof (the "Authorized Denominations").

No Note shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose, unless there appears on such Note a certificate of authentication in accordance with Section 2.05 hereof.

Each Class of Notes will be initially issued in Book-Entry Form and will be represented by a book-entry note certificate deposited on the Date of Issuance with the Trustee, as custodian for the initial Clearing Agency and registered in the name of “Cede & Co.” as initial nominee for the initial Clearing Agency.

Section 2.03. Registration, Transfer and Exchange of Notes; Persons Treated as Registered Owners. The Authority shall cause books for the registration and for the transfer of the Notes as provided in this Indenture to be kept by the Trustee which is hereby appointed the transfer agent of the Authority for the Notes. Notwithstanding such appointment and with the prior written consent of the Authority, the Trustee is hereby authorized to make any arrangements with other institutions which it deems necessary or desirable in order that such institutions may perform the duties of transfer agent for the Notes. Upon surrender for transfer of any Note at the Principal Office of the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his attorney duly authorized in writing, the Authority shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new fully registered Note or Notes of the same interest rate and for a like Class and aggregate principal amount of the same Note Final Maturity Date.

Notes may be exchanged at the Principal Office of the Trustee for a like aggregate principal amount of fully registered Notes of the same Class, interest rate and Note Final Maturity Date in Authorized Denominations. The Authority shall execute and the Trustee shall authenticate and deliver Notes which the Registered Owner making the exchange is entitled to receive, bearing numbers not contemporaneously outstanding. The execution by the Authority of any fully registered Note of any Authorized Denomination shall constitute full and due authorization of such denomination and the Trustee shall thereby be authorized to authenticate and deliver such fully registered Note.

As to any Note, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of either principal or interest on any fully registered Note shall be made only to or upon the written order of the Registered Owner thereof or his legal representative but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums paid.

The Trustee shall require the payment by any Registered Owner requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer. The applicant for any such transfer or exchange may be required to pay all taxes and governmental charges in connection with such transfer or exchange, other than exchanges pursuant to Section 2.07 hereof.

Section 2.04. Lost, Stolen, Destroyed and Mutilated Notes. Upon receipt by the Trustee of evidence satisfactory to it of the ownership of and the loss, theft, destruction or mutilation of any Note and, in the case of a lost, stolen or destroyed Note, of indemnity

satisfactory to it, and upon surrender and cancellation of the Note, if mutilated, (a) the Authority shall execute, and the Trustee shall authenticate and deliver, a replacement Note of the same Class, interest rate, Note Final Maturity Date and denomination in lieu of such lost, stolen, destroyed or mutilated Note or (b) if such lost, stolen, destroyed or mutilated Note shall have matured or within 15 days shall be due and payable, in lieu of executing and delivering a new Note as aforesaid, the Authority may pay such Note. Any such new Note shall bear a number not contemporaneously outstanding. The applicant for any such new Note may be required to pay all taxes and governmental charges and all expenses and charges of the Authority and of the Trustee in connection with the issuance of such Note. All Notes shall be held and owned upon the express condition that, to the extent permitted by law, the foregoing conditions are exclusive with respect to the replacement and payment of mutilated, destroyed, lost or stolen Notes, negotiable instruments or other securities.

Section 2.05. Trustee's Authentication Certificate. The Trustee's authentication certificate upon any Notes shall be substantially in the form attached to the Notes. No Note shall be secured hereby or entitled to the benefit hereof, or shall be valid or obligatory for any purpose, unless a certificate of authentication, substantially in such form, has been duly executed by the Trustee; and such certificate of the Trustee upon any Note shall be conclusive evidence and the only competent evidence that such Note has been authenticated and delivered hereunder. The Trustee's certificate of authentication shall be deemed to have been duly executed by it if manually signed by an authorized officer or signatory of the Trustee, but it shall not be necessary that the same person sign the certificate of authentication on all of the Notes issued hereunder.

Section 2.06. Cancellation and Destruction of Notes by the Trustee. Whenever any Outstanding Notes shall be delivered to the Trustee for the cancellation thereof pursuant to this Indenture, upon payment of the principal amount and interest represented thereby, or for replacement pursuant to Section 2.03 hereof, such Notes shall be promptly cancelled and, within a reasonable time, destroyed by the Trustee in compliance with its then applicable procedures.

Section 2.07. Temporary Notes. Pending the preparation of definitive Notes, the Authority may execute and the Trustee shall authenticate and deliver temporary Notes. Temporary Notes shall be issuable as fully registered Notes without coupons, of any denomination, and substantially in the form of the definitive Notes but with such omissions, insertions and variations as may be appropriate for temporary Notes, all as may be determined by the Authority. Every temporary Note shall be executed by the Authority and be authenticated by the Trustee upon the same conditions and in substantially the same manner, and with like effect, as the definitive Notes. As promptly as practicable, the Authority shall execute and shall furnish definitive Notes and thereupon temporary Notes may be surrendered in exchange therefor without charge at the Principal Office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Notes a like aggregate principal amount of definitive Notes. Until so exchanged, the temporary Notes shall be entitled to the same benefits under this Indenture as definitive Notes.

Section 2.08. Issuance of Notes. The Authority shall have the authority, upon complying with the provisions of this Article, to issue and deliver the Notes which shall be secured by the Trust Estate.

Section 2.09. Definitive Notes. If (a) the Authority advises the Trustee in writing that the Clearing Agency is no longer willing or able to discharge its responsibilities with respect to the Notes, and the Authority is unable to locate a successor; (b) the Authority, at its option, with the consent of the applicable Clearing Agency Participants, advises the Trustee in writing that it elects to terminate the book-entry system through the Clearing Agency; or (c) after the occurrence of an Event of Default or a default by a Servicer under the related Servicing Agreement, Noteholders representing beneficial interests aggregating at least a majority of the Outstanding Amount of the Notes advise the Clearing Agency (which shall then notify the Trustee) in writing that the continuation of a book-entry system through the Clearing Agency is no longer in the best interests of the Noteholders and the applicable Clearing Agency Participants consent to the termination of the book-entry system through the Clearing Agency, then the Trustee shall cause the Clearing Agency to notify all Noteholders, through the Clearing Agency, of the occurrence of any such event and of the availability of definitive Notes to Noteholders requesting the same. Upon surrender to the Trustee of the typewritten Notes representing the book-entry Notes by the Clearing Agency, accompanied by registration instructions, the Authority shall execute and the Trustee shall authenticate the definitive Notes in accordance with the instructions of the Clearing Agency. Neither the Authority nor the Trustee shall be liable for any delay in delivery of such instructions and may conclusively rely on, and shall be protected in relying on, such instructions. Upon the issuance of definitive Notes, the Trustee shall recognize the holders of the definitive Notes as Registered Owners.

Section 2.10. Payment of Principal and Interest.

(a) Each Class of Notes shall accrue interest as provided in the forms of the Class A-1 Notes and the Class A-2 Notes, set forth in Exhibits A-1 and A-2, respectively, hereto. Such interest shall be payable with respect to each Class of Notes on each Quarterly Distribution Date as specified in Section 5.04(c) hereof, subject to Section 4.01 hereof. Any installment of interest or principal, if any, payable on any Note which is punctually paid or duly provided for by the Authority on the applicable Quarterly Distribution Date shall be paid to the Person in whose name such Note is registered on the Record Date by check mailed first-class, postage prepaid to such Person's address as it appears on the records of the Trustee on such Record Date, except that, unless definitive Notes have been issued pursuant to Section 2.09 hereof, with respect to Notes registered on the Record Date in the name of the nominee of the Clearing Agency (initially, such nominee to be Cede & Co.), payment shall be made by wire transfer in immediately available funds to the account designated by such nominee and except for the final installment of principal payable with respect to such Note on a Quarterly Distribution Date or on the Note Final Maturity Date for such Note which shall be payable as provided below. The amount of interest distributable to Noteholders of the Notes for each \$1,000 in principal amount will be calculated by applying the applicable interest rate for the Interest Accrual Period to the principal amount of \$1,000, multiplying that product by the actual number of days in the Interest Accrual Period divided by 360, and rounding the resulting figure to the fifth decimal point.

(b) The principal of each Note shall be payable in installments on each Quarterly Distribution Date as provided in Section 5.04(c) hereof. Notwithstanding the foregoing, the entire unpaid principal amount of each Class of Notes shall be due and

payable, if not previously paid, on the Note Final Maturity Date for such Class of Notes and on the date on which an Event of Default shall have occurred and be continuing if the Trustee or the Registered Owners of the Notes representing not less than a majority of the Outstanding Amount of the Notes have declared the Notes to be immediately due and payable in the manner provided in Section 6.02 hereof. The Trustee shall notify the Person in whose name a Note is registered on or prior to the close of business on the Record Date preceding the applicable Quarterly Distribution Date on which the Authority expects that the final installment of principal of and interest on such Note will be paid. Such notice shall be mailed or transmitted by facsimile or electronic delivery prior to such final Quarterly Distribution Date and shall specify that such final installment will be payable only upon presentation and surrender of such Note and shall specify the place where such Note may be presented and surrendered for payment of such installment.

Section 2.11. Notices to Clearing Agency. Whenever a notice or other communication is required under this Indenture to be given to Noteholders, unless and until definitive Notes shall have been issued to Noteholders pursuant to Section 2.09 hereof, the Trustee shall give all such notices and communications specified herein to the applicable Clearing Agency.

Section 2.12. Use of Proceeds of Notes and Transfer of Other Funds.

(a) The proceeds of the Notes shall be applied by the Trustee as follows: \$186,000,000 shall be transferred to Wells Fargo Bank, National Association, as trustee (the “2005 Indenture Trustee”) under the Authority’s Trust Indenture dated as of November 1, 2005, as supplemented and amended (the “2005 Indenture”) and shall be used by the 2005 Indenture Trustee, together with other available funds, to redeem all bonds outstanding thereunder as more specifically set forth in a certificate of the Authority delivered to the Trustee and the 2005 Indenture Trustee upon the issuance of the Notes.

(b) The Authority shall cause the transfer of assets from the trust estate under the 2005 Indenture, together with other available funds, to be deposited to the credit of the Acquisition Fund, the Collection Fund, the Reserve Fund and the Capitalized Interest Fund as set forth in Article V hereof.

ARTICLE III

PARITY AND PRIORITY OF LIEN AND OTHER OBLIGATIONS

Section 3.01. Parity and Priority of Lien. The provisions, covenants and agreements herein set forth to be performed by or on behalf of the Authority shall be for the equal benefit, protection and security of the Registered Owners of any and all of the Notes, all of which, shall be of equal rank without preference, priority or distinction of any of the Notes over any other thereof, except as expressly provided in this Indenture with respect to certain payment and other priorities.

Section 3.02. Other Obligations.

(a) The Available Funds and other moneys, Financed Eligible Loans, securities, evidences of indebtedness, interests, rights and properties pledged under this 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 this Indenture, except as otherwise expressly provided herein, and all action on the part of the Authority to that end has been duly and validly taken. If any Financed Eligible Loan is found to have been subject to a lien at the time such Financed Eligible Loan was pledged to the Trust Estate, the Authority shall cause such lien to be released, shall purchase such Financed Eligible Loan from the Trust Estate for a purchase price equal to its principal amount plus any unamortized premium, if any, and interest accrued thereon or shall replace such Financed Eligible Loan with another Eligible Loan with substantially identical characteristics which replacement Eligible Loan shall be free and clear of liens at the time of such replacement. Except as otherwise provided herein, the Authority shall not create or voluntarily permit to be created any debt, lien or charge on the Financed Eligible Loans which would be on a parity with, subordinate to, or prior to the lien of this Indenture; shall not do or omit to do or suffer to be done or omitted to be done any matter or things whatsoever whereby the lien of this Indenture or the priority of such lien for the Notes hereby secured might or could be 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 this Indenture as a lien or charge upon the Financed Eligible Loans; provided, however, that nothing in this Section shall require the Authority to pay, discharge or make provision for any such lien, charge, claim or demand so long as the validity thereof shall be by it in good faith contested, unless thereby, in the opinion of the Trustee upon the advice of counsel, the same will endanger the security for the Notes; and provided further that any subordinate lien hereon (i.e., subordinate to the lien securing the Notes) shall be entitled to no payment from the Trust Estate, nor may any remedy be exercised with respect to such subordinate lien against the Trust Estate until all Notes have been paid or deemed paid hereunder.

(b) The Authority shall not commingle the Funds established by this Indenture with funds, proceeds, or investment of funds relating to other issues or series of bonds or notes or obligations heretofore or hereafter issued, except to the extent such commingling is required by the Trustee for ease in administration of its duties and responsibilities; provided, however, that should the Trustee require such permitted commingling, it shall keep complete records in order that the funds, proceeds, or investments under this Indenture may at all times be identified by source and application, and if necessary, separated.

ARTICLE IV

PROVISIONS APPLICABLE TO THE NOTES; DUTIES OF THE AUTHORITY

Section 4.01. Payment of Principal and Interest. The Authority covenants that it will promptly pay, but solely from the Trust Estate, the principal of and interest, if any, on each and

every Note issued under the provisions of this Indenture at the places, on the dates and in the manner specified herein and in said Notes and any premium required for the retirement of said Notes by purchase or redemption according to the true intent and meaning thereof. The Notes shall be and are hereby declared to be payable from and equally secured, except as specifically provided in this Indenture with respect to certain payment and other priorities, by an irrevocable first lien on and pledge of the properties constituting the Trust Estate, subject to the application thereof as permitted by this Indenture, but in no event shall the Registered Owners have any right to possession or control of any Financed Eligible Loans, which promissory notes evidencing such Financed Eligible Loans shall be held only by the Authority or its agent or bailee.

The Authority shall at all times maintain an office or agency where Notes may be presented for registration, transfer or exchange, and where notices, presentations and demands upon the Authority in respect of the Notes or this Indenture may be served. The Authority hereby appoints the Trustee as its agent to maintain such office or agency for the registration, transfer or exchange of Notes, and for the service of such notices, presentations, and demands upon the Authority.

Section 4.02. Covenant To Perform Obligations Under This Indenture. The Authority covenants that it will faithfully perform at all times and at all places all covenants, undertakings, stipulations, provisions and agreements contained in this Indenture, in any and every Note executed, authenticated and delivered hereunder and in all proceedings of the Authority pertaining thereto. The Authority covenants that it is duly authorized to issue the Notes authorized hereby and to enter into this Indenture and that all action on its part for the issuance of the Notes issued hereunder and the execution and delivery of this Indenture has been duly and effectively taken; and that such Notes in the hands of the owners thereof are and will be valid and enforceable obligations of the Authority according to the tenor and import thereof.

In consideration of the purchase and acceptance of the Notes by those who shall hold the same from time to time, the provisions of this Indenture shall be a part of the contract of the Authority with the owners of the Notes and shall be deemed to be and shall constitute a contract among the Authority, the Trustee and the Registered Owners from time to time.

Section 4.03. Covenants as to Additional Conveyances. At any and all times, the Authority will duly execute, acknowledge and deliver, or will cause to be done, executed, acknowledged and delivered such indentures supplemental hereto and such further acts, conveyances, instruments, transfers and assurances in law as the Trustee shall reasonably require for the better conveying, transferring and pledging and confirming unto the Trustee, all and singular, the Trust Estate pledged hereby to the payment of the principal of and interest on the Notes and any other amounts owed hereunder.

Section 4.04. Further Covenants of the Authority.

(a) The Authority shall cause, subject to Section 4.17 hereof, this Indenture and all supplements hereto and thereto, together with all other security instruments and financing statements, to be recorded and filed, as the case may be, if required by law for perfection of the security interests created herein, in such manner and in such places as may be required by law in order to perfect the lien of, and the security interests created

by, this Indenture. The Authority hereby irrevocably authorizes the Trustee, who will engage a third-party agent, to file any and all financing statements and amendments thereto as may be required or advisable in such form as is determined by the Trustee in order to perfect or to continue the perfection of the security interest in the Trust Estate, in each case, on behalf and at the expense of the Authority, which continuation statements the Trustee agrees to file as provided herein. The Authority shall promptly notify the Trustee of any change in its name or in the address of its principal place of business.

(b) The Authority will duly and punctually keep, observe and perform each and every term, covenant and condition on its part to be kept, observed and performed, contained in this Indenture and the other agreements to which the Authority is a party pursuant to the transactions contemplated herein, including but not limited to the Basic Documents to which it is a party and the Guarantee Agreements, and will punctually perform all duties required by the laws of the State of Missouri.

(c) The Authority shall be operated on the basis of its Fiscal Year.

(d) The Authority, upon written request of the Trustee, will permit at all reasonable times the Trustee or its agents, accountants and attorneys, to examine and inspect the property, books of account, records, reports and other data relating to the Financed Eligible Loans, and will furnish the Trustee such other information as it may reasonably request. The Trustee shall be under no duty to make any such examination unless requested in writing to do so by the Registered Owners of 66-2/3% in collective aggregate principal amount of the Notes at the time Outstanding, and unless such Registered Owners shall have offered the Trustee security and indemnity satisfactory to it against any costs, expenses and liabilities which might be incurred thereby.

(e) The Authority shall cause to be kept and maintained proper books of account relating to the Program in which full, true and correct entries will be made, in accordance with generally accepted accounting principles, of all dealings or transactions of or in relation to the business and affairs of the Authority which relate to the Notes, and within 180 days after the end of each Fiscal Year shall 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 shall be filed with the Trustee within 30 days after it is received by the Authority and shall be available for inspection by any Registered Owner.

(f) The Authority shall not at any time insist upon or plead in any manner whatsoever, or claim to take the benefit or advantage of any stay or extension of law now or at any time hereafter in force which may affect the covenants and agreements contained in this Indenture or in the Notes and all benefit or advantage of any such law or laws is hereby expressly waived by the Authority.

(g) Notwithstanding anything to the contrary contained herein, except upon the occurrence and during the continuance of an Event of Default hereunder, the Authority hereby expressly reserves and retains the privilege to receive and, subject to the terms and provisions of this Indenture, to keep or dispose of, claim, bring suits upon or

otherwise exercise, enforce or realize upon its rights and interest in and to the Financed Eligible Loans and the proceeds and collections therefrom, and neither the Trustee nor any Registered Owner shall in any manner be or be deemed to be an indispensable party to the exercise of any such privilege, claim or suit and the Trustee shall be under no obligation whatsoever to exercise any such privilege, claim or suit.

Section 4.05. Procedures For Transfer of Funds. In any instance where this Indenture requires a transfer of funds or money from one Fund to another, a transfer of ownership in investments or an undivided interest therein may be made in any manner agreeable to the Authority and the Trustee, and in the calculation of the amount transferred, interest on the investment which has or will accrue before the date the money is needed in the fund to which the transfer is made shall not be taken into account or considered as money on hand at the time of such transfer.

Section 4.06. Additional Covenants With Respect to the Higher Education Act.

(a) *Administration of the Program.* The Authority shall administer, operate and maintain the Program in such manner as to ensure that the Program and the Financed Eligible 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.

(b) *Enforcement and Amendment of Guaranty Agreements.* So long as any Notes are Outstanding, the Authority (a) will, from and after the date on which it shall have entered into, or caused the Trustee to enter into on its behalf, any Guaranty Agreement, maintain such Guaranty Agreement and diligently enforce its rights thereunder; (b) will enter into such other similar or supplemental agreements as shall be required to maintain benefits for all Financed Eligible Loans covered thereby; and (c) will not voluntarily consent to or permit any rescission of or consent to any amendment to or otherwise take any action under or in connection with any Guaranty Agreement or any similar or supplemental agreement or engage any other guarantor of the Financed Eligible Loans which in any manner will materially adversely affect the rights of the Registered Owners hereunder.

(c) *Financing, Collection and Assignment of Eligible Loans.* All loans held under this Indenture shall be only Eligible Loans and the Authority shall diligently cause to be collected all principal and interest payments (subject to Section 4.06(d) hereof) on all the Financed Eligible Loans and other sums to which the Authority is entitled pursuant to any Student Loan Purchase Agreement or Origination Agreement, all grants, subsidies, donations, insurance payments, Special Allowance Payments, Interest Benefit Payments, and all defaulted payments Guaranteed by a Guaranty Agency which relate to such Financed Eligible Loans. The Authority shall also make, or cause to be made by the applicable Servicer, every effort to perfect the Authority's or such Servicer's claims for payment from the Secretary or such Guaranty Agency, of all payments related to such Financed Eligible Loans, no later than required by the Higher Education Act and the applicable Guaranty Agreement. The Authority will assign such Financed Eligible Loans for payment of Guarantee benefits within the required period under applicable law and

regulations. The Authority will comply with all United States and state statutes, rules, and regulations which apply to the Program and to such Financed Eligible Loans.

(d) Enforcement of Financed Eligible Loans. The Authority shall, subject to the last sentence of this Section, cause to be diligently enforced, and take all steps, actions and proceedings reasonably necessary for the enforcement of, all terms, covenants and conditions of all Financed Eligible Loans and agreements in connection therewith, including the prompt payment of all principal and interest payments and all other amounts due the Authority thereunder. The Authority shall not, except as permitted by the last sentence of this Section, permit the release of the obligations of any borrower under any Financed Eligible Loan and shall, subject to the last sentence of this Section, at all times, to the extent permitted by law, cause to be defended, enforced, preserved and protected the rights and privileges of the Authority and the Trustee hereunder or with respect to each Financed Eligible Loan and agreement in connection therewith. The Authority shall not, subject to the last sentence of this Section, consent or agree to or permit any amendment or modification of any Financed Eligible Loan or agreement in connection therewith which will in any manner materially adversely affect the rights or security of the Registered Owners hereunder. Nothing in this Indenture shall be construed to prevent the Authority from (i) granting a reasonable forbearance to a borrower pursuant to the terms of the Higher Education Act; (ii) settling a default or curing a delinquency on any Financed Eligible Loan on such terms as shall be permitted by law; (iii) charging interest at a lower rate than is required by the Higher Education Act to the extent provided in Exhibit D hereto or otherwise as permitted with a Rating Confirmation; (iv) establishing discounts or granting forgiveness of principal or interest on Financed Eligible Loans (including paying for such discounts or forgiveness with cash released from the Trust Estate) to the extent as provided in Exhibit D hereto or otherwise as permitted with a Rating Confirmation; or (v) allowing a borrower to repay a Financed Eligible Loan pursuant to an income-based repayment plan pursuant to the Higher Education Act.

(e) Administration and Collection of Financed Eligible Loans.

(i) The Authority shall, or shall cause a Servicer or Servicers selected by the Authority to administer and collect all Financed Eligible Loans which are part of the Trust Estate in a competent, diligent, and orderly fashion and in accordance with all applicable requirements of the Higher Education Act, the Secretary and this Indenture.

(ii) In all events, promissory notes evidencing Financed Eligible Loans shall be held by the Authority or its agent and all sums received by the Authority with respect to the Financed Eligible Loans shall be held on behalf of the Trustee including, but not limited to, all payments of principal and interest, Special Allowance Payments, Interest Benefit Payments, insurance or guarantee payments and proceeds of the sale thereof. All such amounts upon identification thereof shall be held in a segregated account and shall not be commingled with any of the Authority's funds.

Section 4.07. Servicing and Enforcement of Servicing Agreements.

(a) The Authority shall 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 shall establish and enforce reasonable rules, regulations, tests and standards governing the employment of such personnel. All persons employed by the Authority shall be qualified for their respective positions.

(b) The Authority shall 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, including, all grants, subsidies, donations, insurance payments, Special Allowance Payments, Interest Benefit Payments and all Guarantee payments by a Guaranty Agency which relate to any Financed Eligible Loans. Except as authorized below, the Authority:

(i) shall 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 Section 4.07(c)(ii) hereof;

(ii) shall at all times, to the extent permitted by law, cause to be defended, enforced, preserved and protected the material rights of the Authority and, to the extent applicable, of the Trustee under or with respect to each Servicing Agreement;

(iii) shall 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

(iv) shall at its own expense, duly and punctually perform and observe each of its obligations to each Servicer under the related Servicing Agreement in accordance with the terms thereof.

(c) The foregoing notwithstanding, nothing in this Indenture shall be construed to prevent the Authority:

(i) from taking actions to replace any Servicer if the Authority reasonably believes it prudent to do so in light of all circumstances then known to the Authority to exist and such action will not materially adversely affect either the ability of the Authority to pay or perform, as the case may be, all of its material obligations under this Indenture or the security pledged hereunder for the Notes and the Registered Owners; or

(ii) from consenting or agreeing to, or permitting, any amendments, modifications to, or waivers with respect to, any Servicing Agreement if the Authority determines in good faith that it is reasonably prudent to do so in light of all circumstances then known by the Authority to exist and such action will not

materially adversely affect the ability of the Authority to pay or perform, as the case may be, its material obligations under this Indenture or the security pledged hereunder for the Notes and the Registered Owners.

(d) 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, including without limitation the failure of the Servicer to comply with the due diligence requirements of the Higher Education Act, or if any servicing audit shows any material deficiency in the servicing of Financed Eligible Loans by any Servicer, the Authority shall, or shall cause the Servicer to, cure the failure to perform or the material deficiency or remove such Servicer.

(e) If any Financed Eligible Loan ceases to be Guaranteed, and as a result thereof, a Guarantee claim with respect to such Financed Eligible Loan is rejected by the applicable Guaranty Agency and the same is not cured within 180 days after such rejection, or if any Financed Eligible Loan is determined to be encumbered by any lien other than the lien of this Indenture, then the Authority shall either: (i) purchase such Financed Eligible Loan from the Trust Estate for a purchase price equal to its principal amount plus unamortized premium, if any, and interest accrued thereon; or (ii) replace such Financed Eligible Loan with another Financed Eligible Loan of substantially identical characteristics (excluding such due diligence failure).

