CERTIFICATE AND AGREEMENT
BETWEEN THE HIGHER EDUCATION LOAN AUTHORITY
OF THE STATE OF MISSOURI
AND AMBAC ASSURANCE CORPORATION

Dated: June 26, 2006

This Certificate and Agreement between the Higher Education Loan Authority of the State of Missouri (the "Authority") and Ambac Assurance Corporation (the "Bond Insurer") is executed and delivered by the parties hereto to Wells Fargo Bank, N.A., as trustee (the "Trustee") with respect to the Series 1995 Bonds, the Series 1996 Bonds, the Series 2006I Bonds and the Series 2006J Bonds (collectively, the "Insured Bonds"), issued by the Authority under its Twelfth General Student Loan Program Bond Resolution, as amended and restated on June 26, 2006 (the "General Resolution") and the First, Second, Third, Fourth, Fifth and Sixth Supplemental Resolutions (collectively, the "Supplemental Resolutions," together with the General Resolution, the "Resolution"). All other capitalized terms are as defined in the Resolution.

THIS CERTIFICATE AND AGREEMENT REPLACES AND SUPERSEDES ALL PRIOR CERTIFICATES AND AGREEMENTS BY AND BETWEEN THE PARTIES HERETO FILED WITH THE TRUSTEE UNDER THE RESOLUTION, IF ANY.

A. LOAN LIMITATIONS:

Amounts on deposit in the Student Loan Fund representing the proceeds of sale of the Insured Bonds (including Recoveries of Principal with respect thereto) may be used only to finance and refinance Eligible Loans in accordance with the Resolution and this Certificate and Agreement, as the same may be amended or supplemented, subject to the following limitations (all limitations to be measured in accordance with subsection (c) of the definition of "Value" in the Resolution) at the time of purchase:

1. Supplemental Loans (or CASHLoans) as described in Exhibit B shall not exceed 75% of the sum of all Student Loans outstanding and pledged under the Resolution at any time;

2. LAWCASH loans as described in Exhibit B hereto, shall be limited to 25% of the total Supplemental Loan balance outstanding at any time;

3. No more than 5% of all Supplemental Loans outstanding under the Resolution will be made to students attending schools other than four-year, regionally accredited schools;

4. Supplemental Loans with "Empirica scores" below 650 are limited to 20% of all Supplemental Loans outstanding at any time (including Supplemental Loans without an Empirica score);

5. Supplemental Loans with "Empirica scores" below 620 are limited to 3% of all Supplemental Loans outstanding at any time (excluding Supplemental Loans with Empirica scores below 620 and Supplemental Loans without an Empirica score as of the Issue Date);

For purposes of the "Empirica score" limitations above, for a given Supplemental Loan, the Empirica score to be considered should be the higher of (a) the borrower's Empirica score or (b) the co-signer's Empirica score (if the loan has a co-signer).

6. If the Supplemental Loan Cumulative Default Rate exceeds 10% of all Supplemental Loans in repayment status under the Resolution, recycling will be suspended for Supplemental Loans only.

7. Supplemental Loans made to students attending school less than half-time shall be limited to 3% of all Supplemental Loans outstanding under the Resolution.

8. If the Supplemental Loan Delinquency Rate exceeds 10% of all Supplemental Loans in repayment status under the Resolution, recycling will be suspended for Supplemental Loans only.

9. If the principal amount of Supplemental Loans in forbearance exceeds 20% of the principal amount of all Supplemental Loans outstanding under the Resolution, recycling will be suspended for Supplemental Loans only.

10. Supplemental Loans insured by TuitionGuard on the Issue Date shall maintain the TuitionGuard policy as long as such loans remain outstanding under the Resolution.

11. No more than 2% of all Supplemental Loans outstanding under the Resolution may result from the appeal process described in Exhibit B hereto.