(f) As of the date of execution and delivery of this Indenture, the Financed Eligible Loans are serviced either by the Authority or the Pennsylvania Higher Education Assistance Agency. Pennsylvania Higher Education Assistance Agency has agreed to provide backup servicing pursuant to the terms of the Backup Servicing Agreement in the event that (a) the Authority determines that it will no longer service any Financed Eligible Loans and provides thirty (30) days' written notice to Pennsylvania Higher Education Assistance Agency (or any replacement Servicer as provided herein) and the Trustee of such determination or (b) the Authority, in its role as Servicer, is in material violation of Section 4.07(d) hereof as determined by the Authority, the Initial Owner or the Registered Owners of a majority in aggregate principal amount of the Notes Outstanding, which violation has not been cured thereunder after written notice to the Authority, and the Trustee (at the written direction of the Authority, the Initial Owner or the Registered Owners of a majority in aggregate principal amount of the Notes Outstanding) provides thirty (30) days' written notice to the Authority and Pennsylvania Higher Education Assistance Agency (or any replacement Servicer as provided herein) of the determination that all of the Financed Eligible Loans then serviced by the Authority shall be serviced under the Backup Servicing Agreement. The Authority covenants to maintain a Backup Servicing Agreement, and covenants that Pennsylvania Higher Education Assistance Agency shall not be replaced as a Servicer or as a party to the Backup Servicing Agreement unless the replacement therefor constitutes an Additional Approved Servicer. The Authority shall notify the Registered Owners if Financed Eligible Loans will be serviced under the Backup Servicing Agreement.

(g) The Authority, in its capacity as a Servicer, shall service the Financed Eligible Loans in accordance with the provisions of the Authority Servicing Agreement attached hereto as Exhibit F.

(h) Upon the written request of the Initial Owner or upon request of the Authority, the Authority and the Initial Owner shall meet or confer if either of such parties proposes to amend the list of Additional Approved Servicers and, upon written agreement between the Authority and the Initial Owner, subject to a Rating Confirmation, such list may be modified in accordance with such written agreement, a copy of which shall be provided to the Trustee.

Section 4.08. Appointment of Agents, Direction to Trustee, Etc. The Authority shall employ and appoint all employees, agents, consultants and attorneys which it may consider necessary. The Authority hereby directs the Trustee to enter into this Indenture.

Section 4.09. Capacity To Sue. The Authority shall have the power and capacity to sue and to be sued on matters arising out of or relating to the financing of the Financed Eligible Loans.

Section 4.10. Continued Existence; Successor to Authority. The Authority agrees that it will do or cause to be done all things necessary to preserve and keep in full force and effect its existence, rights and franchises as a body politic and corporate constituting a public instrumentality of the State of Missouri, except as otherwise permitted by this Section. The Authority further agrees that it will not (a) sell, transfer or otherwise dispose of all or substantially all, of its assets (except Financed Eligible Loans if such sale, transfer or disposition will discharge this Indenture in accordance with Article X hereof); (b) consolidate with or merge into another entity; or (c) permit one or more other entities to consolidate with or merge into it. The preceding restrictions in clauses (a), (b) and (c) above shall not apply to a transaction if the transferee or the surviving or resulting entity, if other than the Authority, by proper written instrument for the benefit of the Trustee, irrevocably and unconditionally assumes the obligation to perform and observe the agreements and obligations of the Authority under this Indenture.

If a transfer is made as provided in this Section, the provisions of this Section shall continue in full force and effect and no further transfer shall be made except in compliance with the provisions of this Section.

Section 4.11. Student Loan Purchase Agreements. The Authority shall take 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.

Section 4.12. Representations; Negative Covenants.

(a) The Authority hereby makes the following representations and warranties to the Trustee on which the Trustee relies in authenticating the Notes and on which the Registered Owners have relied in purchasing the Notes and which are also made for the benefit of the Initial Owner. Such representations and warranties shall survive the transfer and assignment of the Trust Estate to the Trustee.

(i) *Organization and Good Standing.* The Authority is duly organized and validly existing under the laws of the State of Missouri, and has the power to own its assets and to transact the business in which it presently engages.

(ii) *Due Qualification.* The Authority is duly qualified to do business and is in good standing, and has obtained all material necessary licenses and approvals, in all jurisdictions where the failure to be so qualified, have such good standing or have such licenses or approvals would have a material adverse effect on the Authority's business and operations or in which the actions as required by this Indenture require or will require such qualification.

(iii) *Authorization.* The Authority has the power, authority and legal right to create and issue the Notes; to execute, deliver and perform this Indenture; and to grant the Trust Estate to the Trustee; furthermore, the creation and issuance of the Notes; execution, delivery and performance of this Indenture; and grant of the Trust Estate to the Trustee have been duly authorized by the Authority by all necessary action.

(iv) *Binding Obligation.* This Indenture, assuming due authorization, execution and delivery by the Trustee and the Notes in the hands of the Registered Owners thereof constitute legal, valid and binding obligations of the Authority enforceable against the Authority in accordance with their terms, except that (A) such enforcement may be subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws (whether statutory, regulatory or decisional) now or hereafter in effect relating to creditors' rights generally and (B) the remedy of specific performance and injunctive and other forms of equitable relief may be subject to certain equitable defenses and to the discretion of the court before which any proceeding therefor may be brought, whether a proceeding at law or in equity.

(v) *No Violation.* The consummation of the transactions contemplated by this Indenture and the fulfillment of the terms hereof do not conflict with, result in any breach of any of the terms and provisions of or constitute (with or without notice, lapse of time or both) a default under the organizational documents of the Authority, or any material indenture, agreement, mortgage, deed of trust or other instrument to which the Authority is a party or by which it is bound, or result in the creation or imposition of any lien upon any of its material properties pursuant to the terms of any such indenture, agreement, mortgage, deed of trust or other instrument, other than this Indenture, nor violate any law or any order, rule or regulation applicable to the Authority of any court or of any federal or state regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Authority or any of its properties.

(vi) *No Proceedings.* There are no proceedings, injunctions, writs, restraining orders or investigations to which the Authority or any of its affiliates is a party pending, or, to the best of its knowledge, threatened, before any court, regulatory body, administrative agency or other tribunal or governmental

instrumentality (A) asserting the invalidity of this Indenture, (B) seeking to prevent the issuance of any Notes or the consummation of any of the transactions contemplated by this Indenture or (C) seeking any determination or ruling that might materially and adversely affect the performance by the Authority of its obligations under, or the validity or enforceability of this Indenture.

(vii) *Approvals.* All approvals, authorizations, consents, orders or other actions of any person, corporation or other organization, or of any court, governmental agency or body or official, required on the part of the Authority in connection with the execution and delivery of this Indenture have been taken or obtained on or prior to the Date of Issuance.

(viii) *Place of Business.* The Authority's place of business and chief executive office is located in Chesterfield, Missouri, and the Authority has no other chief executive office.

(ix) *Tax and Accounting Treatment.* The Authority is and intends to be treated as the owner of the Financed Eligible Loans for all purposes. The Authority further intends and agrees to treat the Notes as its indebtedness for federal, state and local income tax and financial accounting purposes.

(x) *Taxes.* The Authority is generally exempt from taxation as a governmental entity. Notwithstanding the foregoing, the Authority has filed (or caused to be filed) all federal, state, county, local and foreign income, franchise and other tax returns required to be filed by it through the date hereof, and has paid all taxes reflected as due thereon. There is no pending dispute with any taxing authority that, if determined adversely to the Authority, would result in the assertion by any taxing authority of any material tax deficiency, and the Authority has no knowledge of a proposed liability for any tax year to be imposed upon such entity's properties or assets for which there is not an adequate reserve reflected in such entity's current financial statements.

(xi) *Legal Name.* The legal name of the Authority is the "Higher Education Loan Authority of the State of Missouri."

(xii) *Governmental Purpose.* The Authority has financed all of the Financed Eligible Loans in accordance with the purposes for which it was organized under the laws of the State of Missouri and for a valid, governmental purpose has undertaken the transactions contemplated herein as principal rather than as an agent of any other Person. The Authority has adopted and operated the Program consistently with all material requirements under the laws of the State of Missouri with respect to its operations.

(xiii) *Compliance with Laws.* The Authority is in all material respects in compliance with all applicable laws and regulations with respect to the conduct of the Program and has obtained and maintains all permits, licenses and other

approvals as are necessary for the conduct of its operations relating to the Trust Estate.

(xiv) *Valid Governmental Purpose; No Fraudulent Transfers.* The Authority has a valid governmental purpose for granting the Trust Estate pursuant to this Indenture. The consideration received by the Authority for the grant of the Trust Estate was reasonably equivalent to the value of the related grant.

(xv) *Ability to Perform.* There has been no material impairment in the ability of the Authority to perform its obligations under this Indenture.

(xvi) *Event of Default.* No Event of Default has occurred and no event has occurred that, with the giving of notice, the passage of time, or both, would become an Event of Default.

(xvii) *Origination of Financed Eligible Loans Legal.* To the extent the Authority originated a Financed Eligible Loan, the Authority has complied with all material applicable federal, state and local laws and regulations in connection with the origination thereof.

(xviii) *Not an Investment Company.* The Authority is not an “investment company” within the meaning of the Investment Company Act, or is exempt from all provisions of the Investment Company Act.

(b) The Authority will not:

(i) sell, transfer, exchange or otherwise dispose of any portion of the Trust Estate except as expressly permitted by this Indenture;

(ii) claim any credit on, or make any deduction from, the principal amount of any of the Notes by reason of the payment of any taxes levied or assessed upon any portion of the Trust Estate;

(iii) except as otherwise provided herein, dissolve or liquidate in whole or in part, except with the prior written consent of the Trustee, and to the extent Notes remain Outstanding, approval of the Registered Owners and a Rating Confirmation;

(iv) permit the validity or effectiveness of this Indenture, any Supplement or any grant hereunder to be impaired, or permit the lien of this Indenture to be amended, hypothecated, subordinated, terminated or discharged, or permit any Person to be released from any covenants or obligations under this Indenture, except as may be expressly permitted hereby;

(v) except as otherwise provided herein, permit any lien, charge, security interest, mortgage or other encumbrance (other than the lien of this Indenture) to be created on or extend to or otherwise arise upon or burden the Trust Estate or any part thereof or any interest therein or the proceeds thereof;

(vi) permit the lien of this Indenture not to constitute a valid first priority, perfected security interest in the Trust Estate;

(vii) except as expressly permitted herein, operate such that it would be consolidated with any affiliate and its separate existence disregarded in any federal or state proceeding;

(viii) consent to the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings of or relating to the Authority or of or relating to all or substantially all of its property, or a decree or order of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, shall have been entered against the Authority; or the Authority shall not consent to the appointment of a receiver, conservator or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities, voluntary liquidation or similar proceedings of or relating to the Authority or of or relating to all or substantially all of its property; or admit in writing its inability to pay its debts generally as they become due, file a petition to take advantage of any applicable insolvency, bankruptcy or reorganization statute, make an assignment for the benefit of its creditors or voluntarily suspend payment of its obligations.

Section 4.13. Additional Covenants. So long as any of the Notes are Outstanding:

(a) The Authority shall not consolidate or merge with or into any other entity or convey or transfer its properties and assets substantially as an entirety to any entity except as otherwise provided herein.

(b) The Authority shall act solely in its own name and through its duly authorized officers or agents in the conduct of its business, and shall conduct its business so as not to mislead others as to the identity of the entity with which they are concerned.

(c) The Authority shall maintain its records and books of account and shall not commingle its records and books of account with the records and books of account of any other Person. The books of the Authority may be kept (subject to applicable law) inside or outside the State of Missouri.

(d) All actions of the Authority shall be taken by an Authorized Representative.

(e) The Authority shall not amend, alter, change or repeal any provision contained in this Section in a manner which has an adverse effect on the Program, the Trust Estate, the Notes or the obligations of the Authority under any of the Basic Documents.

(f) The representations and warranties made by the Authority in Article II of the Note Purchase Agreement are incorporated into this Indenture by reference.

Section 4.14. Providing of Notice. The Authority, upon learning of any failure on its part to observe or perform in any material respect any covenant, representation or warranty of the Authority set forth in this Indenture shall promptly notify the Trustee, the appropriate Servicer, if applicable, and each Rating Agency of such failure.

Section 4.15. Certain Reports. Not later than four Business Days prior to the Determination Date preceding each Quarterly Distribution Date, the Authority will prepare a certificate in the form of Exhibit B-2-A hereto (the “Quarterly Distribution Date Certificate”) and forward such Quarterly Distribution Date Certificate to the Trustee, at which time the Trustee shall prepare, based on the information in the Quarterly Distribution Date Certificate, a certificate in the form of Exhibit B-2-B hereto (the “Quarterly Distribution Date Information Form”). The Trustee shall provide the Authority with the Quarterly Distribution Date Information Form once the Trustee shall complete such certificate, which shall be on or before two Business Days prior to the Determination Date. Upon receiving the completed Quarterly Distribution Date Information Form from the Trustee, the Authority shall post and provide electronic access to the Quarterly Distribution Date Information Form on the Authority’s web site. The Trustee shall direct any Noteholder who requests a copy of the Quarterly Distribution Date Information Form to the electronic form of Exhibit B-2-B posted on the Authority’s web site. The Trustee may conclusively rely and accept the information described in the Quarterly Distribution Date Certificate from the Authority, with no further duty to know, determine or examine such reports.

Section 4.16. Statement as to Compliance. The Authority will deliver to the Trustee, within 150 days after the end of each fiscal year, a brief certificate from an Authorized Representative including (a) a current list of the Authorized Representatives, and (b) a statement indicating whether or not to the knowledge of the signers thereof the Authority is in compliance with all conditions and covenants under this Indenture and, in the event of any noncompliance, specifying such noncompliance and the nature and status thereof. For purposes of this Section, such compliance shall be determined without regard to any period of grace or requirement of notice under this Indenture.

Section 4.17. Representations of the Authority Regarding the Trustee’s Security Interest.

(a) The Authority’s chief executive office and chief place of business, including the office where the Authority keeps its records concerning the Financed Eligible Loans and related Available Funds and the Funds (collectively referred to below as the “Records”) is located at 633 Spirit Drive, Chesterfield, Missouri 63005-1243. The Authority shall give the Trustee not less than 30 days’ prior written notice of any change in its name or in the location of its chief executive office, its chief place of business and/or the location at which it keeps the Records.

(b) The Authority shall, at its own expense, execute and deliver such instruments and documents as may be required or may reasonably be requested by the

Trustee in order to maintain in favor of the Trustee a perfected, first-priority security interest in the Financed Eligible Loans and related Available Funds and the Funds. Without limiting the generality of the foregoing, the Authority shall execute, deliver and file all such financing and continuation statements and amendments thereto and such other instruments, endorsements and notices as may be necessary or as the Trustee may reasonably request in order to perfect and preserve the lien and pledge of this Indenture; provided, however, the Trustee shall file all continuation statements necessary to perfect and preserve the lien and pledge of this Indenture.

(c) The Authority hereby authorizes the Trustee from time to time to file financing statements, continuation statements and amendments thereto, relative to all or any part of the Financed Eligible Loans, the related Available Funds and the Funds, without the signature of the Authority (where permitted by law); provided, however, the Trustee shall file all continuation statements necessary to perfect and preserve the lien and pledge of this Indenture at the expense of the Authority. Copies of any such statement or amendment shall be promptly delivered to the Authority. The Authority agrees to pay any fees and expenses of third party agents engaged by the Trustee to complete and file continuation statements and related documents.

(d) The Authority shall timely pay any and all filing, registration and recording fees (and any refiling, re-registration and re-recording fees) and all expenses incident to the execution, delivery and/or performance of this Indenture and any agreement or instrument of further assurance furnished hereunder.

(e) The Authority shall warrant and defend its title to the Financed Eligible Loans, the related Available Funds and the Funds against the claims and demands of all Persons other than the Trustee and the Registered Owners of the Notes.

(f) Except for the lien and pledge of this Indenture, and any other liens expressly authorized under this Indenture, the Authority will not cause or permit all or any part of the Trust Estate, including but not limited to the Financed Eligible Loans and related Available Funds and the Funds, to become subject to any consensual or non-consensual lien or encumbrance.

(g) Except for the lien and pledge of this Indenture, (i) the Authority has no knowledge, and has not received any notice, that any party other than the Trustee, on behalf of the Registered Owners of the Notes, has or claims to have any security interest or other lien on all or any part of the Trust Estate; and (ii) no party, other than the Authority and the Trustee, on behalf of the Registered Owners of the Notes, has or claims to have any interest whatsoever in all or any part of the Trust Estate.

(h) The Authority hereby represents and warrants for the benefit of the Trustee and the Registered Owners as follows:

(i) This Indenture creates a valid and continuing security interest (as defined in the applicable Uniform Commercial Code in effect in the State of Missouri in the Financed Eligible Loans in favor of the Trustee, which security

interest is prior to all other liens, charges, security interests, mortgages or other encumbrances, and is enforceable as such as against creditors of and purchasers from the Authority.

(ii) The Higher Education Act deems the Financed Eligible Loans to constitute “accounts” within the meaning of the applicable Uniform Commercial Code for the purposes of perfecting a security interest in the Financed Eligible Loans.

(iii) The Authority owns and has good and marketable title to the Financed Eligible Loans free and clear of any lien, charge, security interest, mortgage, claim or other encumbrance of any Person, other than those granted pursuant to this Indenture.

(iv) For sale of loan participations, swaps and other “payment intangibles” (within the meaning of the applicable Uniform Commercial Code), the Authority has received all consents and approvals required by the terms of the Financed Eligible Loans for the pledge of the security interest in the Financed Eligible Loans hereunder to the Trustee.

(v) The Authority has caused or will have caused, within ten days of the Date of Issuance, the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the security interest in the Financed Eligible Loans granted to the Trustee hereunder.

(vi) Other than the security interest granted to the Trustee pursuant to this Indenture, the Authority has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Financed Eligible Loans. The Authority has not authorized the filing of and is not aware of any financing statements against the Authority that include a description of collateral covering the Financed Eligible Loans other than (i) any financing statement relating to the security interest granted to the Trustee hereunder and (ii) such financing statements that have been terminated. The Authority is not aware of any judgment or tax lien filings against the Authority.

(vii) The Authority currently maintains control and shall continue to maintain control of all Eligible Loans financed by application of amounts in the Acquisition Fund that are E-loans as provided in Section 432.275 of the Uniform Electronic Transactions Act (“UETA”) as adopted in Missouri (Section 432.200 et. seq. of the Revised Statutes of Missouri, as amended); such E-loans shall also be considered “transferable records” as defined in the UETA.

(viii) The Trustee shall file any continuation statements and the Authority covenants that it shall take any other actions which are necessary to maintain such first perfected security interest. For the purposes of this Indenture, any Financed Eligible Loans, including E-loans, in which the Trustee has a

perfected security interest, either by possession by the Trustee or its agents or by filing, shall be accounted for in the Acquisition Fund.

(ix) The transactions described in this Indenture may be conducted and related documents may be stored by electronic means as provided in this Section. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law. The Authority covenants that all E-loans that are or have been made pursuant to the Higher Education Act comply with the Department Standards for Electronic Signatures in Electronic Student Loan Transactions, dated as of April 30, 2001, as amended and revised.

Section 4.18. Further Covenants of the Authority Regarding the Trustee's Security Interest. The Authority and the Trustee (with respect to paragraph (a) below) hereby covenant for the benefit of the Trustee and the Registered Owners as follows:

(a) The Trustee shall not waive any of the representations and warranties set forth in Section 4.17 hereof.

(b) The Authority shall take all steps necessary, and shall cause the Servicers and the Trustee to take all steps necessary and appropriate, to maintain the perfection and priority of the Trustee's security interest in the Financed Eligible Loans.

Section 4.19. Statements to Noteholders. Two Business Days preceding a Quarterly Distribution Date, the Authority shall prepare and provide to the Trustee a report setting forth the information substantially in the form of Exhibit C hereto (the "Report to Registered Owners"), and the Trustee shall forward the Report to the Registered Owners. The Authority shall also post and provide electronic access to the Report to Registered Owners on the Authority's web site. The Trustee shall direct any Noteholder who requests a copy of the Report to Registered Owners to the electronic form of Exhibit C posted on the Authority's web site.

ARTICLE V

FUNDS

Section 5.01. Creation and Continuation of Funds and Accounts. There are hereby created and established the following Funds to be held and maintained by the Trustee for the benefit of the Registered Owners:

- (a) Acquisition Fund;
- (b) Capitalized Interest Fund;
- (c) Collection Fund;
- (d) Department Rebate Fund; and

(e) Reserve Fund

The Trustee is hereby authorized for the purpose of facilitating the administration of the Trust Estate and for the administration of any Notes issued hereunder to create further Accounts or Subaccounts in any of the various Funds and Accounts established hereunder which are deemed necessary or desirable.

Section 5.02. Acquisition Fund. On the Date of Issuance, pursuant to Section 2.12 hereof, \$1,700,000 shall be deposited into the Acquisition Fund and \$193,954,016 of Eligible Loans (which amount includes accrued interest thereon) shall be deposited therein. Financed Eligible Loans, evidenced by promissory notes, shall be held by the Authority or its agent or bailee and shall be pledged to the Trust Estate as a part of the Acquisition Fund.

Moneys on deposit in the Acquisition Fund shall be used upon receipt of an Authority Order, to pay the costs of issuance of the Notes. Any such Authority Order shall state that such proposed use of moneys in the Acquisition Fund is in compliance with the provisions of this Indenture.

In addition, on each Monthly Servicing Fee Payment Date, Monthly Administration Fee Payment Date or Quarterly Distribution Date, to the extent there are insufficient Available Funds in the Collection Fund to make one or more of the transfers required by Section 5.04(b) (other than transfers to repurchase Eligible Loans from a Servicer or any Guaranty Agency as described in clause (a)(i) of the definition of Available Funds) and 5.04(c)(i) through (c)(v) hereof and to the extent moneys are not available to make such transfers from the Capitalized Interest Fund pursuant to Section 5.03 hereof, the Trustee, upon receipt of an Authority Order directing the same, shall withdraw from the Acquisition Fund on such Monthly Servicing Fee Payment Date, Monthly Administration Fee Payment Date or Quarterly Distribution Date, as the case may be (but only from cash and Investment Securities and not from Financed Eligible Loans unless otherwise directed by the Authority in writing), an amount equal to such deficiency and deposit such amount in the Collection Fund. If any funds remain in the Acquisition Fund on the February 2010 Quarterly Distribution Date, or on such earlier date as the Authority may select pursuant to an Authority Order, the Trustee shall, without direction from or notice to the Authority, transfer all such remaining moneys or funds to the Collection Fund on such date.

While the Authority will be the legal and beneficial owner of the Financed Eligible Loans, it is understood and agreed that the Trustee will have a security interest in the Financed Eligible Loans for and on behalf of the Registered Owners. In the case of a single Financed Eligible Loan evidenced by a separate promissory note, each such promissory note will be held by the Authority, on behalf of the Trustee, for the benefit of the Registered Owners. In the case of a Financed Eligible Loan evidenced by a Master Promissory Note, the Authority shall cause the holder of the original Master Promissory Note to indicate by book entry on its books and records that the Authority is the legal and beneficial owner of the Financed Eligible Loan.

Except (i) as provided in Sections 5.08, 10.03 and 10.04 hereof, (ii) for consolidation or serialization purposes, (iii) for transfers to a Guaranty Agency, (iv) for transfers to a Servicer pursuant to its repurchase obligation under the applicable Servicing Agreement or for transfers to a Servicer or third party, as applicable, pursuant to its repurchase obligation under the applicable

Servicing Agreement and/or Origination Agreement, (v) for transfers to a Seller pursuant to its repurchase obligation under its Student Loan Purchase Agreement, (vi) for transfers to the Authority pursuant to its repurchase obligation pursuant to Section 3.02(a) hereof and Section 4.07(e) hereof, or (vii) as set forth in the following sentence, Financed Eligible Loans shall not be sold, transferred or otherwise disposed of by the Authority while any of the Notes are Outstanding. If necessary for administrative purposes, the Authority may sell Financed Eligible Loans free from the lien of this Indenture, so long as the sale price for any Financed Eligible Loan is not less than the Purchase Amount of such Financed Eligible Loan and the collective aggregate principal balance of all such sales does not exceed \$9,000,000.00, and the Authority hereby certifies the same to the Trustee, upon which the Trustee may conclusively rely.

Section 5.03. Capitalized Interest Fund. Pursuant to Section 2.12 hereof, on the Date of Issuance, there shall be deposited into the Capitalized Interest Fund an amount equal to \$1,944,584.

On each Monthly Servicing Fee Payment Date, Monthly Administration Fee Payment Date or Quarterly Distribution Date, to the extent there are insufficient Available Funds in the Collection Fund to make one or more of the transfers required by Sections 5.04(b) (other than transfers to repurchase Eligible Loans from any Servicer or any Guaranty Agency as described in clause (a)(i) of the definition of Available Funds) and 5.04(c)(i) through (v) hereof, the Trustee, upon receipt of an Authority Order directing the same, shall withdraw from the Capitalized Interest Fund on such Monthly Servicing Fee Payment Date, Monthly Administration Fee Payment Date or Quarterly Distribution Date, as applicable, an amount equal to such deficiency and deposit such amount in the Collection Fund. On the August 2011 Quarterly Distribution Date, any amounts remaining in the Capitalized Interest Fund shall be transferred by the Trustee to the Collection Fund.

Section 5.04. Collection Fund.

(a) *Deposits to Collection Fund.* There shall be deposited to the Collection Fund (i) on the Date of Issuance, pursuant to Section 2.12 hereof, an amount equal to \$1,600,000, (ii) all Available Funds and all other moneys and investments derived from assets on deposit in and transfers from the Capitalized Interest Fund (as described in Section 5.03 hereof), the Acquisition Fund (as described in Section 5.02 hereof), the Reserve Fund (as described in Section 5.05 hereof) and the Department Rebate Fund (as described in Section 5.06 hereof), (iii) amounts deposited pursuant to Sections 10.03 and 10.04 hereof, (iv) amounts received under any Joint Sharing Agreement and (v) any other amounts deposited thereto upon receipt of deposit instructions from the Authority. Moneys on deposit in the Collection Fund shall be used to make the payments described in this Section 5.04. The Trustee may conclusively rely on all written instructions of the Authority described in this Indenture with no further duty to examine or determine the information provided by the Authority for the Monthly Servicing and Administration Payment Date Certificate, the Quarterly Distribution Date Certificate, and any Authority Order.

(b) *Payments on Dates other than Quarterly Distribution Dates.*

(i) Servicing Fees. The Authority shall instruct the Trustee in writing no later than the Determination Date for the Monthly Servicing Fee Payment Date (by delivering the information contained in a certificate of the Authority in substantially the form set forth as Exhibit B-1 hereto (the “Monthly Servicing and Administration Payment Date Certificate”)) to distribute to the Administrator on such Monthly Servicing Fee Payment Date, from and to the extent of the Available Funds on deposit in the Collection Fund (including any amounts transferred from the Capitalized Interest Fund pursuant to Section 5.03 hereof, the Acquisition Fund pursuant to Section 5.02 hereof and the Reserve Fund pursuant to Section 5.05(b) and (c) hereof), the Servicing Fees due with respect to the preceding calendar month, which shall be an amount equal to one-twelfth of the Servicing Fee, and the Trustee shall comply with such instructions.

(ii) Administration Fees. The Authority shall instruct the Trustee in writing no later than the Determination Date for the Monthly Administration Fee Payment Date (by delivering the information contained in the Monthly Servicing and Administration Payment Date Certificate) to distribute to the Administrator on such Monthly Administration Fee Payment Date, from and to the extent of the Available Funds on deposit in the Collection Fund (including any amounts transferred from the Capitalized Interest Fund pursuant to Section 5.03 hereof, the Acquisition Fund pursuant to Section 5.02 hereof and the Reserve Fund pursuant to Section 5.05(b) and (c) hereof), the Administration Fees due with respect to the preceding calendar month, which shall be an amount equal to one-twelfth of the Administration Fee, and the Trustee shall comply with such instructions.

(iii) Transfers to Department Rebate Fund. In accordance with Section 5.06 hereof, the Authority shall instruct the Trustee in writing on a monthly basis not later than the 10th calendar day of each month to withdraw from the Collection Fund and deposit to the Department Rebate Fund the amount necessary to bring the balance of the Department Rebate Fund to the expected Department Rebate Interest Amount for such date, and the Trustee shall comply with such instructions.

(iv) Monthly Rebate Fees. Upon written direction from the Authority to the Trustee, moneys in the Collection Account shall be used on any date to pay, when due, Monthly Rebate Fees.

(v) Other Fees, Expenses and Amounts. Upon written direction from the Authority to the Trustee, moneys in the Collection Fund shall be used on any date to pay, when due, fees and expenses insofar as the same relate to Financed Eligible Loans, to repurchase Eligible Loans as described in clause (a)(i) of the definition of Available Funds, and to pay other fees and expenses with respect to the Trust Estate the payment of which is not otherwise provided for in subsection (c) of this Section, including, without limitation, amounts described in clause (a)(ii) of the definition of Available Funds.

(c) *Payments on Quarterly Distribution Dates.* The Authority shall instruct the Trustee in writing no later than the Determination Date preceding each Quarterly Distribution Date (based on the information contained in a certificate of the Authority in the form set forth as Exhibit B-2-A hereto) to make the following deposits and distributions from the Available Funds in the Collection Fund received during the immediately preceding Collection Period (including any amounts transferred from the Capitalized Interest Fund pursuant to Section 5.03 hereof, the Acquisition Fund pursuant to Section 5.02 hereof and the Reserve Fund pursuant to Section 5.05(b) and (c) hereof) to the Persons or to the account specified below on such Quarterly Distribution Date, in the following order of priority, and the Trustee shall comply with such instructions, provided, however, that if the Available Funds received during the immediately preceding Collection Period are not sufficient to make the payments or deposits required pursuant to clauses (i) through (v) of this subsection (c), then, after any required transfers from the Capitalized Interest Fund pursuant to Section 5.03 hereof, the Acquisition Fund pursuant to Section 5.02 hereof and the Reserve Fund pursuant to Section 5.05(b) and (c) hereof, any other Available Funds on deposit in the Collection Fund, which the Authority would have deemed Available Funds for the current Collection Period, may be used to make the payments or deposits required pursuant to clauses (i) through (v) of this subsection (c):

(i) to make any payments required under any applicable Joint Sharing Agreement;

(ii) to pay to the Trustee, the Trustee Fee due on such Quarterly Distribution Date, together with such fees remaining unpaid from prior Quarterly Distribution Dates;

(iii) to pay to the Administrator, the Servicing Fee (to the extent remaining unpaid following the Monthly Servicing Fee Payment Date) on such Quarterly Distribution Date, together with Servicing Fees remaining unpaid from prior Monthly Servicing Fee Payment Dates, but as limited by Section 5.04(b)(i) hereof;

(iv) to pay to the Administrator, the Administration Fee (to the extent remaining unpaid following the Monthly Administration Fee Payment Date) on such Quarterly Distribution Date, together with Administration Fees remaining unpaid from prior Monthly Administration Fee Payment Dates, but as limited by Section 5.04(b)(ii) hereof;

(v) to pay to the Class A Noteholders of each Class of the Class A Notes the portion of the Class A Noteholders' Interest Distribution Amount payable to such Class on such Quarterly Distribution Date, pro rata, if not sufficient to pay in full, based on amounts owed to each such party, without preference or priority of any kind;

(vi) to deposit to the Reserve Fund, the amount, if any, necessary to reinstate the balance of the Reserve Fund up to the Specified Reserve Fund Balance;

(vii) to the applicable Noteholders, the Principal Distribution Amount in the following order:

(A) to pay to the Class A-1 Noteholders until the Class A-1 Notes have been paid in full; and

(B) to pay to the Class A-2 Noteholders until the Class A-2 Notes have been paid in full;

(viii) to pay to the Administrator, the aggregate unpaid amount of any Carryover Administration and Servicing Fees; and

(ix) to the Class A-1 Noteholders to pay additional principal on the Class A-1 Notes, to the extent Outstanding and until the principal amount of the Class A-1 Notes is paid in full, and then to the Class A-2 Noteholders to pay additional principal on the Class A-2 Notes, to the extent Outstanding and until the principal amount of the Class A-2 Notes is paid in full.

The Authority shall, or shall direct the Trustee to, notify the Rating Agencies by forwarding a copy of Exhibit B-2-B hereto if the Available Funds received during the immediately preceding Collection Period are not sufficient to make the payments or deposits required pursuant to clauses (i) through (v) of this subsection (c), after any required transfers from the Capitalized Interest Fund, the Acquisition Fund and the Reserve Fund, and such payments or deposits were made with other Available Funds on deposit in the Collection Fund from the current Collection Period.

Subject to the provisions of Sections 7.05 and 7.07 hereof, the Authority hereby certifies that the amounts paid to the Trustee pursuant to clause (ii) of this subsection (c) and the Administration Fee and Servicing Fee paid to the Administrator pursuant to clause (iii) and (iv) of this subsection (c), respectively, shall not in any one Fiscal Year exceed the amount or percentage designated therefor in the cash flows provided to each Rating Agency on the Date of Issuance, unless the Authority, after furnishing each Rating Agency with revised cash flows, shall have received a Rating Confirmation. The Administrator shall pay all Servicing Fees when due to the parties entitled thereto under any third party Servicing Agreement.

(d) *Optional Redemption From Sale of Financed Eligible Loans.* The Notes shall be subject to redemption from the proceeds of a sale of Financed Eligible Loans in accordance with Section 10.03 or 10.04 hereof on any Quarterly Distribution Date, at a redemption price equal to the Outstanding Amount thereof, plus accrued interest, if any.

Section 5.05. Reserve Fund.

(a) On the Date of Issuance, pursuant to Section 2.12 hereof, the Trustee shall deposit \$484,209 into the Reserve Fund. Thereafter, the Trustee shall transfer to the Reserve Fund from the Collection Fund all amounts designated for transfer thereto pursuant to Section 5.04(c)(vi) hereof.

(b) On each Monthly Servicing Fee Payment Date, Monthly Administration Fee Payment Date or Quarterly Distribution Date, to the extent there are insufficient Available Funds in the Collection Fund to make one or more of the transfers required by Sections 5.04(b) (other than transfers to repurchase Eligible Loans from any Servicer or any Guaranty Agency as described in clause(a)(i) of the definition of Available Funds) and 5.04(c)(i) through (c)(v) hereof and to the extent moneys are not available to make such transfers from the Capitalized Interest Fund pursuant to Section 5.03 hereof and the Acquisition Fund pursuant to Section 5.02 hereof, the Trustee shall, pursuant to an Authority Order directing the same, withdraw from the Reserve Fund on such Monthly Servicing Fee Payment Date, Monthly Administration Fee Payment Date or Quarterly Distribution Date, an amount equal to such deficiency and deposit such amount in the Collection Fund. Additionally, if on the Note Final Maturity Date for a Class of Notes the principal amount of such Class of Notes will not be reduced to zero after giving effect to the distribution of the Available Funds on such Note Final Maturity Date, the Authority shall instruct the Trustee pursuant to an Authority Order to withdraw from the Reserve Fund on such Note Final Maturity Date an amount equal to the amount needed to reduce the principal amount of such Class of Notes to zero and to deposit such amount in the Collection Fund for application to payment of the Outstanding Amount of such Class of Notes.

(c) After giving effect to subsection (b) of this Section, if the amount on deposit in the Reserve Fund on any Quarterly Distribution Date is greater than the Specified Reserve Fund Balance for such Quarterly Distribution Date, the Authority shall instruct the Trustee pursuant to an Authority Order to withdraw from the Reserve Fund on such Quarterly Distribution Date an amount equal to such excess and to deposit such amount in the Collection Fund.

(d) On the final Quarterly Distribution Date, upon termination of the trust and following the payment in full of the Outstanding Amount of the Notes and of all other amounts (other than unpaid Carryover Administration and Servicing Fees) owing or to be distributed hereunder to Noteholders, the Trustee, the Administrator, or the Authority, to the extent that Available Funds on such date are insufficient to make the following payments, amounts remaining in the Reserve Fund shall be used to pay any unpaid Carryover Administration and Servicing Fees. Any amount remaining on deposit in the Reserve Fund after all amounts owing or to be distributed as set forth above shall have been made shall be distributed to the Authority. The Authority shall in no event be required to refund any amounts properly distributed pursuant to this subsection (d).

(e) Anything in this Section to the contrary notwithstanding, if the market value of securities and cash in the Reserve Fund is on any Quarterly Distribution Date sufficient to pay the remaining principal amount of and interest accrued on the Notes and to pay any unpaid Carryover Administration and Servicing Fees, such amount will be so

applied on such Quarterly Distribution Date and the Authority shall instruct the Trustee in writing to make such payments.

Section 5.06. Department Rebate Fund. On or before the 10th calendar day of each month (or, if such date is not a Business Day, the next Business Day), the Authority shall instruct the Trustee to deposit into the Department Rebate Fund from the Collection Fund pursuant to Section 5.04(b) hereof the amount necessary to bring the balance of the Department Rebate Fund to the expected Department Rebate Interest Amount for such date. Upon written instructions from the Authority to the Trustee, the Trustee shall (i) pay to the Department an amount equal to the Department Rebate Interest Amount due on each Department Rebate Payment Date, *first*, from amounts on deposit in the Department Rebate Fund and, *second*, from the Collection Fund pursuant to Section 5.04(b) hereof or (ii) if the Department has deducted the Department Rebate Interest Amount from Interest Benefit Payments or Special Allowance Payments due to the Authority, transfer the amounts on deposit in the Department Rebate Fund to the Collection Fund.

Section 5.07. Investment of Funds Held by Trustee. The Trustee shall invest money held for the credit of any Fund or Account or Subaccount by the Trustee hereunder as directed in writing by an Authorized Representative of the Authority, to the fullest extent practicable and reasonable, in Investment Securities which shall mature or be redeemed at the option of the holder, without penalty, prior to the respective dates when the money held for the credit of such Fund or Account will be required for the purposes intended, but in no event later than the next Quarterly Distribution Date. In the absence of any such direction and to the extent practicable, the Trustee shall invest amounts held hereunder in those Investment Securities described in clause (i) of the definition of the Investment Securities. All such investments shall be held by (or by any custodian on behalf of) the Trustee for the benefit of the Authority; provided that, on the Business Day preceding each Quarterly Distribution Date, all interest and other investment income collected (net of losses and investment expenses) on funds on deposit in any Fund or Account or Subaccount shall be deposited into the Collection Fund and shall be deemed to constitute a portion of the Available Funds. The Trustee and the Authority hereby agree that unless an Event of Default shall have occurred hereunder, the Authority acting by and through an Authorized Representative shall be entitled to, and shall, provide written direction to the Trustee with respect to any discretionary acts required or permitted of the Trustee under any Investment Securities and the Trustee shall not take such discretionary acts without such written direction.

The Investment Securities purchased shall be held by the Trustee and shall be deemed at all times to be part of such Fund or Account or Subaccounts or combination thereof, and the Trustee shall inform the Authority of the details of all such investments. Upon direction in writing from an Authorized Representative of the Authority, the Trustee shall sell on a best efforts basis, or present for redemption, any Investment Securities purchased by it as an investment whenever it shall be necessary to provide money to meet any payment from the applicable Fund. The Trustee shall advise the Authority in writing, on or before the fifteenth day of each calendar month (or such later date as reasonably consented to by the Authority), of all investments held for the credit of each Fund in its custody under the provisions of this Indenture as of the end of the preceding month and the value thereof, and shall list any investments which were sold or liquidated for less than the par value thereof, plus accrued but unpaid interest at the time thereof.

Money in any Fund constituting a part of the Trust Estate may be pooled for the purpose of making investments and may be used to pay accrued interest on Investment Securities purchased. The Trustee and its affiliates may act as principal or agent in the acquisition or disposition of any Investment Securities.

Notwithstanding the foregoing, the Trustee shall not be responsible or liable for any losses on either principal or interest on investments made by it hereunder or for keeping all Funds held by it, fully invested at all times, its only responsibility being to comply with the investment instructions of the Authority or its designee in a non-negligent manner.

The Authority acknowledges that to the extent the regulations of the Comptroller of the Currency or other applicable regulatory agency grant the Authority the right to receive brokerage confirmations of security transactions, the Authority waives receipt of such confirmations.

Section 5.08. Release.

(a) The Trustee shall, upon Authority Order and subject to the provisions of this Indenture, take all actions reasonably necessary to effect the release of any Financed Eligible Loans from the lien of this Indenture to the extent the terms hereof permit the sale, disposition or transfer of such Financed Eligible Loans.

(b) Subject to the payment of its fees and expenses pursuant to Sections 7.05 and 7.07 hereof, the Trustee may, and when required by the provisions of this Indenture shall, execute instruments to release property from the lien of this Indenture, or convey the Trustee's interest in the same, in a manner and under circumstances that are not inconsistent with the provisions of this Indenture. No party relying upon an instrument executed by the Trustee as provided in this Article shall be bound to ascertain the Trustee's authority, inquire into the satisfaction of any conditions precedent or see to the application of any moneys.

(c) The Trustee shall, at such time as there are no Notes Outstanding and all sums due the Trustee pursuant to Sections 7.05 and 7.07 hereof and all amounts payable to each Servicer and the Authority have been paid, release any remaining portion of the Trust Estate that secured the Notes from the lien of this Indenture and release to the Authority or any other Person entitled thereto any funds then on deposit in the Funds and Accounts.

(d) Subject to the provisions of this Indenture, the Trustee shall release property from the lien of this Indenture only upon receipt of an Authority Order and an Opinion of Counsel (from counsel selected by the Authority) that such release is permitted hereunder.

(e) Each Registered Owner, by the acceptance of a Note, acknowledges that, from time to time, the Trustee shall release the lien of this Indenture on any Financed Eligible Loan to be sold or transferred pursuant to Section 5.02 hereof, and each Registered Owner, by the acceptance of a Note, consents to any such release.

ARTICLE VI

DEFAULTS AND REMEDIES

Section 6.01. Events of Default Defined. For the purpose of this Indenture, the following events are hereby defined as, and are declared to be, “Events of Default”:

- (a) default in the due and punctual payment of any interest on any Note when the same becomes due and payable, and such default shall continue for a period of five (5) days;
- (b) default in the due and punctual payment of the principal of any Note when the same becomes due and payable on the related Note Final Maturity Date;
- (c) default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Authority to be kept, observed and performed contained in this Indenture or in the Notes, and continuation of such default for a period of 90 days after written notice thereof by the Trustee to the Authority; and
- (d) the occurrence of an Event of Bankruptcy.

Any notice herein provided to be given to the Authority with respect to any default shall be deemed sufficiently given if sent by registered mail with postage prepaid to the Person to be notified, addressed to such Person at the post office address as shown in Section 9.01 hereof or such other address as may hereafter be given as the Principal Office of the Authority in writing to the Trustee by an Authorized Representative. The Trustee may give any such notice in its discretion and shall give such notice if requested to do so in writing by the Registered Owners of at least a majority in aggregate principal amount of the Notes at the time Outstanding.

Section 6.02. Remedy on Default; Possession of Trust Estate. Subject to Sections 6.08, 7.05 and 7.07 hereof, upon the happening and continuance of any Event of Default, the Trustee, or the attorneys or agents of the Trustee, may, and at the written direction of the Registered Owners representing not less than a majority in aggregate principal amount of the Outstanding Notes shall, enter into and upon and take possession of such portion of the Trust Estate as shall be in the custody of others, and all property comprising the Trust Estate, and each and every part thereof; exclude the Authority and its agents, servants and employees wholly therefrom; and have, hold, use, operate, manage, and control the same and each and every part thereof; in the name of the Authority or otherwise, as they shall deem best, conduct the business thereof and exercise the privileges pertaining thereto and all the rights and powers of the Authority and use all of the then existing Trust Estate for that purpose; and collect and receive all charges, income and Available Funds of the same and of every part thereof, and, after deducting therefrom all expenses incurred hereunder, all other proper outlays herein authorized, and all payments which may be made as just and reasonable compensation for its own services and for the services of its attorneys, agents, and assistants, the Trustee shall apply the rest and residue of the money received by the Trustee as follows:

FIRST, to the Department, any Department Rebate Interest Amount and Monthly Rebate Fee due and owing;

SECOND, to the Trustee and any third party agent appointed hereunder, any Trustee Fee due and owing;

THIRD, to the Servicers, any Servicing Fees due and remaining unpaid;

FOURTH, to the Class A Noteholders of each Class for amounts due and unpaid on each such Class of Class A Notes for interest, ratably, without preference or priority of any kind, according to the amounts due and payable on each such Class of Class A Notes for such interest;

FIFTH, to the Class A Noteholders for amounts due and unpaid on the Class A Notes for principal, ratably, without preference or priority of any kind, according to the amounts due and payable on the Class A Notes for principal;

SIXTH, to each Servicer, for any Servicing Fees unpaid by the Administrator as Servicing Fees constituting part of Carryover Administration and Servicing Fees; and

SEVENTH, to the Authority.

The Trustee may fix a record date and payment date for any payment to Registered Owners pursuant to this Section. At least 15 days before such record date, the Trustee shall mail to each Registered Owner and the Authority a notice that states the record date, the payment date and the amount to be paid.

Section 6.03. Remedies on Default; Advice of Counsel. Upon the happening of any Event of Default, the Trustee may proceed to protect and enforce the rights of the Trustee and the Registered Owners in such manner as counsel for the Trustee may advise, whether for the specific performance of any covenant, condition, agreement or undertaking herein contained, or in aid of the execution of any power herein granted, or for the enforcement of such other appropriate legal or equitable remedies as, in the opinion of such counsel, may be more effectual to protect and enforce the rights aforesaid.

Section 6.04. Remedies on Default; Sale of Trust Estate. Upon the happening of any Event of Default and if the principal of all of the Outstanding Notes shall have been declared due and payable, then and in every such case, and irrespective of whether other remedies authorized shall have been pursued in whole or in part, the Trustee may, and if directed by the Registered Owners representing not less than a majority in aggregate principal amount of the Outstanding Notes shall, sell, with or without entry, to the highest bidder the Trust Estate, and all right, title, interest, claim and demand thereto and the right of redemption thereof, at any such place or places, and at such time or times and upon such notice and terms as may be required by law. Upon such sale the Trustee may make and deliver to the purchaser or purchasers a good and sufficient assignment or conveyance for the same, which sale shall be a perpetual bar both at law and in equity against the Authority and all Persons claiming such properties. No purchaser at any sale shall be bound to see to the application of the purchase money or to inquire as to the authorization, necessity, expediency or regularity of any such sale. The Trustee is hereby irrevocably appointed the true and lawful attorney-in-fact of the Authority, in its name and stead, to make and execute all bills of sale, instruments of assignment and transfer and such other documents of transfer as may be necessary or advisable in connection with a sale of all or part of

the Trust Estate, but the Authority, if so requested by the Trustee or the Registered Owners representing not less than a majority in aggregate principal amount of the Outstanding Notes, shall ratify and confirm any sale or sales by executing and delivering to the Trustee or to such purchaser or purchasers all such instruments as may be necessary, or in the judgment of the Trustee, proper for the purpose which may be designated in such request. In addition, the Trustee may proceed to protect and enforce the rights of the Trustee and the Registered Owners of the Notes in such manner as counsel for the Trustee may advise, whether for the specific performance of any covenant, condition, agreement or undertaking herein contained, or in aid of the execution of any power herein 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 shall take any such action or actions if requested to do so in writing by the Registered Owners of at least a majority of the principal amount of the Notes at the time Outstanding.

Notwithstanding the foregoing, the Trustee is prohibited from selling the Financed Eligible Loans following an Event of Default (whether or not the principal of all Outstanding Notes shall have been declared due and payable), other than a default in the payment of any principal or interest on any Note, unless:

- (a) The Registered Owners of all of the Notes at the time Outstanding consent to such a sale;
- (b) The proceeds of such a sale will be sufficient to discharge all the Outstanding Notes pursuant to Article X hereof at the date of such a sale; or
- (c) The Authority or the Administrator determines that the collections on the Financed Eligible Loans would not be sufficient on an ongoing basis to make all payments on such Notes as such payments would have become due if such Notes 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 Notes at the time Outstanding.

Section 6.05. Appointment of Receiver. In case an Event of Default occurs, and if all of the Outstanding Notes shall have been declared due and payable and in case any judicial proceedings are commenced to enforce any right of the Trustee or of the Registered Owners under this Indenture or otherwise, then as a matter of right, the Trustee shall be entitled to the appointment of a receiver of the Trust Estate and of the earnings, income or revenue, rents, issues and profits thereof with such powers as the court making such appointments may confer.

Section 6.06. Restoration of Position. In case the Trustee shall have proceeded to enforce any rights under this Indenture by sale or otherwise, and such proceedings shall have been discontinued, or shall have been determined adversely to the Trustee, then and in every such case to the extent not inconsistent with such adverse decree, the Authority, the Trustee and the Registered Owners shall be restored to their former respective positions and the rights hereunder in respect to the Trust Estate, and all rights, remedies and powers of the Trustee and of the Registered Owners shall continue as though no such proceeding had been taken.

Section 6.07. Application of Sale Proceeds. The proceeds of any sale of the Trust Estate, together with any funds at the time held by the Trustee and not otherwise appropriated, shall be applied by the Trustee as set forth in Section 6.02 hereof, and then to the Authority or whomsoever shall be lawfully entitled thereto.

Section 6.08. Acceleration of Maturity; Rescission and Annulment. If an Event of Default should occur and be continuing, then and in every such case the Trustee or the Registered Owners of Notes representing not less than a majority in aggregate principal amount of the Outstanding Notes may declare all the Outstanding Notes to be immediately due and payable, by a notice in writing to the Authority (and to the Trustee if given by the Registered Owners), and upon any such declaration the unpaid principal amount of such Outstanding Notes, together with accrued and unpaid interest thereon through the date of acceleration, shall become immediately due and payable, subject, however, to Section 6.04 hereof.

At any time after such declaration of acceleration of maturity has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Registered Owners of Notes representing a majority in aggregate principal amount of the Notes then Outstanding, by written notice to the Authority and the Trustee, may rescind and annul such declaration and its consequences if:

- (a) the Authority has paid or deposited with the Trustee a sum sufficient to pay:
 - (i) all payments of principal of and interest on all Notes and all other amounts that would then be due hereunder or upon such Notes if the Event of Default giving rise to such acceleration had not occurred; and
 - (ii) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, any Servicer and their agents and counsel; and
- (b) all Events of Default, other than the nonpayment of the principal of the Notes that has become due solely by such acceleration, have been cured or waived as provided in Section 6.14 hereof.

No such rescission shall affect any subsequent default or impair any right consequent thereto.

Section 6.09. Remedies Not Exclusive. The remedies herein conferred upon or reserved to the Trustee or the Registered Owners of Notes are not intended to be exclusive of any other remedy, but each remedy herein provided shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, and every power and remedy hereby given to the Trustee or to the Registered Owners of Notes, or any supplement hereto, may be exercised from time to time as often as may be deemed expedient. No delay or omission of the Trustee or of any Registered Owner of Notes to exercise any power or right arising from any default hereunder shall impair any such right or power or shall be construed to be a waiver of any such default or to be acquiescence therein.

Section 6.10. Collection of Indebtedness and Suits For Enforcement by Trustee.

The Authority covenants that if:

(a) default is made in the payment of any installment of interest, if any, on any Notes when such interest becomes due and payable and such default continues for a period of five (5) days; or

(b) default is made in the payment of the principal of any Notes at their Note Final Maturity Date,

then the Authority will, upon demand of the Trustee, but solely from the Trust Estate per Section 9.14 hereof, pay to the Trustee, for the benefit of the Registered Owners, the whole amount then due and payable on such Notes for principal and interest, with interest upon any overdue principal and, to the extent that payment of such interest shall be legally enforceable, upon any overdue installments of interest, if any, at the rate or rates borne by or provided for in such Notes, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, fees, expenses, disbursements and advances of the Trustee and its agents and counsel.

Subject to Section 9.14 hereof, if the Authority fails to pay such amounts forthwith upon such demand, the Trustee, in its own name may upon receiving indemnification satisfactory to the Trustee institute a judicial proceeding for the collection of the sums so due and unpaid, may prosecute such proceeding to judgment or final decree, and may enforce the same against the Authority or any other obligor upon such Notes of such Class and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Authority or any other obligor upon such Notes, wherever situated.