B. ACQUISITION AND RECYCLING PERIOD

1. The Acquisition Period with respect to the Series 2006I Bonds and the Series 2006J Bonds shall commence on the Issue Date and end on the date that the Authority no longer reasonably expects to acquire or originate Loans from amounts deposited in the Student Loan Fund pursuant to Section 3.2 of the Sixth Supplemental Resolution, but not later than July 1, 2007, provided that this period may be extended with the prior written consent of the Bond Insurer and notice to each Rating Agency.

2. The Recycling Period with respect to the Insured Bonds shall commence on the Issue Date and end on February 1, 2008, subject to suspension or termination in the event of a Recycling Suspension Event, except that such period may be extended with the prior written consent of the Bond Insurer and notice to each Rating Agency.

3. No Student Loan impacted by a Material Adverse Change, as defined in the Resolution, may thereafter be financed without the prior written approval of the Bond Insurer.

4. Notwithstanding the foregoing, no Eligible Loans will be financed upon the notice to the Authority and the Trustee by the Bond Insurer of the occurrence of a Recycling Suspension Event. In the event that a Recycling Suspension Event is cured (such cure to be evidenced by the written approval of the Bond Insurer), the financing of Eligible Loans may resume. The Trustee shall notify each Rating Agency of any Recycling Suspension Event and any cure thereof, to the extent the Trustee is aware of such event.

C. FEES AND EXPENSES

Amounts on deposit in the Revenue Fund or the Student Loan Fund may be used to pay Program Expenses, including Servicing Fees and Bond Fees, to the extent as set forth in Exhibit C to this Certificate and Agreement, or a subsequent such certificate consented to by the Bond Insurer and delivered to the Trustee. Any increase in the amount of Program Expenses, including Servicing Fees and Bond Fees, set forth in Exhibit C hereto shall require the prior written consent of the Bond Insurer.

D. CASH RELEASE LEVEL

1. On each Interest Payment Date when Accrued Assets as certified to by an Authorized Officer exceed 103% of Accrued Liabilities, then, with the prior written consent of the Bond Insurer and subject to the terms of the Resolution, the amounts above such 103% may be transferred to the Authority, at the written direction of the Authority, free and clear of the lien or the pledge of the Resolution; provided, however, that prior to such transfer the Authority must provide a Cash Flow Statement acceptable to the Bond Insurer demonstrating that (a) the Parity Percentage, so long as any Bonds are Outstanding, will equal or exceed 103% of the principal amount of Insured Bonds Outstanding; and (b) the excess of Accrued Assets over Accrued Liabilities will at all times be equal to or greater than $2,000,000 (unless the Bond Insurer shall give its written consent to an amount less than $2,000,000) and provided further that, a cash release shall not be made to the Authority unless the accrued Carry-over Amount shall have been paid in accordance with Section 5.4(A)(viii) of the Resolution.

2. Furthermore, no cash release shall take place if there is a Recycling Suspension Event which has not been cured.

E. OTHER LIMITATIONS

1. Effective March 31, 2007, the aggregate amount of Student Loans sold, assigned, transferred or otherwise disposed of pursuant to Section 7.8 (C)(i)(a) and (C)(i)(b) of the General Resolution may not exceed 5% of the Value of all Eligible Loans subject to the lien of the General Resolution on the Issue Date, unless the Bond Insurer otherwise consents in writing.

2. Without the prior written consent of the Bond Insurer, Higher Education Act Loans financed under the Resolution shall not, (A) at the time of acquisition of such loan, cause the aggregate principal amount of Higher Educational Act Loans that are made to borrowers attending proprietary or vocational schools (as defined by the U.S. Department of Education) to exceed 25% of the aggregate principal amount of all Higher Educational Act Loans, (B) have a final scheduled payment date that is less than one year prior to the final stated maturity of the Outstanding Bonds, and (C) be Guaranteed at a percentage of principal and interest that is lower than 98%, with respect to loans acquired on or before June 30, 2006 or lower than 97% for loans to be acquired thereafter.