If an Event of Default with respect to the Notes occurs and is continuing, the Trustee may, after being indemnified to its satisfaction and in its discretion, proceed to protect and enforce its rights and the rights of the Registered Owners of Notes by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

Section 6.11. Direction of Trustee. Upon the happening of any Event of Default, the Registered Owners of a majority in aggregate principal amount of the Notes then Outstanding, shall have the right by an instrument or instruments in writing delivered to the Trustee 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 hereof to be so taken or to be discontinued or delayed. The provisions of this Section shall be expressly subject to the provisions of Sections 7.01(c), 7.05 and 7.07 hereof.

Section 6.12. Right To Enforce in Trustee. No Registered Owner of any Note shall have any right as such Registered Owner to institute any suit, action or proceedings for the enforcement of the provisions of this Indenture or for the execution of any trust hereunder or for the appointment of a receiver or for any other remedy hereunder, all rights of action hereunder

being vested exclusively in the Trustee, unless and until such Registered Owner shall have previously given to the Trustee written notice of a default hereunder, and of the continuance thereof, and also unless the Registered Owners of the requisite principal amount of the Notes then Outstanding shall have made written request upon the Trustee and the Trustee shall have been afforded reasonable opportunity to institute such action, suit or proceeding in its own name, and unless the Trustee shall have been offered indemnity and security satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, which offer of indemnity shall be an express condition precedent hereunder to any obligation of the Trustee to take any such action hereunder, and the Trustee for 30 days after receipt of such notification, request and offer of indemnity, shall have failed to institute any such action, suit or proceeding. It is understood and intended that no one or more Registered Owners of the Notes shall have the right in any manner whatever by his or their action to affect, disturb or prejudice the lien of this Indenture or to enforce any right hereunder except in the manner herein provided and for the equal benefit of the Registered Owners of not less than a majority of the collective aggregate principal amount of the Notes then Outstanding.

Section 6.13. Physical Possession of Notes Not Required. In any suit or action by the Trustee arising under this Indenture or on all or any of the Notes issued hereunder, or any supplement hereto, the Trustee shall not be required to produce such Notes, but shall be entitled in all things to maintain such suit or action without their production.

Section 6.14. Waivers of Events of Default. The Trustee shall waive any Event of Default hereunder and its consequences and rescind any declaration of acceleration of Notes only upon the written request of the Registered Owners of at least a majority in aggregate principal amount of the Notes then Outstanding; provided, however, that there shall not be waived (a) any Event of Default in the payment of the principal of any Outstanding Notes at the date of maturity thereof or any default in the payment when due of the interest on any such Notes, unless prior to such waiver or rescission, all arrears of interest or all arrears of payments of principal and all expenses of the Trustee, in connection with such default, shall have been paid or provided for; or (b) any default in the payment of amounts set forth in Sections 7.05 and 7.07 hereof. In case of any such waiver or rescission, or in case any proceedings taken by the Trustee on account of any such default shall have been discontinued or abandoned or determined adversely to the Trustee, then and in every such case the Authority, the Trustee and the Registered Owners of Notes shall be restored to their former positions and rights hereunder respectively, but no such waiver or rescission shall extend to or affect any subsequent or other default, or impair any rights or remedies consequent thereon. The Trustee shall give written notice to each Rating Agency of any waiver of an Event of Default pursuant to this Section.

ARTICLE VII

THE TRUSTEE

Section 7.01. Acceptance of Trust. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following terms and conditions:

- (a) Except during the continuance of an Event of Default,

(i) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee 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 this Indenture; but in the case of any such certificates or opinions which by any provisions hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform as to form with the requirements of this Indenture and whether or not they contain the statements required under this Indenture.

(b) In case an Event of Default has occurred and is continuing, the Trustee, in exercising the rights and powers vested in it by this Indenture, shall 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.

(c) Before taking any action hereunder 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 payment of all expenses to which it may be put and to protect it against all liability.

(d) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(i) this subsection shall not be construed to limit the effect of subsection (a) of this Section;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by an employee or officer of the Trustee with responsibility for administering this Indenture, unless it shall be proven that the Trustee was negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Registered Owners of a majority in aggregate principal amount of the Outstanding Notes, 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 this Indenture with respect to the Notes; and

(iv) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(e) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

Section 7.02. Recitals of Others. The recitals, statements and representations set forth herein and in the Notes shall be taken as the statements of the Authority, and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the title of the Authority in the Trust Estate or as to the security afforded thereby and hereby, or as to the validity or sufficiency of this Indenture or of the Notes issued hereunder, and the Trustee shall incur no responsibility in respect of such matters.

Section 7.03. As To Filing of Indenture. The Trustee shall be under no duty (a) to file or record, or cause to be filed or recorded, this Indenture or any instrument supplemental hereto, (b) to procure any further order or additional instruments of further assurance, (c) to see to the delivery to it of any personal property intended to be mortgaged or pledged hereunder or thereunder, (d) to do any act which may be suitable to be done for the better maintenance of the lien or security hereof (other than the filing of any continuation (but not initial) statements), or (e) to give notice of the existence of such lien, or for extending or supplementing the same or to see that any rights to the Trust Estate and Funds intended now or hereafter to be transferred in trust hereunder are subject to the lien hereof. The Trustee shall not be liable for failure of the Authority to pay any tax or taxes in respect of such property, or any part thereof, or the income therefrom or otherwise, nor shall the Trustee be under any duty in respect of any tax which may be assessed against it or the Registered Owners in respect of such property or pledged to the Trust Estate. The Trustee agrees to prepare, request that the Authority execute (if such execution is necessary for any such filing) and the Trustee shall file in a timely manner (if received from the Authority in a timely manner) with any necessary execution by the Authority, the continuation statements referred to herein; provided, that the Trustee shall have no responsibility for the sufficiency, adequacy or priority of any initial filing and in the absence of written notice to the contrary by the Authority or other Authorized Representative, may rely and shall be protected in relying on all information and exhibits in such initial filings for the purposes of any continuation statements. The Authority agrees to pay the fees and expenses of third party agents engaged to complete and file continuation statements, financing statements and any related documents.

Section 7.04. Trustee May Act Through Agents. The Trustee may execute any of the trusts or powers hereof and perform any duty hereunder, either itself or by or through its attorneys, agents or employees, and it shall 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. All reasonable costs incurred by the Trustee and its agents or attorneys and all reasonable compensation to all such persons as may reasonably be employed in connection with the trusts hereof shall be paid by the Authority.

Section 7.05. Indemnification of Trustee. Other than with respect to its duties to make payment on the Notes when due and its duty to pursue the remedy of acceleration as provided respectively in Sections 6.02 and 6.08 hereof, for each of which no additional security or indemnity may be required, the Trustee shall be under no obligation or duty to perform any act at the request of Registered Owners or to institute or defend any suit in respect thereof unless

properly indemnified and provided with security to its satisfaction as provided in Section 7.01(c) hereof. The Trustee shall not be required to take notice, or be deemed to have knowledge, of any default or Event of Default of the Authority hereunder and may conclusively assume that there has been no such default or Event of Default (other than an Event of Default described in Section 6.01(a) or (b) hereof) unless and until it shall have been specifically notified in writing at the address in Section 9.01 hereof of such default or Event of Default by (a) the Registered Owners of the required percentages in principal amount of the Notes then Outstanding hereinabove specified or (b) an Authorized Representative. However, the Trustee may begin suit, or appear in and defend suit, execute any of the trusts hereby created, enforce any of its rights or powers hereunder, or do anything else in its judgment proper to be done by it as Trustee, with or without assurance of reimbursement or indemnity, and in such case the Trustee shall be promptly reimbursed or indemnified by the Registered Owners requesting such action, if any, or the Authority in all other cases, for all reasonable and documented fees, expenses, liabilities, outlays, agents' fees and counsel fees and other reasonable disbursements properly incurred in connection therewith, unless such reasonably documented fees, expenses, liabilities, outlays and attorneys' fees and other reasonable disbursements properly incurred in connection therewith are adjudicated to have resulted from the negligence or willful misconduct of the Trustee. In furtherance and not in limitation of this Section, the Trustee shall not be liable for, and shall be held harmless by the Authority from, following any Authority Orders, instructions or other directions upon which the Trustee is authorized to rely pursuant to this Indenture or any other agreement to which it is a party. If the Authority or the Registered Owners, as appropriate, shall fail to make such reimbursement or indemnification, the Trustee may reimburse itself from any money in its possession under the provisions of this Indenture, subject only to the prior lien of the Notes for the payment of the principal thereof and interest thereon from the Collection Fund. None of the provisions contained in this Indenture or any other agreement to which it is a party shall require the Trustee to act or to expend or risk its own funds or otherwise incur individual financial liability in the performance of any of its duties or in the exercise of any of its rights or powers if the Registered Owners shall not have offered security and indemnity acceptable to it.

The Authority agrees to indemnify the Trustee for, and to hold it and its agents, directors and employees harmless against, any loss, liability, fees or expenses incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder, including the costs and expenses of defending itself or its agents, directors and employees against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder arising from the Trust Estate. The Authority agrees to indemnify and hold harmless the Trustee and its agents, directors and employees against any and all claims, demands, suits, actions or other proceedings and all liabilities, costs and expenses whatsoever caused by any untrue statement or misleading statement or alleged untrue statement or alleged misleading statement of a material fact contained in any offering document distributed in connection with the issuance of the Notes or caused by any omission or alleged omission from such offering document of any material fact required to be stated therein or necessary in order to make the statements made therein in the light of the circumstances under which they were made, not misleading. The provisions of this Section shall survive the Trustee's resignation or removal.

Section 7.06. Trustee's Right to Reliance.

(a) The Trustee shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, appraisal, opinion, or document of the Authority 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), and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered, and in respect of any determination made by it hereunder in good faith and in accordance with the opinion of such counsel.

(b) Whenever in the administration hereof the Trustee shall reasonably deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, conclusively rely upon a certificate signed by an Authorized Representative or an authorized officer of a Servicer.

(c) The Trustee shall 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 hereby; provided, however, that the Trustee shall be liable for its negligence or willful misconduct in taking such action, subject to Section 7.01(d) hereof.

(d) 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 this Indenture. The Trustee shall not be liable with respect to any action taken, suffered or omitted to be taken in good faith in accordance with this Indenture or any other transaction document or at the written direction of the Registered Owners evidencing the appropriate percentage of the aggregate principal amount of the Outstanding Notes 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 this Indenture or any other transaction document.

(e) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Authority, personally or by agent or attorney at the sole costs of the Authority and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation.

(f) In no event shall the Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage 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 action.

(g) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed to act hereunder.

(h) The Trustee shall not be required to give any bond or surety in respect of the performance of its powers and duties hereunder.

Section 7.07. Compensation of Trustee. Except as otherwise expressly provided herein, all advances, counsel fees (including without limitation allocated fees of in-house counsel) and other expenses reasonably made or incurred by the Trustee in and about the execution and administration of the trust hereby created and reasonable compensation to the Trustee for its services in the premises shall be paid by the Authority. Subject to Section 9.14 hereof, the compensation of the Trustee shall not be limited to or by any provision of law in regard to the compensation of trustees of an express trust. The Trustee and the Authority shall agree to a Trustee Fee prior to the issuance of the Notes, which Trustee Fee shall be applicable so long as the Notes are Outstanding. In the event a successor Trustee is appointed hereunder, a Trustee Fee shall be agreed upon prior to the Trustee's succession and shall be applicable so long as the Notes are Outstanding; provided, however, the successor Trustee may not materially increase the Trustee Fee upon its appointment without a Rating Confirmation. If not paid by the Authority, the Trustee shall have a lien against all money held pursuant to this Indenture, subject only to the prior lien of the Notes against the money and investments in the Collection Fund for the payment of the principal thereof and interest thereon, for such reasonable compensation, expenses, advances and counsel fees incurred in and about the execution of the trusts hereby created and the exercise and performance of the powers and duties of the Trustee hereunder and the cost and expense incurred in defending against any liability in the premises of any character whatsoever (unless such liability is adjudicated to have resulted from the negligence or willful misconduct of the Trustee).

Section 7.08. Resignation of Trustee. The Trustee and any successor to the Trustee may resign and be discharged from the trust created by this Indenture by giving to the Authority notice in writing which notice shall specify the date on which such resignation is to take effect; provided, however, that such resignation shall only take effect on the day specified in such notice if a successor Trustee shall have been appointed pursuant to Section 7.10 hereof (and is qualified to be the Trustee under the requirements of Section 7.10 hereof). If no successor Trustee has been appointed by the date specified or within a period of 90 days from the receipt of the notice by the Authority, whichever period is the longer, the Trustee may (a) appoint a temporary successor Trustee having the qualifications provided in Section 7.10 hereof or (b) request a court of competent jurisdiction to (i) require the Authority to appoint a successor, as provided in Section 7.10 hereof, within three days of the receipt of citation or notice by the court, or (ii) appoint a Trustee having the qualifications provided in Section 7.10 hereof. In no event may the resignation of the Trustee be effective until a qualified successor Trustee shall have been selected and appointed. In the event a temporary successor Trustee is appointed pursuant to clause (a) above, the Authority may remove such temporary successor Trustee and appoint a successor thereto pursuant to Section 7.10 hereof.

Section 7.09. Removal of Trustee. The Trustee or any successor Trustee may be removed (a) at any time by the Registered Owners of a majority in aggregate principal amount of the Notes then Outstanding, (b) by the Authority for cause or upon the sale or other disposition of the Trustee or its trust functions or (c) by the Authority without cause so long as no Event of Default exists or has existed within the last 30 days, upon payment to the Trustee so removed of all money then due to it hereunder and appointment of a successor thereto by the Authority and acceptance thereof by said successor. One copy of any such order of removal shall be filed with the Executive Director of the Authority and the other with the Trustee so removed.

In the event a Trustee (or successor Trustee) is removed, by any person or for any reason permitted hereunder, such removal shall not become effective until (a) in the case of removal by the Registered Owners, such Registered Owners by instrument or concurrent instruments in writing (signed and acknowledged by such Registered Owners or their attorneys-in-fact) filed with the Trustee removed have appointed a successor Trustee or otherwise the Authority shall have appointed a successor, and (b) the successor Trustee has accepted appointment as such.

Section 7.10. Successor Trustee. In case at any time the Trustee or any successor Trustee shall resign, be dissolved, or be removed pursuant to Section 7.09 hereof or otherwise shall be disqualified to act or be incapable of acting, or in case control of the Trustee or of any successor Trustee or of its officers shall be taken over by any public officer or officers, a successor Trustee may be appointed by the Authority by an instrument in writing duly authorized by the Authority. In the case of any such appointment by the Authority of a successor to the Trustee, the Authority shall forthwith cause notice thereof to be mailed to the Registered Owners of the Notes at the address of each Registered Owner appearing on the note registration books maintained by the Trustee, as registrar.

Every successor Trustee appointed by the Registered Owners, by a court of competent jurisdiction, or by the Authority shall 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, which has a reported capital and surplus of not less than \$50,000,000, be authorized under the law to exercise corporate trust powers in the State of Missouri, be subject to supervision or examination by a federal or state authority, and be an Eligible Lender so long as such designation is necessary to maintain guarantees and federal benefits under the Higher Education Act with respect to the Financed Eligible Loans.

Section 7.11. Manner of Vesting Title in Trustee. Any successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Authority, an instrument accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, deed or conveyance shall become fully vested with all the estate, properties, rights, powers, trusts, duties and obligations of its predecessors in trust hereunder (except that the predecessor Trustee shall continue to have the benefits to indemnification hereunder together with the successor Trustee), with like effect as if originally named as Trustee herein; but, the Trustee ceasing to act shall nevertheless, on the written request of an Authorized Representative, or an authorized officer of the successor Trustee, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the Trustee which it succeeds, in and

to the Trust Estate and such rights, powers, trusts, duties and obligations, and the Trustee ceasing to act also, upon like request, shall pay over, assign and deliver to the successor Trustee any money or other property or rights subject to the lien of this Indenture, including any pledged securities which may then be in its possession. Should any deed or instrument in writing from the Authority be required by the successor Trustee for more fully and certainly vesting in and confirming to such new Trustee such estate, properties, rights, powers and duties, any and all such deeds and instruments in writing shall on request be executed, acknowledged and delivered by the Authority.

In case any of the Notes to be issued hereunder shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of the Trustee or of any successor to the Trustee; and in case any of the Notes shall not have been authenticated, any successor to the Trustee may authenticate such Notes in its own name; and in all such cases such certificate shall have the full force which it has anywhere in the Notes or in this Indenture.

Section 7.12. Additional Covenants By the Trustee To Conform to the Higher Education Act. The Trustee covenants that it will at all times be an Eligible Lender under the Higher Education Act so long as such designation is necessary, as determined by the Authority and that it will not finance, dispose of or deliver any Financed Eligible Loans originated under the Higher Education Act or any interest in any such Financed Eligible Loans to any party who is not an Eligible Lender so long as the Higher Education Act or Regulations adopted thereunder require an Eligible Lender to be the owner or holder of such Financed Eligible Loans; provided, however, that nothing above shall prevent the Trustee from delivering the Eligible Loans to a Servicer or a Guaranty Agency.

Section 7.13. Right of Inspection. A Registered Owner shall be permitted at reasonable times during regular business hours and in accordance with reasonable regulations prescribed by the Trustee to examine at the Principal Office of the Trustee a copy of any report or instrument theretofore filed with the Trustee relating to the condition of the Trust Estate.

Section 7.14. Limitation with Respect To Examination of Reports. Except as provided in this Indenture, the Trustee shall be under no duty to examine any report or statement or other document required or permitted to be filed with it by the Authority.

Section 7.15. Additional Covenants of Trustee. The Trustee, by the execution hereof, covenants, represents and agrees that:

(a) it will not exercise any of the rights, duties or privileges under this Indenture in such manner as would cause the Eligible Loans held or acquired under the terms hereof to be transferred, assigned or pledged as security to any person or entity other than as permitted by this Indenture; and

(b) it will comply with the Higher Education Act and the Regulations and will, upon written notice from an Authorized Representative, the Secretary or a Guaranty Agency, use its reasonable efforts to cause this Indenture to be amended (in accordance with Section 8.01 hereof) if the Higher Education Act or Regulations are hereafter amended so as to be contrary to the terms of this Indenture.

Section 7.16. Notices to Rating Agencies. It shall be the duty of the Trustee to notify each Rating Agency then rating any of the Notes of (a) any amendment, change, expiration, extension or renewal of this Indenture, (b) redemption, defeasance, or acceleration of any of the Notes, (c) any Event of Default, (d) any change in the Trustee, (e) the sale of Financed Eligible Loans, or (f) any other information (not provided or otherwise required to be kept private) within its knowledge reasonably required to be reported to each Rating Agency under any Supplemental Indenture, provided, however, the provisions of this section do not apply when such documents have been previously supplied to such Rating Agency and the Trustee has received written evidence to such effect, all as required by this Indenture. It shall be the duty of the Issuer to notify Fitch (and any other Rating Agency then rating the Notes that has provided notification that it will not longer provide rating confirmations for proposed actions, failures to act or other events in student loan financing transactions), of any request made for Rating Confirmation to the other Rating Agencies on or about the time that such request is made. All notices required to be forwarded to the Rating Agencies under this Section shall be sent in writing at the following addresses:

Via electronic delivery to Servicer_reports@sandp.com
For any information not available in electronic format:
Standard & Poor's Ratings Services
a Division of the McGraw-Hill Companies, Inc.
55 Water Street, 42nd Floor
New York, New York 10041-0003
Attention: ABS Surveillance Group

Via electronic delivery to:

(for servicer reports): surveillance-abs-consumer@fitchratings.com
(for all other electronic communications): notifications.abs@fitchratings.com

For any information not available in electronic format:
Fitch, Inc.
One State Street Plaza
New York, New York 10004
Attention: ABS Surveillance

The Trustee also acknowledges that each Rating Agency's periodic review for maintenance of a Rating on any Class of Notes may involve discussions and/or meetings with representatives of the Trustee at mutually agreeable times and places.

Section 7.17. Merger of the Trustee. Any corporation into which the Trustee may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Indenture, without the execution or filing of any paper of any further act on the part of any other parties hereto.

Section 7.18. Survival of Trustee's Rights To Receive Compensation, Reimbursement and Indemnification. The Trustee's rights to receive compensation, reimbursement and indemnification of money due and owing hereunder at the time of the Trustee's resignation or removal shall survive the Trustee's resignation or removal.

Section 7.19. Trustee Eligibility; Conflicting Interests. There shall at all times be a Trustee hereunder which shall have a combined capital and surplus of at least \$50,000,000 and be authorized to exercise trust powers in the State of Missouri. If such Trustee publishes reports of condition at least annually, pursuant to law or the requirements of federal, state, territorial or District of Columbia supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Trustee shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect specified Section 7.08 hereof. Neither the Authority nor any Person directly or indirectly controlling or controlled by, or under common control with, the Authority shall serve as Trustee.

Section 7.20. Trustee May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Authority, the Trustee (irrespective of whether the principal of the Notes of any Class shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Authority for the payment of overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount, or such lesser amount as may be provided for in the Notes, of principal and interest, if any, owing and unpaid in respect of the Notes and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable fees, compensation, expenses, disbursements and advances of the Trustee and its agents and counsel) and of the Registered Owners allowed in such judicial proceeding; and

(b) to collect and receive any money or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, assignee, trustee, liquidator, sequestrator (or other similar official) in any such judicial proceeding is hereby authorized by each Registered Owner of Notes to make such payments to the Trustee, and if the Trustee shall consent to the making of such payments directly to the Registered Owners, to pay to the Trustee any amount due to it for the reasonable fees, compensation, expenses, disbursements and advances of the Trustee and any predecessor Trustee, their agents and counsel, and any other amounts due the Trustee or any predecessor Trustee.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Registered Owner of a Note any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Registered

Owner thereof, or to authorize the Trustee to vote in respect of the claim of any Registered Owner of a Note in any such proceeding.

In any proceedings brought by the Trustee (and also any proceedings involving the interpretation of any provision of this Indenture to which the Trustee shall be a party), the Trustee shall be held to represent all the Registered Owners of the Notes, and it shall not be necessary to make any Registered Owners of the Notes parties to any such proceedings.

Section 7.21. No Petition. The Trustee will not at any time institute against the Authority any bankruptcy proceeding under any United States federal or state bankruptcy or similar law in connection with any obligations of the Authority under this Indenture.

ARTICLE VIII

SUPPLEMENTAL INDENTURES

Section 8.01. Supplemental Indentures Not Requiring Consent of Registered Owners. The Authority and the Trustee may, without the consent of or notice to any of the Registered Owners of any Notes (except as otherwise set forth in this Section 8.01) enter into any indenture or indentures supplemental to this Indenture for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Indenture, but only with the consent of the Initial Owner;
- (b) 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;
- (c) to subject to this Indenture additional revenues, properties or collateral;
- (d) to modify, amend or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or to permit the qualification of the Notes 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 this Indenture or any indenture supplemental hereto such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute;
- (e) to evidence the appointment of a separate or co-Trustee or a co-registrar or transfer agent or the succession of a new Trustee hereunder, or any additional or substitute Guaranty Agency or Servicer;
- (f) to add such provisions to or to amend such provisions of this Indenture as may be necessary or desirable to assure implementation of the Program in conformance with the Higher Education Act if along with such Supplemental Indenture there is filed a Bond Counsel's opinion addressed to the Authority and the Trustee to the effect that the

addition or amendment of such provisions will not materially impair the existing security of the Registered Owners of any Outstanding Notes;

(g) subject to Section 4.07(h) hereof, to modify the list of Approved Additional Servicers in Exhibit E hereto;

(h) to make any changes necessary to comply with or obtain more favorable treatment under any current or future law, rule or regulation, including but not limited to the Higher Education Act or the Regulations;

(i) to create any additional Funds or Accounts or Subaccounts under this Indenture deemed by the Trustee to be necessary or desirable;

(j) to amend the Indenture to provide for use of a surety bond or other financial guaranty instrument in lieu of cash and/or Investment Securities in all or any portion of the Reserve Fund, so long as such action shall not adversely affect the Ratings of any of the Notes;

(k) to make any other change with a Rating Confirmation but only with the consent of the Initial Owner; or

(l) to make any other change (other than changes with respect to any matter requiring a Rating Confirmation unless such Rating Confirmation has been delivered to the Trustee or the Notes are not rated at the time) which, in the judgment of the Trustee which may be based upon an Opinion of Counsel, is not materially adverse to the Registered Owners of any Notes but only with the consent of the Initial Owner.

Section 8.02. Supplemental Indentures Requiring Consent of Registered Owners.

Exclusive of Supplemental Indentures covered by Section 8.01 hereof and subject to the terms and provisions contained in this Section, and not otherwise, the Registered Owners of not less than a majority of the collective aggregate principal amount of the Notes then Outstanding shall have the right, from time to time, to consent to and approve the execution by the Authority and the Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary and desirable by the Authority and the Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any Supplemental Indenture; provided, however, that nothing in this Section shall permit, or be construed as permitting (a) without the consent of the Registered Owners of all then Outstanding Notes (or in the case of (ii) below just of all affected Notes), (i) an extension of the maturity date of the principal of or the interest on any Note, or (ii) a reduction in the principal amount of any Note or the rate of interest thereon, or (iii) a privilege or priority of any Note or Notes over any other Note or Notes except as otherwise provided herein, or (iv) a reduction in the aggregate principal amount of the Notes required for consent to such Supplemental Indenture, or (v) the creation of any lien other than a lien ratably securing all of the Notes at any time Outstanding hereunder except as otherwise provided herein; or (b) any modification of the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of the Trustee without the prior written approval of the Trustee.

If at any time the Authority shall request the Trustee to enter into any such Supplemental Indenture for any of the purposes of this Section, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such Supplemental Indenture to be mailed by registered or certified mail to each Registered Owner of an Note at the address shown on the registration books. Such notice (which shall be prepared by the Authority) shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the Principal Office of the Trustee for inspection by all Registered Owners. If, within 60 days, or such longer period as shall be prescribed by the Authority, following the mailing of such notice, the Registered Owners of not less than a majority of the collective aggregate principal amount of the Notes Outstanding at the time of the execution of any such Supplemental Indenture shall have consented in writing to and approved the execution thereof as herein provided, no Registered Owner of any Note shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as in this Section permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith.

Section 8.03. Additional Limitation on Modification of Indenture. None of the provisions of this Indenture (including Sections 8.01 and 8.02 hereof) shall permit an amendment to the provisions of this Indenture which permits the transfer of all or part of the Financed Eligible Loans or the granting of an interest therein to any Person other than an Eligible Lender or a Servicer, unless the Higher Education Act or Regulations are hereafter modified so as to permit the same. The Trustee may request a Bond Counsel's opinion to the effect that an amendment or supplement to this Indenture was adopted in conformance with this Indenture and will not materially adversely impact the Registered Owner of any Note.

Section 8.04. Execution of Supplemental Indentures. In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall receive, and shall be fully protected in relying upon, an Opinion of Counsel and a certificate of an Authorized Representative of the Authority stating that the execution of such Supplemental Indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

ARTICLE IX

GENERAL PROVISIONS

Section 9.01. Notices. Any notice, request, consent or other instrument required by this Indenture to be signed or executed by the Registered Owners of Notes may be executed by the execution of any number of concurrent instruments of similar tenor, and may be signed or executed by such Registered Owners of Notes in person or by an agent appointed in writing. As a condition for acting thereunder the Trustee may demand proof of the execution of any such instrument and of the fact that any person claiming to be the owner of any of said Notes is such

owner and may further require the actual deposit of such Note or Notes with the Trustee. The fact and date of the execution of such instrument may be proved by the certificate of any officer in any jurisdiction who by the laws thereof is authorized to take acknowledgments of deeds within such jurisdiction, that the person signing such instrument acknowledged before him the execution thereof, or may be proved by any affidavit of a witness to such execution sworn to before such officer.

The amount of Notes held by any person executing such instrument as a Registered Owner of Notes and the fact, amount and numbers of the Notes held by such person and the date of his holding the same may be proved by a certificate executed by any responsible trust company, bank, banker or other depository in a form approved by the Trustee, showing that at the date therein mentioned such person had on deposit with such depository the Notes described in such certificate; provided, however, that at all times the Trustee may require the actual deposit of such Note or Notes with the Trustee.

All notices, requests and other communications to any party hereunder shall be in writing (including bank wire, telex, telecopy, electronic communication, facsimile or similar writing) at the following addresses, and each address shall constitute each party's respective "Principal Office" for purposes of this Indenture:

If intended for the Authority:

Higher Education Loan Authority
of the State of Missouri
Corporate Headquarters
633 Spirit Drive
Chesterfield, Missouri 63005-1243
Attention: Executive Director and Chief Financial Officer
Telephone: (636) 532-0600
Facsimile: (636) 787-2780
Email: rayb@mohela.com (Executive Director);
scottg@mohela.com (Chief Financial Officer)

If intended for the Trustee:

Wells Fargo Bank, National Association
225 Water Street
Suite 410
Jacksonville, Florida 32202
Attention: Nathan Turner
Telephone: (904) 489-3942
Facsimile: (904) 489-3759
Email: nathan.e.turner@wellsfargo.com

Any party may change the address to which subsequent notices to such party are to be sent, or may change the address of its Principal Office, by notice to the others, delivered by hand or received by telex, email or facsimile or registered first-class mail, postage prepaid. Each such

notice, request or other communication shall be effective when delivered by hand or received by email, telex or facsimile or registered first-class mail, postage prepaid.

Section 9.02. Covenants Bind Authority. The covenants, agreements, conditions, promises, and undertakings in this Indenture shall extend to and be binding upon the successors and assigns of the Authority, and all of the covenants hereof shall bind such successors and assigns, and each of them, jointly and severally. All the covenants, conditions and provisions hereof shall be held to be for the sole and exclusive benefit of the parties hereto and their successors and assigns and of the Registered Owners from time to time of the Notes.

No extension of time of payment of any of the Notes shall operate to release or discharge the Authority, it being agreed that the liability of the Authority, to the extent permitted by law, shall continue until all of the Notes are paid in full, notwithstanding any transfer of Financed Eligible Loans or extension of time for payment.

Section 9.03. Lien Created. This Indenture shall operate effectually as (a) a grant of a lien on and security interest in the Trust Estate and (b) an assignment of the Trust Estate.

Section 9.04. Severability of Lien. If the lien of this Indenture shall be or shall ever become ineffectual, invalid or unenforceable against any part of the Trust Estate, which is not subject to the lien, because of want of power or title in the Authority, the inclusion of any such part shall not in any way affect or invalidate the pledge and lien hereof against such part of the Trust Estate as to which the Authority in fact had the right to pledge.

Section 9.05. Consent of Registered Owners Binds Successors. Any request or consent of the Registered Owners of any Notes given for any of the purposes of this Indenture shall bind all future Registered Owners of the same Note or any Notes issued in exchange therefor or in substitution thereof in respect of anything done or suffered by the Authority or the Trustee in pursuit of such request or consent.

Section 9.06. Nonliability of Persons; No General Obligation. It is hereby expressly made a condition of this Indenture and any Notes issued pursuant hereto that any agreements, covenants or representations herein contained or contained in the Notes do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the past, present or future organizers, members, directors, officers, employees, agents or trustees of the Authority or any successor entity, or against the general credit of the Authority, and in the event of a breach of any such agreement, covenant or representation, no personal or pecuniary liability or charge payable directly or indirectly from the general revenues of the Authority shall arise therefrom. Nothing contained in this Section, however, shall relieve the Authority from the observance and performance of the several covenants and agreements on its part herein contained. This Section 9.06 shall survive termination of this Indenture.

Section 9.07. Nonpresentment of Notes or Interest Checks. Should any of the Notes or interest checks not be presented for payment when due, the Trustee shall retain from any money transferred to it for the purpose of paying the Notes or interest checks so due, for the benefit of the Registered Owners thereof, a sum of money sufficient to pay such Notes or interest checks when the same are presented by the Registered Owners thereof for payment. Such money

shall not be required to be invested. All liability of the Authority to the Registered Owners of such Notes or interest checks and all rights of such Registered Owners against the Authority under the Notes or interest checks or under this Indenture shall thereupon cease and determine, and the sole right of such Registered Owners shall thereafter be against such deposit. If any Note or interest check shall not be presented for payment within the period of two years following its payment or redemption date, the Trustee shall return to the Authority the money theretofore held by it for payment of such Note or interest check, and such Note or interest check shall (subject to the defense of any applicable statute of limitation) thereafter be an unsecured obligation of the Authority. The Trustee's responsibility for any such money shall cease upon remittance thereof to the Authority.

Section 9.08. Security Agreement. This Indenture constitutes a Financing Statement and a Security Agreement under the Uniform Commercial Code of the State of Missouri.

Section 9.09. Laws Governing. It is the intent of the parties hereto that this Indenture shall in all respects be governed by the laws of the State of Missouri, without regard to conflict of law principles.

Section 9.10. Severability. If any covenant, agreement, waiver, or part thereof contained in this Indenture shall be forbidden by any pertinent law or under any pertinent law be effective to render this Indenture invalid or unenforceable or to impair the lien hereof, then each such covenant, agreement, waiver, or part thereof shall itself be and is hereby declared to be wholly ineffective, and this Indenture shall be construed as if the same were not included herein.

Section 9.11. Exhibits. The terms of the Exhibits attached to this Indenture are incorporated herein in all particulars.

Section 9.12. Non-Business Days. Except as may otherwise be provided herein, if the date for making payment of any amount hereunder or on any Note, or if the date for taking any action hereunder, is not a Business Day, then such payment can be made without accruing further interest or action can be taken on the next succeeding Business Day, with the same force and effect as if such payment were made when due or action taken on such required date.

Section 9.13. Parties Interested Herein. Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Trustee, any paying agent, and the Registered Owners of the Notes, any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Indenture contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the Trustee, any paying agent, and the Registered Owners of the Notes.

Section 9.14. Notes Are Limited Obligations of the Authority and Not a Debt of the State Of Missouri. The Notes and the obligations of the Authority contained in this Indenture shall not be deemed to constitute a debt or liability or obligation of the State of Missouri or of any agency or political subdivision of the State of Missouri, nor shall the Notes and the obligations of the Authority contained in this Indenture be deemed to constitute a pledge of the full faith and credit of the State of Missouri or of any agency or political subdivision of the State

of Missouri. The Notes and the obligations of the Authority contained in this Indenture are special, limited obligations of the Authority, secured by and payable solely from the Trust Estate herein provided. The Authority shall not be obligated to pay the Notes, the interest thereon, or any other obligation created by or arising from this Indenture from any other source. This Section 9.14 shall survive the termination of this Indenture.

Section 9.15. Financed Eligible Loans. The Authority expects to transfer Eligible Loans to the Trustee, in accordance with this Indenture, which Eligible Loans, upon becoming subject to the lien of this Indenture, constitute Financed Eligible Loans, as defined herein. If for any reason a Financed Eligible Loan does not constitute an Eligible Loan, or ceases to constitute an Eligible Loan, such loan shall continue to be subject to the lien of this Indenture as a Financed Eligible Loan.

Section 9.16. Counterparts; Electronic Copies. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. In addition, any transaction authorized herein or in a Supplemental Indenture may be conducted and related documents may be stored by electronic means. Copies, teletypes, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 9.17. Consent of Initial Owner; Consent of Registered Owners. Anything in this Indenture to the contrary notwithstanding, whenever in this Indenture a Rating Confirmation is required for any action to be taken hereunder, the written consent of the Initial Owner shall also be required, except that this Section and all other references herein granting consent, approval, direction or control rights to the Initial Owner shall be inapplicable if the Authority has determined and an Authorized Representative of the Authority has certified to the Trustee that the definition of Initial Owner is not at the time applicable because the Majority Purchaser and/or its affiliates are not the Registered Owners or beneficial owners of the requisite percentage of the Notes as set forth in the definition of Initial Owner herein.

Anything in this Indenture to the contrary notwithstanding, whenever in this Indenture a Rating Confirmation is required for any action to be taken hereunder, to the extent that all of the Rating Agencies then rating the Notes have provided notification that they will no longer provide rating confirmations for proposed actions, failures to act or other events in student loan financing transactions and the consent of the Initial Owner is not required (because the definition of the Initial Owner is not at the time applicable), the taking of such action will require the written consent of the Registered Owners of not less than a majority of the collective aggregate principal amount of the Notes then Outstanding.

ARTICLE X

PAYMENT AND CANCELLATION OF NOTES AND SATISFACTION OF INDENTURE

Section 10.01. Trust Irrevocable. The trust created by the terms and provisions of this Indenture is irrevocable until the indebtedness secured hereby (the Notes and interest thereon) and all other payment obligations hereunder are fully paid or provision is made for its payment as provided in this Article.

Section 10.02. Satisfaction of Indenture.

(a) IF the Authority shall pay, or cause to be paid, or there shall otherwise be paid (i) to the Registered Owners of the Notes, the principal of and interest on the Notes, at the times and in the manner stipulated in this Indenture and (ii) to all other persons, all amounts payable or secured under this Indenture, THEN the pledge of the Trust Estate and all covenants, agreements and other obligations of the Authority to the Registered Owners of Notes shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the Authority all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver all money held by it under this Indenture to the party entitled to receive the same under this Indenture. IF the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the Registered Owners of any Outstanding Notes the principal of and interest on such Notes and to all other Persons all amounts payable or secured under this Indenture, at the times and in the manner stipulated in this Indenture and such Notes, and such other agreement or instrument payments under which amounts are payable or secured under this Indenture, THEN such Notes and each such other Person shall cease to be entitled to any lien, benefit or security under this Indenture, and all covenants, agreements and obligations of the Authority to the Registered Owners thereof and each such other Person shall thereupon cease, terminate and become void and be discharged and satisfied.

(b) Notes or interest installments shall be deemed to have been paid within the meaning of Section 10.02(a) hereof if money for the payment or redemption thereof has been set aside and is being held in trust by the Trustee at the Note Final Maturity Date or earlier redemption date thereof. Any Outstanding Note shall, prior to the Note Final Maturity Date or earlier redemption thereof, be deemed to have been paid within the meaning and with the effect expressed in Section 10.02(a) hereof if (i) such Note is to be redeemed on any date prior to its Note Final Maturity Date and (ii) the Authority shall have given notice of redemption as provided herein on said date, there shall have been deposited with the Trustee either money (fully insured by the Federal Deposit Insurance Corporation or fully collateralized by Governmental Obligations) in an amount which shall be sufficient, or Governmental Obligations (including any Governmental Obligations issued or held in book-entry form on the books of the Department of Treasury of the United States of America) the principal of and the interest on which when due will provide money which, together with the money, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the principal of and interest

to become due on such Note on and prior to the redemption date or Note Final Maturity Date thereof, as the case may be. Notwithstanding anything herein to the contrary, however, no such deposit shall have the effect specified in this Section 10.02(b) (A) if made during the existence of an Event of Default, unless made with respect to all of the Notes then Outstanding and (B) unless on the date of such deposit the interest rate on the Notes, to the date of any final payment or redemption shall be known and to the extent the defeasance is dependent upon interest earnings on Governmental Obligations there shall be provided to the Trustee a report of an Independent firm of nationally recognized certified public accountants verifying the sufficiency of the escrow established to pay in full the Outstanding Notes to be redeemed or to be deemed paid pursuant to this Section 10.02(b). Neither Governmental Obligations nor money deposited with the Trustee pursuant to this Section 10.02(b) nor principal or interest payments on any such Governmental Obligations shall be withdrawn or used for any purpose other than, and shall be held irrevocably in trust in an escrow account for, the payment of the principal of and interest on such Notes. Any cash received from such principal of and interest on such Governmental Obligations deposited with the Trustee, if not needed for such purpose, shall, to the extent practicable, be reinvested in Governmental Obligations maturing at times and in amounts sufficient to pay when due the principal of and interest on such Notes on and prior to such redemption date or Note Final Maturity Date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Authority, as received by the Trustee, free and clear of any trust, lien or pledge. Any payment for Governmental Obligations purchased for the purpose of reinvesting cash as aforesaid shall be made only against delivery of such Governmental Obligations. For the purposes of this Section, "Governmental Obligations" shall mean and include only non-callable obligations described in clause (a) of the definition of the Investment Securities herein (including interest or principal portions thereof), and such Governmental Obligations shall be of such amounts, maturities and interest payment dates and bear such interest as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient to make the payments required herein, and which obligations have been deposited in an escrow account which is irrevocably pledged as security for the Notes. Such term shall not include mutual funds and unit investment trusts.

Section 10.03. Optional Purchase of All Financed Eligible Loans. The Authority shall certify to and notify the Trustee in writing, within 15 days after the last Business Day of each Collection Period in which the then outstanding Pool Balance is 12% or less of the Initial Pool Balance, of the percentage that the then outstanding Pool Balance bears to the Initial Pool Balance. The Authority shall have the option to purchase all of the Financed Eligible Loans on the date that is the tenth (10th) Business Day preceding the Quarterly Distribution Date next succeeding the last day of the Collection Period on which the then outstanding Pool Balance is 10% or less of the Initial Pool Balance and on the tenth (10th) Business Day preceding each Quarterly Distribution Date thereafter (each, an "Optional Purchase Date"). To exercise the option described in this Section, the Authority shall deposit in the Collection Fund on the Optional Purchase Date, an amount equal to the aggregate Purchase Amount for the Financed Eligible Loans as of the last Business Day of the preceding Collection Period and the related rights with respect thereto, plus the appraised value of any such other property held in the Trust Estate other than the Funds and Accounts, such value to be determined by an appraiser mutually

agreed upon by the Authority and the Trustee; provided, however, that the Authority may not effect such purchase if such aggregate Purchase Amount and the appraised value of such other property do not equal or exceed the Minimum Purchase Amount, less any amounts on deposit in the Funds and Accounts.

Section 10.04. Auction of Financed Eligible Loans. If the Authority does not exercise its option to purchase Financed Eligible Loans pursuant to Section 10.03 hereof, the Trustee through an agent approved by the Authority or the Initial Owner shall, promptly after the Business Day next succeeding the Optional Purchase Date, offer for sale Financed Eligible Loans in an amount sufficient to redeem all Notes Outstanding on such Quarterly Distribution Date, and any such sale shall be consummated on or before such Quarterly Distribution Date (the “Trust Auction Date”). The Authority and unrelated third parties may bid to purchase the Financed Eligible Loans. The Trustee shall provide written notice to the Authority of any such offer for sale at least three Business Days in advance of the Trust Auction Date. If at least two independent bids are received, the Trustee through an agent approved by the Authority or the Initial Owner shall solicit and resolicit new bids from all participating bidders until only one bid remains or the remaining bidders decline to resubmit bids. The Trustee shall accept the highest of the remaining bids if it is equal to or in excess of both (i) the Minimum Purchase Amount, less any amounts on deposit in the Funds and Accounts and (ii) the fair market value of such Financed Eligible Loans as of the end of the Collection Period immediately preceding the Trust Auction Date. If at least two bids are not received or the highest bid after the resolicitation process is completed is not equal to or in excess of the higher of the amounts described in the preceding sentence, the Trustee shall not consummate such sale. The Trustee may consult, and, at the direction of the Authority, shall consult, with a financial advisor to determine if the fair market value of the Financed Eligible Loans has been offered. The proceeds of any such sale shall be deposited to the Collection Fund and applied to the redemption of all Notes Outstanding in accordance with Section 5.04(d) hereof. If the sale is not completed, then only if directed by the Authority, the Trustee will solicit bids through an agent approved by the Authority or the Initial owner for sale of the Financed Eligible Loans with respect to future Quarterly Distribution Dates upon terms similar to those described above. Notice of the prepayment of any Notes resulting from a purchase of the Financed Eligible Loans on the Optional Purchase Date or the auction of the Financed Eligible Loans on the Trust Auction Date shall be given by the Trustee to the Registered Owners by first class mail within five Business Days of such Optional Purchase Date or Trust Auction Date.

Section 10.05. Cancellation of Paid Notes. Any Notes which have been paid or purchased by the Authority, mutilated Notes replaced by new Notes, and any temporary Note for which definitive Notes have been delivered shall (unless otherwise directed by the Authority by Authority Order) forthwith be cancelled and destroyed by the Trustee pursuant to Section 2.06 hereof.

IN WITNESS WHEREOF, the Authority has caused this Indenture to be executed in its corporate name and behalf by an Authorized Representative, and the Trustee, to evidence its acceptance of the trusts hereby created, has caused this Indenture to be executed in its corporate name and behalf, all in multiple counterparts, each of which shall be deemed an original, and the Authority and the Trustee have caused this Indenture to be dated as of the date herein above first shown.

HIGHER EDUCATION LOAN AUTHORITY
OF THE STATE OF MISSOURI, as the
Authority

By Raymond H. Bayer, Jr.
Raymond H. Bayer, Jr., Executive Director
and Chief Executive Officer

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Trustee

By _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the Authority has caused this Indenture to be executed in its corporate name and behalf by an Authorized Representative, and the Trustee, to evidence its acceptance of the trusts hereby created, has caused this Indenture to be executed in its corporate name and behalf, all in multiple counterparts, each of which shall be deemed an original, and the Authority and the Trustee have caused this Indenture to be dated as of the date herein above first shown.

HIGHER EDUCATION LOAN AUTHORITY
OF THE STATE OF MISSOURI, as the
Authority

By _____
Raymond H. Bayer, Jr., Executive Director
and Chief Executive Officer

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Trustee

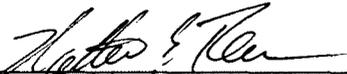
By  _____
Name: Nathan E. Turner
Title: Vice President

EXHIBIT A-1

FORM OF CLASS A-1 NOTE

Unless this Note is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Authority (as defined below) or its agent for registration of transfer, exchange or payment, and any Note issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

THE PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OR OBLIGATION OF THE STATE OF MISSOURI OR OF ANY AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF MISSOURI, NOR SHALL THIS NOTE AND THE OBLIGATIONS OF THE AUTHORITY CONTAINED IN THE INDENTURE (DEFINED HEREIN) BE DEEMED TO CONSTITUTE A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OF MISSOURI OR OF ANY AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF MISSOURI. THE CLASS A NOTES (DEFINED HEREIN) ARE SPECIAL, LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE SECURED BY AND PAYABLE SOLELY FROM THE TRUST ESTATE PLEDGED AS SECURITY THEREFOR AS PROVIDED IN THE INDENTURE.

**HIGHER EDUCATION LOAN AUTHORITY OF THE STATE OF MISSOURI
STUDENT LOAN ASSET-BACKED NOTES, SERIES 2009-1
(LIBOR FLOATING RATE NOTES)
CLASS A-1**

REGISTERED NO. R-___ REGISTERED \$_____

Date of Issuance	Maturity Date	CUSIP No.	ISIN No.
November 5, 2009	August 2019 Quarterly Distribution Date	606072 KM7	US606072KM74

PRINCIPAL SUM: ** _____ DOLLARS**
REGISTERED OWNER: ** _____**

The Higher Education Loan Authority of the State of Missouri, a public instrumentality and body politic and corporate organized and existing under the laws of the State of Missouri (herein referred to as the “Authority”), for value received, hereby promises to pay to the Registered Owner, or registered assigns, on each Quarterly Distribution Date the principal sum

equal to the portion of the Principal Distribution Amount allocable to this Note for such Quarterly Distribution Date, as described in the Indenture of Trust, dated as of November 1, 2009 (the "Indenture"), between the Authority and Wells Fargo Bank, National Association, a national banking association, as trustee (the "Trustee") (capitalized terms used but not defined herein being defined in Article I of the Indenture, which also contains rules as to usage that shall be applicable herein); provided, however, that the entire unpaid principal amount of this Note shall be due and payable on the Maturity Date specified above (the "Class A-1 Maturity Date").

The Authority shall pay interest on this Note at the rate per annum equal to the Class A-1 Rate (as defined herein), on each Quarterly Distribution Date until the principal of this Note is paid or made available for payment, on the principal amount of this Note outstanding on the preceding Quarterly Distribution Date or the Date of Issuance in the case of the first Quarterly Distribution Date (after giving effect to all payments of principal made on the preceding Quarterly Distribution Date), subject to certain limitations contained in the Indenture. Interest on this Note shall accrue from and including the preceding Quarterly Distribution Date (or, in the case of the first Interest Accrual Period, the Date of Issuance) to but excluding the following Quarterly Distribution Date (each an "Interest Accrual Period"). Interest shall be calculated on the basis of the actual number of days elapsed in each Interest Accrual Period divided by 360 and rounding the resultant figure to the fifth decimal point. Such principal of and interest on this Note shall be paid in the manner specified on the reverse hereof.

The principal of and interest on this Note are payable in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts. All payments made by the Authority with respect to this Note shall be applied first to interest due and payable on this Note as provided above and then to the unpaid principal of this Note.

Reference is made to the further provisions of this Note set forth on the reverse hereof, which shall have the same effect as though fully set forth on the face of this Note.

Unless the certificate of authentication hereon has been executed by the Trustee whose name appears below by manual signature, this Note shall not be entitled to any benefit under the Indenture referred to on the reverse hereof, or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Authority has caused this instrument to be duly executed, manually or in facsimile, as of the date set forth below.

HIGHER EDUCATION LOAN AUTHORITY
OF THE STATE OF MISSOURI

By _____
Authorized Representative

Date: _____, _____

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Notes designated above and referred to in the within-mentioned Indenture.

WELLS FARGO BANK, NATIONAL
ASSOCIATION, not in its individual capacity
but solely as Trustee,

By _____
Authorized Signatory

Date: _____, _____

This Note is one of a duly authorized issue of Notes of the Authority, designated as its Student Loan Asset-Backed Notes, Series 2009-1 (LIBOR Floating Rate Notes) Class A-1 (the “Class A-1 Notes”), which, together with the Authority’s Student Loan Asset-Backed Notes, Series 2009-1 (LIBOR Floating Rate Notes) Class A-2 (together with the Class A-1 Notes, the “Class A Notes” or “Notes”), are issued under and secured by the Indenture, to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights and obligations thereunder of the Authority, the Trustee and the Registered Owners. The Notes are subject to all terms of the Indenture.

The Class A Notes shall not be deemed to constitute a debt or liability or obligation of the State of Missouri or of any agency or political subdivision of the State of Missouri, nor shall the Class A Notes and the obligations of the Authority contained in the Indenture be deemed to constitute a pledge of the full faith and credit of the State of Missouri or of any agency or political subdivision of the State of Missouri. The Class A Notes are special, limited obligations of the Authority and are secured by and payable solely from the Trust Estate pledged as security therefor as provided in the Indenture.

Principal of the Class A-1 Notes shall be payable on each Quarterly Distribution Date in an amount equal to the portion of the Principal Distribution Amount allocable to this Note for such Quarterly Distribution Date. “Quarterly Distribution Date” means the twenty-fifth (25th) day of each February, May, August and November or if any such date is not a Business Day, the immediately succeeding Business Day, commencing February 25, 2010.

As described on the face hereof, the entire unpaid principal amount of this Note shall be due and payable on the Class A-1 Maturity Date. Notwithstanding the foregoing, the entire unpaid principal amount of the Notes shall be due and payable on the date on which (a) an Event of Default shall have occurred and be continuing, provided certain conditions in the Indenture are satisfied, and (b) either the Trustee or the Registered Owners of Notes representing not less than a majority of the Outstanding Amount of the Notes shall have declared the Notes to be immediately due and payable in the manner provided in the Indenture.

The Notes are subject to redemption from the proceeds of a sale of Financed Eligible Loans in accordance with Section 10.03 or 10.04 of the Indenture on any Quarterly Distribution Date on the tenth (10th) Business Day preceding the Quarterly Distribution Date next succeeding the last day of the Collection Period on which the then outstanding Pool Balance is 10% or less of the Initial Pool Balance (all as defined in the Indenture), in whole only, at a redemption price equal to the principal amount thereof being redeemed, plus accrued interest, if any, due and payable on the Notes to such Quarterly Distribution Date.

Interest on the Class A-1 Notes shall be payable on each Quarterly Distribution Date on the principal amount outstanding of the Class A-1 Notes until the principal amount thereof is paid in full, at a rate per annum equal to the Class A-1 Rate. The “Class A-1 Rate” for each Interest Accrual Period, other than the first Interest Accrual Period, shall be equal to the applicable Three-Month LIBOR, plus 0.60%. The “Class A-1 Rate” for the first Interest Accrual Period shall be determined by reference to the following formula:

$x + [a/b * (y-x)]$ plus 0.60%, as calculated by the Trustee.

where:

x = Three-Month LIBOR;

y = Four-Month LIBOR;

a = 20 (the actual number of days from the maturity date of Three-Month LIBOR to the first Quarterly Distribution Date); and

b = 28 (the actual number of days from the maturity date of Three-Month LIBOR to the maturity date of Four-Month LIBOR).

Payments of interest on this Note on each Quarterly Distribution Date, together with the installment of principal, if any, to the extent not in full payment of this Note, shall be paid to the Person in whose name such Note is registered on the Record Date by check mailed first-class, postage prepaid to such Person's address as it appears on the records of the Trustee on such Record Date, except that, unless definitive Notes have been issued pursuant to the Indenture, with respect to Notes registered on the Record Date in the name of the nominee of the Clearing Agency (initially, such nominee to be Cede & Co.), payment shall be made by wire transfer in immediately available funds to the account designated by such nominee. If funds are expected to be available, as provided in the Indenture, for payment in full of the then remaining unpaid principal amount of this Note on a Quarterly Distribution Date, then the Trustee shall notify the Person in whose name a Note is registered at the close of business on the Record Date preceding the Quarterly Distribution Date on which the Authority expects that the final installment of principal of and interest on such Note will be paid. Such notice shall be mailed or transmitted by facsimile prior to such final Quarterly Distribution Date and shall specify that such final installment will be payable only upon presentation and surrender of such Note and shall specify the place where such Note may be presented and surrendered for payment of such installment.

As provided in the Indenture and subject to certain limitations set forth therein, the transfer of this Note may be registered upon the records of the Trustee upon surrender for transfer of any Note at the Principal Office of the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his attorney duly authorized in writing, and thereupon the Authority shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new fully registered Note or Notes of the same interest rate and for a like Class and aggregate principal amount of the same maturity.

As to any Note, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of either principal or interest on any fully registered Note shall be made only to or upon the written order of the Registered Owner thereof or his legal representative but such registration may be changed as provided in the Indenture. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums paid.

The Trustee shall require the payment by any Registered Owner requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer. The applicant for any such transfer or exchange may be required to pay all

taxes and governmental charges in connection with such transfer or exchange, other than exchanges pursuant to the Indenture with regard to temporary Notes.

The term “Authority” as used in this Note includes any successor to the Authority under the Indenture.

The Authority is permitted by the Indenture, under certain circumstances, to merge or consolidate, subject to the rights of the Trustee and the Registered Owners under the Indenture.

The Notes are issuable only in registered form in denominations as provided in the Indenture, subject to certain limitations therein set forth.

This Note shall be construed in accordance with the laws of the State of Missouri, without reference to its conflict of law provisions, and the obligations, rights and remedies of the parties hereunder and thereunder shall be determined in accordance with such laws.

ASSIGNMENT

Social Security or taxpayer I.D. or other identifying number of assignee

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(name and address of assignee)

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

By _____ *
Name _____
Title _____

Signature Guaranteed:

By _____ *

*NOTICE: Signature(s) should be guaranteed by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee. The Assignor's signature to this assignment must correspond with the name as it appears upon the face of the within note in every particular without alteration or any change whatever.

EXHIBIT A-2

FORM OF CLASS A-2 NOTE

Unless this Note is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Authority (as defined below) or its agent for registration of transfer, exchange or payment, and any Note issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

THE PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OR OBLIGATION OF THE STATE OF MISSOURI OR OF ANY AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF MISSOURI, NOR SHALL THIS NOTE AND THE OBLIGATIONS OF THE AUTHORITY CONTAINED IN THE INDENTURE (DEFINED HEREIN) BE DEEMED TO CONSTITUTE A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OF MISSOURI OR OF ANY AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF MISSOURI. THE CLASS A NOTES (DEFINED HEREIN) ARE SPECIAL, LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE SECURED BY AND PAYABLE SOLELY FROM THE TRUST ESTATE PLEDGED AS SECURITY THEREFOR AS PROVIDED IN THE INDENTURE.

**HIGHER EDUCATION LOAN AUTHORITY OF THE STATE OF MISSOURI
STUDENT LOAN ASSET-BACKED NOTES, SERIES 2009-1
(LIBOR FLOATING RATE NOTES)
CLASS A-2**

REGISTERED NO. R-___ REGISTERED \$_____

Date of Issuance	Maturity Date	CUSIP No.	ISIN No.
November 5, 2009	February 2036 Quarterly Distribution Date	606072 KN5	US606072KN57

PRINCIPAL SUM: ** _____ DOLLARS**
REGISTERED OWNER: ** _____**

The Higher Education Loan Authority of the State of Missouri, a public instrumentality and body politic and corporate organized and existing under the laws of the State of Missouri (herein referred to as the “Authority”), for value received, hereby promises to pay to the Registered Owner, or registered assigns, on each Quarterly Distribution Date the principal sum

equal to the portion of the Principal Distribution Amount allocable to this Note for such Quarterly Distribution Date, as described in the Indenture of Trust, dated as of November 1, 2009 (the "Indenture"), between the Authority and Wells Fargo Bank, National Association, a national banking association, as trustee (the "Trustee") (capitalized terms used but not defined herein being defined in Article I of the Indenture, which also contains rules as to usage that shall be applicable herein); provided, however, that the entire unpaid principal amount of this Note shall be due and payable on the Maturity Date specified above (the "Class A-2 Maturity Date").

The Authority shall pay interest on this Note at the rate per annum equal to the Class A-2 Rate (as defined herein), on each Quarterly Distribution Date until the principal of this Note is paid or made available for payment, on the principal amount of this Note outstanding on the preceding Quarterly Distribution Date or the Date of Issuance in the case of the first Quarterly Distribution Date (after giving effect to all payments of principal made on the preceding Quarterly Distribution Date), subject to certain limitations contained in the Indenture. Interest on this Note shall accrue from and including the preceding Quarterly Distribution Date (or, in the case of the first Interest Accrual Period, the Date of Issuance) to but excluding the following Quarterly Distribution Date (each an "Interest Accrual Period"). Interest shall be calculated on the basis of the actual number of days elapsed in each Interest Accrual Period divided by 360 and rounding the resultant figure to the fifth decimal point. Such principal of and interest on this Note shall be paid in the manner specified on the reverse hereof.

The principal of and interest on this Note are payable in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts. All payments made by the Authority with respect to this Note shall be applied first to interest due and payable on this Note as provided above and then to the unpaid principal of this Note.

Reference is made to the further provisions of this Note set forth on the reverse hereof, which shall have the same effect as though fully set forth on the face of this Note.

Unless the certificate of authentication hereon has been executed by the Trustee whose name appears below by manual signature, this Note shall not be entitled to any benefit under the Indenture referred to on the reverse hereof, or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Authority has caused this instrument to be duly executed, manually or in facsimile, as of the date set forth below.

HIGHER EDUCATION LOAN AUTHORITY
OF THE STATE OF MISSOURI, as the
Authority

By _____
Authorized Representative

Date: _____, _____

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Notes designated above and referred to in the within-mentioned Indenture.

WELLS FARGO BANK, NATIONAL
ASSOCIATION, not in its individual capacity
but solely as Trustee,

By _____
Authorized Signatory

Date: _____, _____

This Note is one of a duly authorized issue of Notes of the Authority, designated as its Student Loan Asset-Backed Notes, Series 2009-1 (LIBOR Floating Rate Notes) Class A-2 (the “Class A-2 Notes”), which, together with the Authority’s Student Loan Asset-Backed Notes, Series 2009-1 (LIBOR Floating Rate Notes) Class A-1 (together with the Class A-1 Notes, the “Class A Notes” or the “Notes”), are issued under and secured by the Indenture, to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights and obligations thereunder of the Authority, the Trustee and the Registered Owners. The Notes are subject to all terms of the Indenture.

The Class A Notes shall not be deemed to constitute a debt or liability or obligation of the State of Missouri or of any agency or political subdivision of the State of Missouri, nor shall the Class A Notes and the obligations of the Authority contained in the Indenture be deemed to constitute a pledge of the full faith and credit of the State of Missouri or of any agency or political subdivision of the State of Missouri. The Class A Notes are special, limited obligations of the Authority and are secured by and payable solely from the Trust Estate pledged as security therefor as provided in the Indenture.

Principal of the Class A-2 Notes shall be payable on each Quarterly Distribution Date in an amount equal to the portion of the Principal Distribution Amount allocable to this Note for such Quarterly Distribution Date. “Quarterly Distribution Date” means the twenty-fifth (25th) day of each February, May, August and November, or if any such date is not a Business Day, the immediately succeeding Business Day, commencing February 25, 2010.

As described on the face hereof, the entire unpaid principal amount of this Note shall be due and payable on the Class A-2 Maturity Date. Notwithstanding the foregoing, the entire unpaid principal amount of the Notes shall be due and payable on the date on which (a) an Event of Default shall have occurred and be continuing, provided certain conditions in the Indenture are satisfied, and (b) either the Trustee or the Registered Owners of Notes representing not less than a majority of the Outstanding Amount of the Notes shall have declared the Notes to be immediately due and payable in the manner provided in the Indenture.

The Notes are subject to redemption from the proceeds of a sale of Financed Eligible Loans in accordance with Section 10.03 or 10.04 of the Indenture on any Quarterly Distribution Date on the tenth (10th) Business Day preceding the Quarterly Distribution Date next succeeding the last day of the Collection Period on which the then outstanding Pool Balance is 10% or less of the Initial Pool Balance (all as defined in the Indenture), in whole only, at a redemption price equal to the principal amount thereof being redeemed, plus accrued interest, if any, due and payable on the Notes to such Quarterly Distribution Date.

Interest on the Class A-2 Notes shall be payable on each Quarterly Distribution Date on the principal amount outstanding of the Class A-2 Notes until the principal amount thereof is paid in full, at a rate per annum equal to the Class A-2 Rate. The “Class A-2 Rate” for each Interest Accrual Period, other than the first Interest Accrual Period, shall be equal to the applicable Three-Month LIBOR, plus 1.05%. The “Class A-2 Rate” for the first Interest Accrual Period shall be determined by reference to the following formula:

$x + [a/b * (y-x)]$ plus 1.05%, as calculated by the Trustee.

where:

x = Three-Month LIBOR;

y = Four-Month LIBOR;

a = 20 (the actual number of days from the maturity date of Three-Month LIBOR to the first Quarterly Distribution Date); and

b = 28 (the actual number of days from the maturity date of Three-Month LIBOR to the maturity date of Four-Month LIBOR).

Payments of interest on this Note on each Quarterly Distribution Date, together with the installment of principal, if any, to the extent not in full payment of this Note, shall be paid to the Person in whose name such Note is registered on the Record Date by check mailed first-class, postage prepaid to such Person's address as it appears on the records of the Trustee on such Record Date, except that, unless definitive Notes have been issued pursuant to the Indenture, with respect to Notes registered on the Record Date in the name of the nominee of the Clearing Agency (initially, such nominee to be Cede & Co.), payment shall be made by wire transfer in immediately available funds to the account designated by such nominee. If funds are expected to be available, as provided in the Indenture, for payment in full of the then remaining unpaid principal amount of this Note on a Quarterly Distribution Date, then the Trustee shall notify the Person in whose name a Note is registered at the close of business on the Record Date preceding the Quarterly Distribution Date on which the Authority expects that the final installment of principal of and interest on such Note will be paid. Such notice shall be mailed or transmitted by facsimile prior to such final Quarterly Distribution Date and shall specify that such final installment will be payable only upon presentation and surrender of such Note and shall specify the place where such Note may be presented and surrendered for payment of such installment.

As provided in the Indenture and subject to certain limitations set forth therein, the transfer of this Note may be registered upon the records of the Trustee upon surrender for transfer of any Note at the Principal Office of the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his attorney duly authorized in writing, and thereupon the Authority shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new fully registered Note or Notes of the same interest rate and for a like Class and aggregate principal amount of the same maturity.

As to any Note, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of either principal or interest on any fully registered Note shall be made only to or upon the written order of the Registered Owner thereof or his legal representative but such registration may be changed as provided in the Indenture. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums paid.

The Trustee shall require the payment by any Registered Owner requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer. The applicant for any such transfer or exchange may be required to pay all

taxes and governmental charges in connection with such transfer or exchange, other than exchanges pursuant to the Indenture with regard to temporary Notes.

The term “Authority” as used in this Note includes any successor to the Authority under the Indenture.

The Authority is permitted by the Indenture, under certain circumstances, to merge or consolidate, subject to the rights of the Trustee and the Registered Owners under the Indenture.

The Notes are issuable only in registered form in denominations as provided in the Indenture, subject to certain limitations therein set forth.

This Note shall be construed in accordance with the laws of the State of Missouri, without reference to its conflict of law provisions, and the obligations, rights and remedies of the parties hereunder and thereunder shall be determined in accordance with such laws.

ASSIGNMENT

Social Security or taxpayer I.D. or other identifying number of assignee

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(name and address of assignee)

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

By _____ *
Name _____
Title _____

Signature Guaranteed:

By _____ *

*NOTICE: Signature(s) should be guaranteed by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee. The Assignor's signature to this assignment must correspond with the name as it appears upon the face of the within note in every particular without alteration or any change whatever.

EXHIBIT B-1

**FORM OF MONTHLY SERVICING AND ADMINISTRATION PAYMENT DATE
CERTIFICATE**

This Monthly Servicing and Administration Payment Date Certificate (the "Certificate") is being provided by the Higher Education Loan Authority of the State of Missouri (the "Authority") pursuant to Section 5.04(b)(i)-(ii) of the Indenture of Trust, dated as of November 1, 2009 (the "Indenture"), among the Authority and Wells Fargo Bank, National Association, as trustee (the "Trustee"). All capitalized terms used in this Certificate and not otherwise defined shall have the meanings ascribed to such terms in the Indenture.

Pursuant to this Certificate, the Authority hereby directs the Trustee to:

(a) distribute to the Administrator, by 3:00 p.m. (New York City time) on _____, _____ (the "Monthly Servicing Fee Payment Date"), from and to the extent of the Available Funds on deposit in the Collection Fund (including any amounts transferred from the Capitalized Interest Fund pursuant to Section 5.03 of the Indenture, the Acquisition Fund pursuant to Section 5.02 of the Indenture and the Reserve Fund pursuant to Section 5.05(b) and Section 5.05(c) of the Indenture), \$_____ in Servicing Fees due with respect to the preceding calendar month; and

(b) distribute to the Administrator, by 3:00 p.m. (New York City time) on _____, _____ (the "Monthly Administration Fee Payment Date"), from and to the extent of the Available Funds on deposit in the Collection Fund (including any amounts transferred from the Capitalized Interest Fund pursuant to Section 5.03 of the Indenture, the Acquisition Fund pursuant to Section 5.02 of the Indenture and the Reserve Fund pursuant to Section 5.05(b) and Section 5.05(c) of the Indenture), \$_____ in Administration Fees due with respect to the preceding calendar month.

The Available Funds on this Monthly Servicing Fee Payment Date are \$_____.
The Available Funds on this Monthly Administration Fee Payment Date are \$_____.

The Authority hereby certifies that the information herein is true and correct in all material respects, is in compliance with the provisions of the Indenture and that the Trustee may conclusively rely on this Certificate with not further duty to examine or determine the information contained herein.

IN WITNESS WHEREOF, the Authority has caused this Certificate to be duly executed and delivered as of the date written below.

HIGHER EDUCATION LOAN AUTHORITY
OF THE STATE OF MISSOURI, as the
Authority

By _____
Authorized Representative

Date _____

EXHIBIT B-2-A

FORM OF QUARTERLY DISTRIBUTION DATE CERTIFICATE

This Quarterly Distribution Date Certificate (the “Certificate”) is being provided by the Higher Education Loan Authority of the State of Missouri (the “Authority”) pursuant to Section 5.04(c) of the Indenture of Trust, dated as of November 1, 2009 (the “Indenture”), among the Authority and Wells Fargo Bank, National Association, as trustee (the “Trustee”). All capitalized terms used in this Certificate and not otherwise defined shall have the same meanings as assigned to such terms in the Indenture.

Pursuant to this Certificate, the Authority hereby directs the Trustee to make the deposits and distributions specified in Section 5.04(c) of the Indenture to the Persons or to the account specified below by 3:00 p.m. (New York City time) on _____, _____ (the “Quarterly Distribution Date”), to the extent of (v) the amount of Available Funds received during the immediately preceding Collection Period in the Collection Fund (or, if necessary, other Available Funds on deposit in the Collection Fund as provided in Section 5.04(c) of the Indenture), (w) the amount transferred from the Department Rebate Fund pursuant to Section 5.06 of the Indenture, (x) the amount transferred from the Reserve Fund pursuant to Section 5.05(b), (c) and (d) of the Indenture, (y) the amount transferred from the Capitalized Interest Fund pursuant to Section 5.03 of the Indenture, and (z) the amount transferred from the Acquisition Fund pursuant to Section 5.02 of the Indenture.

To enable the Trustee to calculate the amount of certain of such deposits and distributions, the Authority provides the following information to the Trustee:

The amount of Available Funds is \$_____.

(i)	Amounts required to be paid under any applicable Joint Sharing Agreement,	\$ _____ -
(ii)	(A) The Trustee Fee to the Trustee,	\$ _____ -
	(B) Any unpaid Trustee Fee from prior Quarterly Distribution Dates;	\$ _____ -
(iii)	(A) The Servicing Fee to the Administrator (to the extent remaining unpaid following the Monthly Servicing Fee Payment Date),	_____
	(B) Any unpaid Servicing Fees from prior Monthly Servicing Fee Payment Dates;	_____
(iv)	(A) The Administration Fee to the Administrator (to the extent remaining unpaid following the Monthly Administration Fee Payment Date),	\$ _____ -
	(B) Any unpaid Administration Fees from prior Monthly Administration Fee Payment Dates;	\$ _____ -

(v)	To the Administrator, the aggregate unpaid amount of any Carryover Administration and Servicing Fees;	\$ <u> -</u>
	The Parity Ratio as of such Quarterly Distribution Date.	_____%
	The Total Parity Ratio as of such Quarterly Distribution Date.	_____%
	Pool Balance for such Quarterly Distribution Date.	\$ <u> -</u>

Pursuant to this Certificate, if applicable, the Authority further hereby directs the Trustee to withdraw from:

(a) the Acquisition Fund for deposit to the Collection Fund, (i) to the extent the moneys are not available to make the transfers from the Capitalized Interest Fund, the remaining amount of insufficient Available Funds in the Collection Fund to make the transfers required by Section 5.04(b) (other than transfers to repurchase student loans from any Servicer or any Guaranty Agency) and 5.04(c)(i) through (c)(v) of the Indenture and (ii) the remaining amount on deposit in the Acquisition Fund on the February 2010 Quarterly Distribution Date (or on such earlier date as the Trustee may be instructed by the Authority pursuant to an Authority Order); and

(b) the Capitalized Interest Fund for deposit to the Collection Fund (i) the amount of insufficient Available Funds in the Collection Fund to make the transfers required by Sections 5.04(b) (other than transfers to repurchase student loans from any Servicer or any Guaranty Agency) and 5.04(c)(i) through (v) of the Indenture, and (ii) an amount equal to the amount required to be transferred to the Collection Fund on such Quarterly Distribution Date; and

(c) the Reserve Fund for deposit to the Collection Fund (i) to the extent moneys are not available to make the transfers from the Capitalized Interest Fund and the Acquisition Fund, the amount of insufficient Available Funds in the Collection Fund to make the transfers required by Sections 5.04(b) (other than transfers to repurchase student loans from any Servicer or any Guaranty Agency) and 5.04(c)(i) through (v) of the Indenture, and (ii) the amount on deposit in the Reserve Fund in excess of the Specified Reserve Fund Balance.

The Authority hereby certifies that the information set forth in this Certificate is true and accurate in all material respects, is in compliance with the provisions of the Indenture and that the Trustee may conclusively rely on the same with no further duty to examine or determine the information contained herein.

IN WITNESS WHEREOF, the Authority has caused this Certificate to be duly executed and delivered as of the date written below.

HIGHER EDUCATION LOAN AUTHORITY
OF THE STATE OF MISSOURI, as the
Authority

By _____
Authorized Representative

Date _____

EXHIBIT B-2-B

FORM OF QUARTERLY DISTRIBUTION DATE INFORMATION FORM

This Quarterly Distribution Date Information Form (the "Information Form") is being provided by Wells Fargo Bank, National Association, as trustee (the "Trustee") pursuant to Section 5.04(c) of the Indenture of Trust, dated as of November 1, 2009 (the "Indenture"), among the Higher Education Loan Authority of the State of Missouri (the "Authority") and the Trustee. All capitalized terms used in this Information Form and not otherwise defined shall have the same meanings as assigned to such terms in the Indenture.

The Authority has provided a Quarterly Distribution Date Certificate to the Trustee. In reliance upon the information and the Authority's direction contained therein, the Trustee shall make the following deposits and distributions in the following order or priority, to the Persons or to the account specified below by 3:00 p.m. (New York City time) on _____, _____ (the "Quarterly Distribution Date"), to the extent of (v) the amount of Available Funds received during the immediately preceding Collection Period in the Collection Fund (or, if necessary, other Available Funds on deposit in the Collection Fund as provided in Section 5.04(c) of the Indenture) (viz., the sum of \$_____), (w) the amount transferred from the Department Rebate Fund pursuant to Section 5.06 of the Indenture (viz., the sum of \$_____), (x) the amount transferred from the Reserve Fund pursuant to Section 5.05(b), (c) and (d) of the Indenture (viz., the sum of \$_____), (y) the amount transferred from the Capitalized Interest Fund pursuant to Section 5.03 of the Indenture (viz., the sum of \$_____), and (z) the amount transferred from the Acquisition Fund pursuant to Section 5.02 of the Indenture (viz., the sum of \$_____).

(i)	Amounts required to be paid under any applicable Joint Sharing Agreement,	\$	-
(ii)	(A) The Trustee Fee to the Trustee,	\$	-
	(B) Any unpaid Trustee Fee from prior Quarterly Distribution Dates;	\$	-
(iii)	(A) The Servicing Fee to the Administrator (to the extent remaining unpaid following the Monthly Servicing Fee Payment Date),	\$	-
	(B) Any unpaid Servicing Fees from prior Monthly Servicing Fee Payment Dates;	\$	-
(iv)	(A) The Administration Fee to the Administrator (to the extent remaining unpaid following the Monthly Administration Fee Payment Date),	\$	-
	(B) Any unpaid Administration Fees from prior Monthly Administration Fee Payment Dates;	\$	-
(v)	(A) The Class A-1 Noteholders' Interest Distribution Amount to the Class A-1 Noteholders; and	\$	-

(B) The Class A-2 Noteholders' Interest Distribution Amount to the Class A-2 Noteholders;	<u>\$ -</u>
(vi) Amounts to be deposited to the Reserve Fund necessary to reinstate the balance of the Reserve Fund up to the Specified Reserve Fund Balance;	<u>\$ -</u>
(vii) (A) The Principal Distribution Amount to the Class A-1 Noteholders (until paid in full);	<u>\$ -</u>
(B) The Principal Distribution Amount to the Class A-2 Noteholders (until paid in full); and	<u>\$ -</u>
(viii) To the Administrator, the aggregate unpaid amount of any Carryover Administration and Servicing Fees;	<u>\$ -</u>
(ix) (A) Payment of additional principal on Class A-1 Notes pursuant to Section 5.04(c)(ix) of the Indenture; and	<u>\$ -</u>
(B) Payment of additional principal on Class A-2 Notes pursuant to Section 5.04(c)(ix) of the Indenture	<u>\$ -</u>
Total Distributions	<u><u>\$ -</u></u>
The Available Funds from the immediately preceding Collection Period on this Quarterly Distribution Date.	<u><u>\$ -</u></u>
If required, other Available Funds on deposit in the Collection Fund.	<u>\$ -</u>
The Parity Ratio as of such Quarterly Distribution Date.	____%
The Total Parity Ratio as of such Quarterly Distribution Date.	____%
Specified Reserve Fund Balance for such Quarterly Distribution Date.	<u><u>\$ -</u></u>
Pool Balance for such Quarterly Distribution Date.	<u>\$ -</u>

Dated this ____ day of _____, ____.

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as the Trustee

By _____
Authorized Signatory

EXHIBIT C
REPORT TO REGISTERED OWNERS

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I. Principal Parties to the Transaction

Issuing Entity	Higher Education Loan Authority of the State of Missouri
Servicers	Higher Education Loan Authority of the State of Missouri and Pennsylvania Higher Education Assistance Agency
Administrator	Higher Education Loan Authority of the State of Missouri
Trustee	Wells Fargo Bank, National Association

II. Explanations / Definitions / Abbreviations

Cash Flows
Record Date
Claim Write-Offs
Principal Shortfall
Parity Ratio
Total Note Factor/
Note Pool Factor

III. Deal Parameters

A. Student Loan Portfolio Characteristics

	XX/XX/XXXX	Activity	XX/XX/XXXX
i. Portfolio Principal Balance			
ii. Interest Expected to be Capitalized			
iii. Pool Balance (i + ii)			
iv. Adjusted Pool Balance (Pool Balance + Capitalized Interest Fund + Specified Reserve Fund Balance)			
v. Other Accrued Interest			
vi. Weighted Average Coupon (WAC)			
vii. Weighted Average Remaining Months to Maturity (WARM)			
viii. Number of Loans			
ix. Number of Borrowers			
x. Average Borrower Indebtedness			
xi. Portfolio Yield ((Trust Income - Trust Expenses) / (Student Loans + Cash))			

B. Notes

	CUSIP	Spread	Coupon Rate	XX/XX/XXXX	%	Interest Due	XX/XX/XXXX	%
i. Class A-1 Notes								
ii. Class A-2 Notes								
iii. Total Notes				\$ -	0.00%	\$ -	\$ -	0.00%

LIBOR Rate Notes:

LIBOR Rate for Accrual Period	Collection Period:	Record Date
<i>First Date in Accrual Period</i>	<i>First Date in Collection Period</i>	<i>Distribution Date</i>
<i>Last Date in Accrual Period</i>	<i>Last Date in Collection Period</i>	
<i>Days in Accrual Period</i>		

C. Reserve Fund

	XX/XX/XXXX	XX/XX/XXXX
i. Required Reserve Fund Balance		
ii. Specified Reserve Fund Balance		
iii. Reserve Fund Floor Balance		
iv. Reserve Fund Balance after Distribution Date		

D. Other Fund Balances

	XX/XX/XXXX	XX/XX/XXXX
i. Collection Fund*		
ii. Capitalized Interest Fund		
iii. Department Rebate Fund		

(* For further information regarding Fund detail, see Section VII - K, "Collection Fund Reconciliation".)

Total Fund Balances	\$ -	\$ -
----------------------------	------	------

A.	Student Loan Principal Collection Activity		
i.	Regular Principal Collections		
ii.	Principal Collections from Guarantor		
iii.	Principal Repurchases/Reimbursements by Servicer		
iv.	Principal Repurchases/Reimbursements by Seller		
v.	Paydown due to Loan Consolidation		
vi.	Other System Adjustments		
vii.	Total Principal Collections		\$ -
B.	Student Loan Non-Cash Principal Activity		
i.	Principal Realized Losses - Claim Write-Offs		
ii.	Principal Realized Losses - Other		
iii.	Other Adjustments		
iv.	Capitalized Interest		
v.	Total Non-Cash Principal Activity		\$ -
C.	Student Loan Principal Additions		
i.	New Loan Additions		
ii.	Total Principal Additions		\$ -
D.	Total Student Loan Principal Activity (Avii + Bv + Cii)		\$ -
E.	Student Loan Interest Activity		
i.	Regular Interest Collections		
ii.	Interest Claims Received from Guarantors		
iii.	Late Fees & Other		
iv.	Interest Repurchases/Reimbursements by Servicer		
v.	Interest Repurchases/Reimbursements by Seller		
vi.	Interest due to Loan Consolidation		
vii.	Other System Adjustments		
viii.	Special Allowance Payments		
ix.	Interest Benefit Payments		
x.	Total Interest Collections		\$ -
F.	Student Loan Non-Cash Interest Activity		
i.	Interest Losses - Claim Write-offs		
ii.	Interest Losses - Other		
iii.	Other Adjustments		
iv.	Capitalized Interest		
v.	Total Non-Cash Interest Adjustments		\$ -
G.	Student Loan Interest Additions		
i.	New Loan Additions		
ii.	Total Interest Additions		\$ -
H.	Total Student Loan Interest Activity (Ex + Fv + Gii)		\$ -
I.	Defaults Paid this Quarter (Aii + Eii)		\$ -
J.	Cumulative Defaults Paid to Date		\$ -
K.	Interest Expected to be Capitalized		
	Interest Expected to be Capitalized - Beginning (III - A-ii)	XX/XX/XXXX	
	Interest Capitalized into Principal During Collection Period (B-iv)		
	Change in Interest Expected to be Capitalized		
	Interest Expected to be Capitalized - Ending (III - A-ii)	XX/XX/XXXX	\$ -

V. Cash Receipts for the Time Period

XX/XX/XXXX - XX/XX/XXXX

A.	Principal Collections		
i.	Principal Payments Received - Cash	\$	-
ii.	Principal Received from Loans Consolidated		-
iii.	Principal Payments Received - Servicer Repurchases/Reimbursements		-
iv.	Principal Payments Received - Seller Repurchases/Reimbursements		-
v.	Total Principal Collections	\$	-
B.	Interest Collections		
i.	Interest Payments Received - Cash	\$	-
ii.	Interest Received from Loans Consolidated		-
iii.	Interest Payments Received - Special Allowance and Interest Benefit Payments		-
iv.	Interest Payments Received - Servicer Repurchases/Reimbursements		-
v.	Interest Payments Received - Seller Repurchases/Reimbursements		-
vi.	Late Fees & Other		-
vii.	Total Interest Collections	\$	-
C.	Other Reimbursements		
D.	Investment Earnings		
E.	Total Cash Receipts during Collection Period	\$	-

Funds Previously Remitted: Collection Account		
A.	Joint Sharing Agreement Payments	
B.	Trustee Fees	
C.	Servicing Fees	
D.	Administration Fees	
E.	Transfer to Department Rebate Fund	
F.	Monthly Rebate Fees	
G.	Interest Payments on Notes	
H.	Reserve Fund Deposit	
I.	Principal Payments on Notes	
J.	Carryover Administration and Servicing Fees	
K. Collection Fund Reconciliation		
i.	Beginning Balance:	XX/XX/XXXX
ii.	Principal Paid During Collection Period (I)	
iii.	Interest Paid During Collection Period (G)	
iv.	Deposits During Collection Period (V-A-v + V-B-vii + V-C)	
v.	Payments out During Collection Period (A + B + C + D + E + F + G + H + I + J)	
vi.	Total Investment Income Received for Quarter (V-D)	
vii.	Funds transferred from the Acquisition Fund	
viii.	Funds transferred from the Capitalized Interest Fund	
ix.	Funds transferred from the Department Rebate Fund	
x.	Funds transferred from the Reserve Fund	
xi.	Funds Available for Distribution	\$ -

VII. Waterfall for Distribution

		Distributions	Remaining Funds Balance
A.	Total Available Funds For Distribution	\$ -	
B.	Joint Sharing Agreement Payments	\$ -	
C.	Trustee Fee	\$ -	
D.	Servicing Fee	\$ -	
E.	Administration Fee	\$ -	
F.	Department Rebate Fund	\$ -	
G.	Monthly Rebate Fees	\$ -	
H.	Interest Payments on Notes	\$ -	
I.	Reserve Fund Deposits	\$ -	
J.	Principal Distribution Amount		
	Class A-1	\$ -	
	Class A-2	\$ -	
K.	Carryover Administration and Servicing Fees	\$ -	
L.	Additional Principal		
	Class A-1	\$ -	
	Class A-2	\$ -	

VIII. Distributions

A.			
Distribution Amounts	Combined	Class A-1	Class A-2
i. Quarterly Interest Due	\$ -	\$ -	\$ -
ii. Quarterly Interest Paid	\$ -	\$ -	\$ -
iii. Interest Shortfall	\$ -	\$ -	\$ -
iv. Interest Carryover Due	\$ -	\$ -	\$ -
v. Interest Carryover Paid	\$ -	\$ -	\$ -
vi. Interest Carryover	\$ -	\$ -	\$ -
vii. Quarterly Principal Paid	\$ -	\$ -	\$ -
viii. Total Distribution Amount	\$ -	\$ -	\$ -

B.			
Principal Distribution Amount Reconciliation			
i. Adjusted Pool Balance as of	XX/XX/XXXX	\$	-
ii. Adjusted Pool Balance as of	XX/XX/XXXX	\$	-
iii. Excess		\$	-
iv. Principal Shortfall for preceding Distribution Date		\$	-
v. Amounts Due on a Note Final Maturity Date		\$	-
vi. Total Principal Distribution Amount as defined by Indenture		\$	-
vii. Actual Principal Distribution Amount based on amounts in Collection Fund		\$	-
viii. Principal Distribution Amount Shortfall		\$	-
ix. Noteholders' Principal Distribution Amount		\$	-
Total Principal Distribution Amount Paid		\$	-

C.	
Additional Principal Paid	
Additional Principal Balance Paid	\$ -

D.			
Reserve Fund Reconciliation			
i. Beginning of Period Balance	XX/XX/XXXX	\$	-
ii. Amounts, if any, necessary to reinstate the balance		\$	-
iii. Total Reserve Fund Balance Available		\$	-
iv. Required Reserve Fund Balance		\$	-
v. Excess Reserve - Apply to Unpaid Collection Fund		\$	-
vi. Ending Reserve Fund Balance		\$	-

E.			
Note Balances	XX/XX/XXXX	Paydown Factors	XX/XX/XXXX
i. Total Note Factor	0.0000000000	0.0000000000	0.0000000000
ii. A-1 Note Balance	\$ -		\$ -
A-1 Note Pool Factor	0.0000000000	0.0000000000	0.0000000000
iii. A-2 Note Balance	\$ -		\$ -
A-2 Note Pool Factor	0.0000000000	0.0000000000	0.0000000000

IX. Portfolio Characteristics										
Status	WAC		Number of Loans		WARM		Principal Amount		%	
	XX/XX/XXXX	XX/XX/XXXX	XX/XX/XXXX	XX/XX/XXXX	XX/XX/XXXX	XX/XX/XXXX	XX/XX/XXXX	XX/XX/XXXX	XX/XX/XXXX	XX/XX/XXXX
Interim:										
In School										
Subsidized Loans										
Unsubsidized Loans										
Grace										
Subsidized Loans										
Unsubsidized Loans										
Total Interim										
Repayment										
Active										
0-30 Days Delinquent										
31-60 Days Delinquent										
61-90 Days Delinquent										
91-120 Days Delinquent										
121-150 Days Delinquent										
151-180 Days Delinquent										
181-210 Days Delinquent										
211-240 Days Delinquent										
241-270 Days Delinquent										
271-300 Days Delinquent										
>300 Days Delinquent										
Deferment										
Subsidized Loans										
Unsubsidized Loans										
Forbearance										
Subsidized Loans										
Unsubsidized Loans										
Total Repayment										
Claims In Process										
Aged Claims Rejected										
Grand Total			0	0			\$0.00	\$0.00	0.00%	0.00%

X. Portfolio Characteristics by School and Program as of XX/XX/XXXX					
Loan Type	WAC	WARM	Number of Loans	Principal Amount	%
Consolidation - Subsidized					
Consolidation - Unsubsidized					
Stafford Subsidized					
Stafford Unsubsidized					
PLUS Loans					
Total					
School Type					
4 Year College					
Unidentified					
Proprietary, Tech, Vocational and Other					
2 Year College					
Total					

XI. Servicer Totals	
XX/XX/XXXX	XX/XX/XXXX

Distribution of the Student Loans by Geographic Location *			
Location	Number of Loans	Principal Balance	Percent by Principal
		0	0.00%

Distribution of the Student Loans by Guarantee Agency			
Guarantee Agency	Number of Loans	Principal Balance	Percent by Principal
		0	0.00%

Distribution of the Student Loans by # of Months Remaining Until Scheduled Maturity			
Number of Months	Number of Loans	Principal Balance	Percent by Principal
		0	0.00%

*Based on billing addresses of borrowers shown on servicer's records.

XII. Collateral Tables as of XX/XX/XXXX (continued from previous page)

Distribution of the Student Loans by Borrower Payment Status			
<u>Payment Status</u>	<u>Number of Loans</u>	<u>Principal Balance</u>	<u>Percent by Principal</u>
Total	0	\$0.00	0.00%

Distribution of the Student Loans by Number of Days Delinquent			
<u>Days Delinquent</u>	<u>Number of Loans</u>	<u>Principal Balance</u>	<u>Percent by Principal</u>
Total	0	\$0.00	0.00%

Distribution of the Student Loans by Range of Principal Balance			
<u>Principal balance</u>	<u>Number of Loans</u>	<u>Principal Balance</u>	<u>Percent by Principal</u>
Total	0	\$0.00	0.00%

Distribution of the Student Loans by Interest Rate			
<u>Interest Rate</u>	<u>Number of Loans</u>	<u>Principal Balance</u>	<u>Percent by Principal</u>
Total	0	\$0.00	0.00%

Distribution of the Student Loans by SAP Interest Rate Index			
<u>SAP Interest Rate</u>	<u>Number of Loans</u>	<u>Principal Balance</u>	<u>Percent by Principal</u>
Total	0	\$0.00	0.00%

Distribution of the Student Loans by Date of Disbursement			
<u>Disbursement Date</u>	<u>Number of Loans</u>	<u>Principal Balance</u>	<u>Percent by Principal</u>
Total	0	\$0.00	0.00%

XIII. Interest Rates for Next Distribution Date			
<u>Class of Notes</u>	<u>CUSIP</u>	<u>Spread</u>	<u>Coupon Rate</u>
A-1 Notes	606072 KM7	0.60%	
A-2 Notes	606072 KN5	1.05%	
LIBOR Rate for Accrual Period			
First Date in Accrual Period			
Last Date in Accrual Period			
Days in Accrual Period			

XIV. Items to Note

EXHIBIT D
BORROWER BENEFITS

EXHIBIT D
APPROVED BORROWER BENEFITS

Borrower Benefits Summary

- All loans originated after July 1, 2008 were ineligible for any of the below benefits. The only benefits those loans are eligible for are 0.25% ACH.

Name: Sharp Loan Consolidation

Type of Borrower Benefit: Interest Rate Reduction

Description: Rate reduction of 0.25% is available as soon as a borrower elects ACH

Qualify: All Consolidation Loans - Once a consolidation loan enters repayment

When: Once borrower enters repayment

Disqualification: 1 non-sufficient fund alerts or they cancel auto-debit

Name: Rate Relief Program

Type of Borrower Benefit: Interest Rate Reduction

Description:

a. 2.00% IR Reduction

b. 2.50% IR Reduction

c. 3.00% IR Reduction

Qualify: All Stafford and Plus Borrowers

a. Participants enroll in MOHELA's Rate Relief program to make their payments via auto debit

b. a. and you choose the Missouri Guarantee on their loan provided by the Missouri Department of Higher Education

c. a. and b. and attend a Missouri college or university

When: Once borrower enters repayment

Disqualification: 2 non-sufficient funds alerts or they cancel auto-debit

Name: Missouri Public Service Reward Benefit Program

Type of Borrower Benefit: Interest Rate Reduction

Description: Borrower Rate goes to 3.25%

Qualify:

a. Must be employed full-time by an MO employer providing services in one of the eligible professions⁽¹⁾

b. Complete an annual application

c. Loan(s) must be serviced and owned by MOHELA

d. Must have been a Missouri resident at the time the loan was made or the loan(s) must have been originated for a Missouri school.

e. Loan(s) must be in repayment

f. Borrower must certify application form

g. Applicable authorizing official must complete and certify application form

h. A new form must be completed and received annually by July 1st to retain eligibility in the program.

i. Loan originated after July 1, 2005

When: Once borrower enters repayment and is employed full-time by an MO employer.
Disqualification: 15 days delinquent or greater, they cancel auto-debit, do pass
reapplication process

EXHIBIT E

ADDITIONAL APPROVED SERVICERS AS OF DATE OF ISSUANCE

SLM Corporation (Sallie Mae)

Pennsylvania Higher Education Assistance Agency

Affiliated Computer Services, Inc. (ACS)

Great Lakes Higher Education Corporation

EXHIBIT F
AUTHORITY SERVICING AGREEMENT

LOAN SERVICING AGREEMENT

THIS LOAN SERVICING AGREEMENT (this "Agreement") is entered into as of the 1st day of November, 2009, by and between the Higher Education Loan Authority of the State of Missouri (the "Authority") and the Higher Education Loan Authority of the State of Missouri, a public instrumentality and body politic and corporate of the State of Missouri, as Servicer ("Servicer").

RECITALS

WHEREAS, the Authority is an Eligible Lender as defined herein; and

WHEREAS, the Authority owns certain Student Loans (as defined below) that it plans to finance pursuant to that certain Indenture of Trust to be dated as of November 1, 2009 (the "Indenture") to be executed by and among the Authority and Wells Fargo Bank, N.A. (the "Trustee") and desires to engage the Servicer to provide loan servicing services ("Loan Servicing Services") for such Student Loans (the "Serviced Loans"); and

WHEREAS, the Servicer and other subservicing agents as may perform servicing agreements with respect to the Serviced Loans pursuant to a separate Servicing Agreement and/or Backup Servicing Agreement between the Servicer and such Subservicer in accordance with the terms of the Indenture (each, a "Subservicer" and collectively, the "Subservicers"), as subservicing agents, are in the business of servicing loans which are made and guaranteed in accordance with the provisions of the Higher Education Act of 1965, as amended (the "Act") (references hereinafter to the "Act" include rules and regulations promulgated thereunder as in effect from time to time); and

WHEREAS, the Servicer and any Subservicers have developed and/or have available to them the systems and services to enable them to process and service Student Loans in accordance with the Act, and those guarantee agencies as are satisfactory to the Servicer; and

WHEREAS, the Servicer and any Subservicers have developed and/or have available to them the systems and services to enable them to process and service Student Loans in accordance with the Rules and Regulations (the "Regulations") promulgated by Guarantor (references hereinafter to the "Regulations" include Rules and Regulations promulgated thereunder as in effect from time to time); and

WHEREAS, the Servicer is willing to provide Loan Servicing Services for the Serviced Loans, either directly or through a Subservicer, upon the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the recitals and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby covenant and agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01. Definitions. In addition to the terms defined elsewhere in this Agreement or in any Exhibit or Schedule hereto, when used in this Agreement, the following terms shall have the following meanings (such meanings shall be equally applicable to the singular and plural forms of the terms used, as the context requires):

Act: Title IV, Part B, of the Higher Education Act of 1965, as amended (20 United States Code Section 1071, et seq.) and any successor statute of similar import, together with the regulations thereunder, in each case, as in effect from time to time. References to sections of the Act shall be construed to also refer to any successor sections.

Applicable Laws: All local, state, and federal statutes, laws, ordinances, regulations, orders, writs, injunctions or decrees applicable to the advertising, marketing, origination, disbursing, disclosing, holding, servicing, recordkeeping, transferring, assigning, accounting, reporting and collecting of student loans, including without limitation the Act, the Missouri Act, the Equal Credit Opportunity Act, the Federal Reserve Board's Regulation B, the Federal Fair Debt Collection Practices Act, the Federal Trade Commission Act, the Fair Credit Reporting Act, the Fair and Accurate Transactions Act, the Electronic Signatures in Global and National Commerce Act, Title V of the Federal Gramm-Leach-Bliley Act, Pub. L. 106-102 (including all implementing regulations promulgated thereunder), Section 326 and Section 352 of the U.S. Patriot Act, the Office of Foreign Assets Control requirements, the CAN-SPAM Act of 2003 and all other state and federal nondiscrimination, truth-in-lending, consumer credit, consumer protection, credit opportunity laws, and consumer privacy acts, rules, regulations and requirements. Without limiting any of the foregoing, "Applicable Laws" also specifically includes any written guidance issued by the Secretary regarding standards for implementing electronic signatures and electronic records with respect to FFEL Program Loans.

Backup Servicing Agreement: The Backup Servicing Agreement between Pennsylvania Higher Education Assistance Agency and the Authority dated as of November 1, 2009, as subsequently amended and supplemented.

Billing Period: Any partial or full calendar quarter during which time the Servicer services a Student Loan of the Authority hereunder.

Borrower: Any obligor under a Student Loan.

Business Day: A day other than (a) a Saturday, Sunday or legal holiday, or (b) a day on which banking institutions located in the State of Missouri are required or authorized by law to remain closed.

Common Manual: A compilation of agreed upon policies by Guaranty Agencies for lenders of Student Loans and school participants to follow in the administration of student loan programs published by the National Council of Higher Education Loan Programs, as in effect from time to time.

Confidential Information: As defined in Section 5.03.

Consolidation Loan: A Student Loan made pursuant to and in full compliance with Section 428C of the Act which is insured or guaranteed pursuant to Subsection 428C(a)(2) thereof to the maximum extent such Student Loans are insurable by the Secretary as of the date of purchase thereof by the Servicer.

Custodial Agent: A business entity with which the Servicer subcontracts to perform the custodial duties required to be performed by the Servicer under this Agreement.

Default: The failure of a Borrower and endorser, if any, or joint Borrowers on an Eligible Loan, to make an installment payment when due, or to meet other terms of the related Note, if the Secretary or Guaranty Agency finds it reasonable to conclude that the Borrower and endorser, if any, no longer intend to honor the obligation to repay.

Deferment: A period of time authorized by the Act during which the Borrower is entitled to have periodic installment payments of principal and interest, if applicable, due under a Note temporarily postponed.

Department: The U.S. Department of Education or other department of the federal government responsible for regulating guaranteed student loan programs and student financial assistance programs.

Effective Date: The date first set forth above.

Eligible Lender: A lender qualified to participate in FFELP pursuant to the terms of the Act.

Federal Default Fee: A fee that must be deposited into the federal fund of the Guaranty Agency or otherwise disbursed in connection with the Guarantee of an Eligible Loan, as required by applicable law. Any reference(s) to Guarantee Fee herein shall be read to include the Federal Default Fee.

Federal Loan Purchase Program: The Ensuring Continued Access to Student Loans Act of 2008 (Pub. Law 110-227) or any federal program that provides for the direct purchase of Student Loans by the Department or any other department or agency of the federal government, whether such program is now existing or hereafter authorized.

FFELP: The Federal Family Education Loan Program authorized under the Act.

Forbearance: A period of time authorized under the Act during which the Authority temporarily permits the cessation of payments of principal and interest due under a Note, allows an extension of time for making payments or accepts smaller payments than previously scheduled.

Grace Period: The period beginning the day after the Borrower on a Stafford Loan ceases to be enrolled at least half time at an Eligible School, ending on that day before the Repayment Period begins, and during which payments of principal are not required.

Guarantee: A conditional legal obligation as defined in an agreement by and between a Guaranty Agency and the Authority to reimburse the Authority for Student Loans.

Guaranty Agency or Guarantor: A state or private non-profit organization which has an agreement with the Secretary to administer a loan guarantee program under the Act.

herein, hereof, hereto and hereunder and similar terms: Unless otherwise expressly stated, each such term contained in this Agreement refers to this Agreement as a whole and not to any particular section, paragraph or provisions of this Agreement.

Interim Period: The period beginning the date of the first disbursement of a Stafford Loan and ending on the day immediately preceding the beginning of the Grace Period.

LaRS (Lenders' Interest and Special Allowance Request and Report – ED form 799): A quarterly report required by the Department to be submitted by or on behalf of the Authority to the Department which reflects all payments due to and from the Department as well as portfolio status at the end of that period or any similar report that is in effect and required by the Department from time to time.

Loan Servicing Services: As described in Article II hereof.

Missouri Act: The Missouri Higher Education Loan Authority Act, Revised Statutes of Missouri, Sections 173.350 through 173.445, as amended, and any successor statute of similar import, together with any regulations thereunder, in each case as in effect from time to time. References to sections of the Missouri Act shall be construed to also refer to any successor sections.

MPN: A Master Promissory Note in the form mandated by the Act.

Note: The promissory note or MPN executed by a Borrower to evidence such Borrower's obligation to repay Borrower's Student Loan.

Person: An individual, joint stock company, trust, unincorporated association, joint venture, corporation, business trust, partnership or other organization or entity (whether governmental or private).

PHEAA Servicing Agreement: The Servicing Agreement between Pennsylvania Higher Education Assistance Agency and the Authority dated as of December 1, 2000, as amended and supplemented to date and as subsequently amended and supplemented.

PLUS Loan: A loan made under the Federal Parent Loan for Undergraduate Students or PLUS Loan Program pursuant to the Act.

Principal Balance: The outstanding amount of a Student Loan, including, without limitation, Capitalized Interest, on which the Authority charges interest.

Repayment Period:

(1) For a Stafford Loan, the period beginning on the date following the expiration of the Grace Period and ending no later than ten (10) years from that date, or such longer period as may result from Deferment, Forbearance or as may otherwise be permitted under the Act or other applicable law.

(2) For a PLUS Loan or a Consolidation Loan, the period that begins on the date the final disbursement is made for such loan and ending no later than ten (10) years from that date, or such longer period as may result from Deferment, Forbearance or as may otherwise be permitted under the Act or other applicable law.

Repayment Schedule: The schedule to a Note which states the terms of loan repayment and disclosure requirements under the Act.

Secretary: The Secretary of the Department or any successor thereto as defined in the Act.

Serviced Loans: As defined in the Recitals.

Servicing Fee: As defined in Section 2.07(a).

Special Allowance: A percentage of the average unpaid Principal Balance paid to the Authority by the Secretary on a Student Loan.

Stafford Loan: A loan made to a student pursuant to the Act. A Guaranty Agency insures the Authority against losses on Stafford Loans due to a Default, or non-default as defined in the Common Manual, provided certain requirements of the Act are adhered to.

Student Loan: Any Stafford Loan, PLUS Loan or Consolidation Loan made pursuant to the Act to a Borrower to finance post-secondary education that is guaranteed and/or insured by a Guarantor or the Secretary.

Subservicer: Pennsylvania Higher Education Assistance Agency and any other subservicers engaged by the Servicer hereunder in accordance with the terms of the Indenture.

Subservicing Agreement: The PHEAA Servicing Agreement, the Backup Servicing Agreement and any servicing or subservicing agreements entered into by the Authority with a Subservicer in accordance with the terms of the Indenture.

ARTICLE II
LOAN SERVICING

Section 2.01. Engagement. The Authority hereby engages the Servicer as its agent to provide Loan Servicing Services for all of the Serviced Loans and the Servicer agrees to provide Loan Servicing Services for all of the Serviced Loans, either directly or through a Subservicer, in accordance with and subject to the terms and conditions of this Agreement and the Indenture.

Section 2.02. Loan Servicing Services. The Servicer will perform or cause to be performed the following Loan Servicing Services with respect to the Serviced Loans (collectively, the “Loan Servicing Services”):

(a) Use commercially reasonable efforts to perform its services and duties hereunder in compliance in all material respect with, and as required by, (i) Applicable Laws, (ii) the policies of the applicable Guarantor, (iii) the Common Manual, (iv) other applicable federal laws and regulations (e.g., interest reporting requirements under the Taxpayer Relief Act of 1997) and (v) any other guarantee program as mutually agreed between the Authority and the Servicer;

(b) Prepare and deliver to the Secretary in an accurate, timely and complete manner LaRS or such other forms and reports as the Secretary may, from time to time, require;

(c) Perform all Loan Servicing Services (including without limitation performing due diligence and cure servicing activities) in accordance with generally established procedures and industry standards and practices, including providing the Authority with the reports and Data Files identified on Schedule 3 hereto. The Authority may request additional reports, subject to any fees for ad hoc reporting set forth in Schedule 1. Such Loan Servicing Services and duties shall be performed with respect to each Serviced Loan until such Serviced Loan is paid in full (whether by the Borrower or through the payment of a Guarantee claim or otherwise) or until such time as this Agreement is terminated pursuant to the terms of Article IV hereof; and

(d) (i) maintain records received by the Servicer with respect to each Serviced Loan and records of the Servicer’s servicing of the Serviced Loan from the date such servicing commenced, (ii) maintain possession (directly or through a Custodial Agent) of the original Note(s), loan Applications and other required documents, including any received from the Authority; and (iii) electronically or otherwise reproduce the Note(s), Applications, and other required documents and cause such reproductions to be stored at the Servicer’s offices or with the Servicer’s Custodial Agent in such form as is reasonably satisfactory to the Servicer. If any necessary records are lost or damaged while in the Servicer’s or its Custodial Agent’s possession, the Servicer shall use its best efforts to reproduce or salvage such records at no cost to the Authority.

Section 2.03. Electronic Files. the Servicer or its Custodial Agent may maintain Borrower and other Eligible Loan related files in an electronic format and such electronic files shall constitute prima facie evidence of the record of loan documentation received.

Section 2.04. Electronic Interface. If any Guarantor or the Secretary permits electronic interface or expedited or express claims filing or review processing, the Servicer may participate therein on behalf of the Authority. In such event, the Servicer may enter into, on behalf of and with the prior consent of the Authority as its agent, any participation agreement or similar documentation required by such Guarantor or the Secretary in order to participate therein.

Section 2.05. Independent Audit. The Servicer may use an independent third-party to perform an audit that will comply in all material respects with the Authority's requirement to provide an annual audit to the Department for those services provided to the Authority by the Servicer. The Servicer may, at its discretion, charge the Authority a reasonable fee for the preparation of the audit provided the Servicer provides advance notice of such fee to the Authority in advance of such audit.

Section 2.06. Remittances. All remittances with respect to Serviced Loans subject to this Agreement shall be deposited to one or more bank accounts in the name of the Servicer at a bank designated by the Servicer and reasonably acceptable to the Authority. Funds in such accounts less any undisputed Servicing Fee amounts owed to the Servicer hereunder that are past due more than sixty (60) days shall be transferred to the Authority within five (5) Business Days of receipt thereof. Earnings on the bank accounts less any undisputed Servicing Fee amounts owed to the Servicer hereunder shall be used to offset the cost of maintaining and operating such bank accounts.

Section 2.07. Servicing Fee and Expenses.

(a) In consideration for the Servicer's Loan Servicing Services, the Servicer shall be paid the Servicing Fee therefor provided in Schedule 1 ("Servicing Fee") within thirty (30) days after receipt of an invoice for the same, as set forth in the Indenture. Invoiced amounts not paid within such thirty (30) days may, at the Servicer's option, incur a late charge of one and one-half percent (1-1/2%) per month until paid.

(b) In addition to any other fees or expense reimbursements to which the Servicer shall be entitled under this Agreement, the Authority agrees to reimburse the Servicer for any reasonable and identifiable expenses which the Servicer incurs as a direct result of any additional work required under this Agreement (so long as the same is not required due to servicing deficiencies of the Servicer) due to any non-routine (i) transfer of the Guarantee on Serviced Loans to a new or successor Guarantor, (ii) Guarantor error with respect to Serviced Loans, (iii) testing, reconciliation or remediation project required in writing by the applicable Guarantor, (iv) activity required by the particular needs of a Guarantor with respect to Serviced Loans and requested by such Guarantor in writing, or (v) activity required by the Authority. The Servicer shall notify the Authority of any such anticipated expenses and obtain the Authority's approval therefor prior to conducting any such additional work. The Servicer shall bill any such expenses at its standard hourly rates or other charges as set forth on Schedule 1, where applicable.

(c) In the event of any good faith dispute by the Authority regarding any amount billed by the Servicer, the Authority may by written notice to the Servicer detailing the

grounds for the dispute, withhold payment of such disputed amount for a reasonable period pending resolution of the dispute, but shall pay the undisputed portion billed when and as due. If the dispute has not been mutually resolved within sixty (60) days after the date such amount was initially due, the Authority shall deposit the withheld amount into an independent escrow account satisfactory to the Servicer pending mutual agreement or court or arbitration decision regarding proper disposition of such funds. Failure of the Authority to pay the undisputed portion of a billing or to place any disputed amount in escrow as provided above shall constitute a default hereunder.

Section 2.08. Audit/Inspection Rights. The Authority or any governmental agency having jurisdiction over the Authority or the Serviced Loans shall have the right from time to time during normal business hours to examine and audit any of the Servicer's records pertaining to any Serviced Loan; provided, however, that such activities shall not unreasonably disrupt the Servicer's normal business operation. The Servicer shall, upon prior approval and availability of resources, which shall not be unreasonably withheld, permit the Authority or its designee to conduct or have conducted a procedural audit regarding the Servicer's compliance with the requirements of Applicable Law and/or the terms of this Agreement. All such audits shall be at the expense of the Authority.

ARTICLE III REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 3.01. Representations, Warranties and Covenants by the Servicer. The Servicer represents and warrants to, and covenants with, the Authority:

(a) The Servicer is a public instrumentality and body corporate and politic of the state of Missouri created pursuant to the Missouri Act.

(b) As it relates to this Agreement, the Servicer has complied with all of the provisions of the Constitution and laws of the state of Missouri, including the Missouri Act. The Servicer has, and its officers acting on its behalf have, full legal authority to engage in the transactions contemplated by this Agreement and any and all other agreements relating hereto.

(c) The Servicer shall deliver to the Authority, upon request, copies of the A133 audit reports, or if not available, the annual compliance audit as required by Section 428(b)(1)(4) of the Act, as amended.

(d) The Servicer will maintain adequate capital and personnel for the proper conduct of its affairs in connection with this Agreement.

(e) Notwithstanding any provision herein to the contrary, the Servicer will at all times comply with Applicable Laws, applicable Guarantor program requirements and the Common Manual in the conduct of the services described in this Agreement.

Section 3.02. Representations, Warranties and Covenants of the Authority. The Authority represents and warrants to, and covenants with, the Servicer that:

(a) The Authority is a public instrumentality and body corporate and politic of the state of Missouri created pursuant to the Missouri Act.

(b) If it consolidates with, merges into or transfers substantially all of its assets to any other entity or permits one or more other entities to consolidate or merge into it the surviving entity or transferee (the "Successor Lender") shall be an Eligible Lender under the Act, and shall assume in writing all of its obligations under this Agreement.

(c) It is, and will continue at all times during the term of this Agreement to be, an Eligible Lender under the Act, and will maintain adequate capital and personnel for the proper conduct of its affairs in connection with this Agreement.

(d) It is not under any cease and desist order or other order of a similar nature, temporary or permanent, of any Federal, state or local authority, nor are there any proceedings presently in progress or to its knowledge contemplated which would, if successful, lead to the issuance of such order, nor is there any action or proceeding pending or threatened against it before any court or administrative agency that might have a materially adverse effect on its ability to perform its obligations under this Agreement.

(e) No payment, whether in the form of money, property, services or other forms of consideration, has been made or will be made by or on behalf of the Authority for the direct or indirect benefit of any employee, officer, director or agent of the Servicer whether in connection with, arising out of, or in any way relating to this Agreement.

(f) None of the execution and delivery by the Authority of this Agreement, the consummation of the transactions herein contemplated or the compliance with the provisions hereof will violate any of the provisions of any indenture, agreement, document, instrument or understanding to which the Authority is a party or subject, or by which the Authority is bound, or conflict with or constitute a default thereunder.

ARTICLE IV TERMINATION

Section 4.01. Termination by Parties. This Agreement may be terminated at any time and upon such terms and conditions as may be mutually agreed upon, in writing, by the Servicer and the Authority.

Section 4.02. Termination for Cause. This Agreement may be terminated by the Servicer or the Authority, upon sixty (60) days written notice, if the other party has committed a material breach of any of the terms or conditions of this Agreement and the breach is not cured to the reasonable satisfaction of the non-breaching party within the notice period.

ARTICLE V
MISCELLANEOUS PROVISIONS

Section 5.01. Indemnification.

(a) The Authority hereby agrees to defend, indemnify and hold harmless the Servicer and its subsidiaries and affiliates and its and their respective members, directors, members, officers, employees and agents, and the successors and assigns of each of the foregoing (individually, a “Servicer Indemnified Party” and collectively, the “Servicer Indemnified Parties”) from and against any and all claims, demands, suits, settlements, damages, losses, liabilities, penalties, fines, costs and expenses, including, without limitation, reasonable attorneys’ fees and expenses, paid or incurred by, or asserted against, any Servicer Indemnified Party relating to or arising out of or in connection with (i) the breach of any representation or warranty made by the Authority in this Agreement, (ii) the negligence or willful misconduct of the Authority or any of its shareholders, subsidiaries or affiliates or any of their respective directors, officers, employees and/or agents in connection with the performance of any of the Authority’s rights, obligations or duties under this Agreement and/or (iii) any breach of this Agreement by the Authority.

(b) The Servicer hereby agrees to defend, indemnify and hold harmless the Authority and their shareholders, subsidiaries and affiliates and their respective directors, officers, employees and agents, and the successors and assigns of each of the foregoing (individually, an “Authority Indemnified Party” and collectively, the “Authority Indemnified Parties”) from and against any and all Claims (as defined in Section 5.01(c) (Process)), demands, suits, settlements, damages, losses, liabilities, penalties, fines, costs (including costs related to the provision of notices to customers and/or consumers, and ongoing monitoring services), and expenses, including, without limitation, reasonable attorneys’ fees and expenses, (together “Losses”) paid or incurred by, or asserted against, any Authority Indemnified Party relating to or arising out of or in connection with (i) the breach of any representation or warranty made by the Servicer in this Agreement, (ii) the negligence or willful misconduct of the Servicer or any of its shareholders, subsidiaries or affiliates or any of its and their respective members, directors, officers, employees and/or agents in connection with the performance of any of the Servicer’s rights, obligations or duties under this Agreement, (iii) any breach of this Agreement by the Servicer, (iv) the infringement, misappropriation or other violation of intellectual property Rights, and/or (v) a Security Breach.

Section 5.02. Limitation of Liability. Notwithstanding any provision contained in this Agreement to the contrary, except to the extent caused by gross negligence or willful misconduct and the Authority or the Servicer, as the case may be, is entitled to indemnification with respect thereto under the provisions of Sections 5.01(a) and/or 5.01(b) above (in which case the maximum liability shall be limited to the amount of the indemnification obligation):

(a) the maximum liability of the Authority to the Servicer as a result of a breach of any provision of this Agreement by such Parties shall be limited to the direct damages incurred by the Servicer in connection with such breach and the maximum liability of the Servicer to the Authority as a result of a breach of any provision of this Agreement by the

Servicer shall be limited to the direct damages incurred by the Authority in connection with such breach; and

(b) in no event shall the Authority be liable to the Servicer or the Servicer be liable to the Authority under or in respect of this Agreement for any punitive, exemplary, consequential, incidental or indirect damages (including, without limitation, loss of goodwill, loss of profits or revenues, loss of savings and/or interruptions of business) whether such damages occur prior or subsequent to, or are alleged as a result of, tortious conduct or breach of any of the provisions of this Agreement, even if such person has been advised of the possibility of such damages.

Section 5.03. Confidentiality.

(a) For purposes of this Agreement, “Confidential Information” means and includes this Agreement and all schedules, exhibits, supplements and addenda to this Agreement, all data, information, records, correspondence, reports or other documentation relating to and identified with prospective, existing, or former Borrowers of Student Loans subject to this Agreement, contained or reflected in loan forms (including, without limitation, the Application and/or Note) or otherwise obtained, received, prepared, generated or maintained by the Servicer or the Authority in connection with this Agreement or necessary to complete, process, fund, service or otherwise administer a Student Loan for the Authority and all proprietary and trade secret information of such party. Confidential Information will not, however, include any information which (i) was publicly known and made generally available in the public domain prior to the Effective Date; or (ii) becomes publicly known and made generally available after the Effective Date through no action or inaction of either of the parties hereto.

(b) Third Party Proprietary Information. No Party will disclose any information to the other Party that is proprietary or confidential information, or trade secret, of a third party, except as permitted by the license or other terms of use under which the Disclosing Party received such information from the third party. Each Party will take all reasonable steps to ensure the fulfillment of this obligation.

(c) Permitted Disclosure. Notwithstanding anything herein to the contrary, each of the parties may disclose any information, including Confidential Information, (i) as required by Applicable Laws and (ii) in response to a request from any applicable Guarantor or any federal or state bank examiner, or other regulatory official with authority over the Disclosing Party or its Affiliates, and the party receiving any such request will promptly notify the other party of such request.

Section 5.04. Privacy Compliance.

(a) If directed and approved by the Authority, and agreed to by the Servicer, which agreement shall not be unreasonably withheld, the Servicer will include the Customer Information privacy and opt-out policies and practices of the Authority (“Annual Privacy Notice”), and any other government required disclosure/information statement, as a separate insert along with the mailing of a Borrower’s statement or other the Servicer generated document(s) to the Borrower as the Servicer deems appropriate, or in the alternative, at the Servicer’s option, as a separate mailing. the Servicer may provide electronic delivery, if available, of the Annual Privacy Notice to Borrowers.

(b) The Authority hereby agrees that the Servicer will not be responsible or held liable for the content of the Initial Privacy Notice or Annual Privacy Notice, both of which will be prepared by the Authority and provided to the Servicer, and the Servicer will not be responsible or held liable for performing any administrative, communicative, tracking or servicing functions, and the Authority hereby agrees not to request or demand such activity from the Servicer, with regard to the Authority’s opt-out policies and practices other than distribution of said opt-out policies and practices as set forth in this Agreement. The Authority shall be solely responsible and liable for administering, communicating, tracking and servicing all opt-out functions and shall notify all of its Borrowers that Borrower communication regarding opt-out shall be directed exclusively to the Authority. The Servicer will, however, use commercially reasonable efforts to forward timely to the Authority any inadvertent Borrower communication received by the Servicer indicating the Borrower’s election to opt-out of the sharing of Borrower information by or among the Authority, its affiliates, agents and subcontractors. The Authority agrees to perform its opt-out practices and administer its opt-out policies on its own in accordance with all applicable Federal, state and local statutes, laws, rules, regulations, ordinances, orders, writs, injunctions or decrees and agrees to indemnify, defend and hold harmless the Servicer Indemnified Parties (including paying for all costs, expenses and attorneys’ fees) for any and all actions, charges, complaints or claims made by any third party, including but not limited to a Borrower or regulator, against the Servicer Indemnified Parties for the Authority’s failure to lawfully perform said opt-out function or for the content of the Initial Privacy Notice and/or Annual Privacy Notice. The Authority is solely responsible for providing the Servicer a copy, and all updated versions, of its Initial and Annual Privacy Policies in a timely manner and in a format acceptable to the Servicer.

(c) Each party agrees to provide reasonable assistance to the other party in complying with all Applicable Laws.

(d) Should the Authority fail to direct or elect not to have the Servicer provide the Initial Privacy Notice and/or Annual Privacy Notice to the Authority’s Borrowers, then the Authority shall agree and warrant to perform such function on its own in accordance with all Applicable Laws and regulations governing same and the Authority shall further agree to indemnify, defend and hold harmless the Servicer Indemnified Parties (including paying for all costs, expenses and attorneys’ fees) for any and all actions, charges, complaints or claims by any third party, including but not limited to a Borrower or regulator, against the Servicer Indemnified Parties for the Authority’s failure to lawfully perform said notification to the Borrower. The

Servicer may charge a fee to the Authority for some or all of the services described in Sections 5.04(a) through 5.04(c), not to exceed the actual cost of said services, at its sole discretion.

(e) The Servicer agrees that the Authority shall have the opportunity to review any the Servicer-prepared notices to be provided to Borrowers pursuant to this section.

Section 5.05. Waivers and Modifications. The terms and conditions of this Agreement cannot be waived or modified unless done so in writing with such written waiver or modification being signed by all parties hereto. No failure on the part of either party to exercise, and no delay in exercising, any right hereunder will operate as a waiver thereof; nor will any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right.

Section 5.06. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the United States and the laws of the State of Missouri without regard to its conflicts of laws principles.

Section 5.07. Counterparts; Facsimile Signatures. This Agreement may be executed and delivered in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures to this Agreement may be given by facsimile, electronic mail or other electronic transmission, and such signatures are fully binding on the party sending the same.

Section 5.08. Severability. In the event any provision of this Agreement shall be held to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein that may be given effect without the invalid, illegal or unenforceable provision shall not in any way be affected or impaired thereby.

Section 5.09. Notices. Any notice, request, report, demand, consent, confirmation or other communication under this Agreement shall be in writing and delivered in person or sent by facsimile, nationally recognized overnight courier or registered or certified mail, return receipt requested and postage prepaid, to the applicable party at its address or facsimile number set forth on the signature pages hereof, or at such other address or facsimile number as any party hereto may designate as its address or facsimile number for communications under this Agreement by notice so given. Such notices shall be deemed effective on the day on which delivered or sent if delivered in person or sent by facsimile (with answerback confirmation received), on the first (1st) Business Day after the day on which sent, if sent by nationally recognized overnight courier or on the third (3rd) Business Day after the day on which mailed, if sent by registered or certified mail.

Section 5.10. Assignment; Successors and Assigns. Neither party shall have the right to assign, in whole or in part, this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld. Nothing in this Agreement shall be construed to prohibit the delegation or subcontracting by the Servicer of any of its obligations or duties hereunder to any third party.

Section 5.11. Forwarding Communications. Except as otherwise provided herein, the Authority agrees to forward promptly to the Servicer any documents or notices of activity pertaining to Eligible Loans subject to this Agreement that the Authority receives.

Section 5.12. Arbitration. Upon demand of any party hereto, whether made before or after institution of any judicial action or proceeding, all controversies, disputes, and claims arising under or relating to this Agreement are to be resolved by arbitration. Unless otherwise agreed to by the parties hereto, the arbitration is to be administered by the American Arbitration Association (the "AAA") and is to be conducted in accordance with the Commercial Arbitration Rules of the AAA and Title 9 of the United States Code. The arbitration shall be conducted by an arbitrator acceptable to both parties selected from a list provided by the AAA. The arbitration is to be conducted in the City of St. Louis or St. Louis County, Missouri. The arbitrator shall apply U.S. law and Missouri law, without regard to its choice of laws principles. The arbitrator may award costs and attorneys fees to either party. The decision of the arbitrator shall be final and binding upon the parties and enforceable in a court of competent jurisdiction.

Section 5.13. Force Majeure. MOHELA and the Servicer shall be excused from any breach of or failure to perform under this Agreement if performance is prohibited or prevented by an applicable law, rule or regulation or if such breach or failure results from any acts of God, strikes or other labor disputes, failures of third parties, war, riots or civil disturbances or any cause beyond such party's reasonable control which prevents its performance under this Agreement.

Section 5.14. Change of Services. The Servicer reserves the right to change any part or all of the Loan Servicing Services in connection with this Agreement, provided, however, no such change shall abrogate or in any way modify the obligations of the Servicer under this Agreement, including without limitation the quality of the services provided or the compliance requirements hereunder. Nothing in this Section shall be construed to limit or restrict the rights of the Servicer to terminate any of its obligations as provided under Article IV of this Agreement.

Section 5.15. License. During the term of this Agreement, the Authority grants the Servicer a royalty-free, non-exclusive license to use its intellectual property relating to its identifying trade and service marks, including but not limited to, the Authority's name(s) and logos and consents to use of same in all documents, programs and websites/pages related to the services provided in this Agreement.

Section 5.16. Entire Agreement; Survival. This Agreement embodies the entire agreement and understanding between the parties hereto and supersedes all prior agreements and understandings (oral and/or written) relating to the subject matter hereof. It is understood and agreed that the representations, warranties and covenants set forth in this Agreement shall survive the execution of this Agreement and that the representations and warranties shall inure to the benefit of the transferees and assigns of the Servicer. If during the term of this Agreement, one or more events occur which give rise to an obligation or liability of either party under this Agreement such obligation or liability shall continue notwithstanding the expiration or termination of this Agreement, until each such liability is performed or paid by the respective

party. In addition, the provisions set forth in Sections 5.01, 5.02, 5.03, 5.04, 5.13, 5.19, 5.23, 5.25 and 5.28 shall survive any termination of this Agreement.

Section 5.17. Captions. Section titles, captions and headings contained herein are inserted as a matter of convenience and are for reference only and they do not define, limit, extend or describe the scope of this Agreement or any provision hereof.

Section 5.18. Cumulative Remedies; Set-off. The remedies set forth in this Agreement are cumulative and shall be in addition to any and all other remedies available at law or in equity. The exercise by the Servicer or the Authority of any one or more of them shall not in any way alter or diminish the rights of the Servicer or the Authority to any other remedy provided in this Agreement or by law or equity. All claims for money due from the Servicer to the Authority hereunder shall be subject to deduction or set-off by the Servicer for any amount owing at any time by the Authority to the Servicer.

Section 5.19. Further Assurances. At any time and from time to time after the Effective Date, the parties shall execute and/or deliver any documents, instruments of transfer or assignment, files and records and do all acts and things as may reasonably be required to carry out the intent of the parties under this Agreement.

Section 5.20. Publicity. The Authority shall not use the name or any logo, trademark or service mark of the Servicer or of any the Servicer products or benefits without the prior written consent of the Servicer in each instance. The Authority shall not publicize or use in any of its advertisements or promotions the terms of this Agreement or the fact of its existence without the prior written consent of the Servicer.

Section 5.21. Limitation on Liability of Directors, Members, Officers, Employees and Agents of a Party. No director, member, officer, employee or agent of any party of this Agreement shall be individually liable to any other party for the taking of any action, or for refraining to take any action, in good faith pursuant to this Agreement. The Agreement is a corporate obligation and any liability arising hereunder shall be a corporate liability.

[Signature page follows]

THIS AGREEMENT CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BETWEEN THE PARTIES.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Servicing Agreement as of the Effective Date.

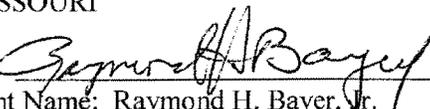
AUTHORITY

HIGHER EDUCATION LOAN
AUTHORITY OF THE STATE OF
MISSOURI

By: 
Print Name: Raymond H. Bayer, Jr.
Title: Executive Director and Chief
Executive Officer

SERVICER

HIGHER EDUCATION LOAN
AUTHORITY OF THE STATE OF
MISSOURI

By: 
Print Name: Raymond H. Bayer, Jr.
Title: Executive Director and Chief
Executive Officer

Address:

633 Spirit Drive
Chesterfield, Missouri 63005

Attn.: Senior Manager for Lender
Development
e-mail: terryb@mohela.com
Facsimile No: (636) 787-2759

SCHEDULE 1

SERVICING FEES AND EXPENSES

1. The Servicing Fee shall be paid monthly.
2. The Servicing Fee shall be an amount equal to one-twelfth of the product of 0.50% (or a greater percentage with a Rating Confirmation) and the principal amount of the Serviced Loans as of the end of the preceding month.
3. The Authority shall charge Late Fees and NSF Fees to the Borrower whenever applicable and will retain the right to one hundred percent (100%) of the Late Fee and the NSF Fee except as provided pursuant to any Subservicing Agreement.
4. The Servicer will send the Trustee, not more than thirty (30) days after the end of each month (each month a "Billing Period"), an invoice for services rendered during the previous Billing Period or fraction thereof.
5. At the Authority's request, the Servicer may elect to perform additional and optional services set forth below. The Authority agrees to pay the Servicer the amounts set forth below for performing those additional services.

ADDITIONAL AND OPTIONAL SERVICES

Ad Hoc Reporting	\$150.00/hour
Ad Hoc Minimum	\$150.00
Bond Swap	\$2.00/loan
Deconversion	\$20.00/loan
File Preparation	\$15.00/borrower
File Shipping	Cost
Conversion Fees	\$2.00/loan
Post-Conversion Research	Cost
Privacy Notices	\$0.80/notice
Tax Notices & IRS Reporting (1098E)	\$0.65/notice
Wire Transfer Fees	Cost
Other Services	Quotation

SCHEDULE 2

SERVICING REPORTS AND DATA FILES

The Servicer agrees to provide the Authority with the following or similar reports to the extent that they are made available to the Servicer by the Pennsylvania Higher Education Assistance Agency (“PHEAA”) or any successor entity via PHEAA’s Pagecenter Report or other similar service. Pursuant to the contract between the Servicer and PHEAA pursuant to which PHEAA provides such reports, they are subject to change as PHEAA’s COMPASSSM System is modified and the Servicer will have the opportunity to purchase the COMPASSSM source code from PHEAA in the event PHEAA ceases to do business. In the event PHEAA ceases to do business or no longer provides such reports, the Servicer agrees, pursuant to any the Servicer system limitations and after consultation with the Authority to determine the content and the format of the reports the Authority requires, to develop and deliver regular reports to the Authority.

The list below reflects the reports that are available from PHEAA as of the Effective Date of the Agreement.

<u>Report</u>	<u>Frequency</u>
Customer Account Report	Daily
Financial Summary Report	Daily
Detail Report	Daily
FACT Level 1,2,3	Monthly
Portfolio Analysis Report Level 1,2	Monthly
Portfolio Characteristics Report Level 1,2,3	Monthly
Portfolio Maturity Report Level 1,2,3	Monthly
Portfolio Timing Report Level 1,2	Monthly
Supplemental Activity Report Level 1,2	Monthly
Customer Account Report	Monthly
Financial Summary Report	Monthly
Special Allowance Projection Report	Monthly
Aging Report	Monthly

The Servicer will also continue to provide the Authority with the MR50 and MR53 data files (the “Data Files”) that were previously developed by the Servicer for the Authority at their request and for which the Authority paid the Servicer. Any modifications to the Data Files that are requested by the Servicer may be subject to fees under “Other Services” on Schedule 1.