3. The purchase price of Supplemental Loans shall not exceed 100% of the principal balance plus accrued interest at the time of purchase plus a marketing premium of $20.00 per loan paid to originating lenders or holders other than the Authority. Such total market premiums paid not to exceed $200,000 in the aggregate from the Issue Date without the prior written consent of the Bond Insurer.

4. The purchase price of Higher Education Act Loans purchased after the Issue Date (with proceeds from Recoveries of Principal) shall not exceed 105% of the principal balance plus accrued interest at the time of purchase without the written consent of the Bond Insurer.

5. Without the prior written consent of the Bond Insurer, Supplemental Loans financed under the Resolution shall not have a final scheduled payment date that is later than one year prior to the final stated maturity of the Outstanding Bonds.

6. The borrower benefits offered on Supplemental Loans and Higher Education Act Loans shall not be in excess of those set forth in Exhibit A hereto without the prior written consent of the Bond Insurer.

7. The Debt Service Reserve Requirement shall be equal to 1.94% of the Outstanding Bonds.

DEFINITIONS

"Supplemental Loan Cumulative Default Rate" shall mean the percentage equivalent of the fraction (i) the numerator of which is the cumulative principal balance of all Supplemental Loans pledged under the Resolution which have become defaulted loans after the Issue Date (including those repurchased by TuitionGuard) after having become defaulted loans, and (ii) the denominator of which is the cumulative principal balance (on a loan by loan basis, the principal balance of each Supplemental Loan on the first date each loan enters repayment status) plus any capitalized interest after repayment has begun on all Supplemental Loans pledged under the Resolution that have entered repayment status plus any prepayments on such Supplemental Loans that have occurred prior to those Supplemental Loans entering repayment status on and after the Issue Date.

"Supplemental Loan Delinquency Rate" shall mean the fraction (i) the numerator of which is the principal balance of all Supplemental Loans pledged under the Resolution which were delinquent more than 61 days past due, but not yet Defaulted Supplemental Loans, at the end of the most recent calendar quarter, and (ii) the denominator of which is the principal balance of all Supplemental Loans in repayment status that are not Defaulted Supplemental Loans at the end of the related calendar quarter.

"Defaulted Supplemental Loan" shall mean (i) absent a bankruptcy proceeding, a Supplemental Loan pursuant to which the eligible borrower is more than 121 days delinquent on a monthly payment, has died or has become disabled and a TuitionGuard Loan pursuant to which the eligible borrower is more than 150 days delinquent on a monthly payment, (ii) a Supplemental Loan that has been discharged by a bankruptcy proceeding or for which the Authority has determined that it is appropriate to reassign to the Authority or (iii) a TuitionGuard Loan for which a claim has been filed with the insurer. A "TuitionGuard Loan" is a Supplemental Loan that is insured by a TuitionGuard insurance policy for 95% of the payoff amount as of the date of the claim, which payoff amount includes the principal of, accrued interest on and late fees and other charges on such Supplemental Loan.

The applicable limitations described in this Certificate and Agreement shall be determined at the time of the acquisition or origination of the Eligible Loan acquired or originated with proceeds of the Insured Bonds, including with Recoveries of Principal thereof.

For so long as any Insured Bonds shall be Outstanding and the Bond Insurer shall not be in default under such Bond Insurance Policy and no Event of Default shall have occurred and be continuing, the Authority and the Bond Insurer, by prior written notice to the Trustee and each Rating Agency, may alter or revise any of the limitations with respect to the Insured Bonds contained in this Certificate and Agreement.

Exhibits A, B or C hereto may be supplemented or amended in accordance with the Supplemental Resolutions, with the prior written consent of the Bond Insurer. The monitoring reports attached hereto as Exhibit D will be furnished to the Bond Insurer quarterly within 45 calendar days of quarter end, subject to applicable cure periods as set forth in the Resolution.

The refusal of the Authority to comply with any of the provisions of this Certificate and Agreement shall constitute an Event of Default under the Resolution.

IN WITNESS WHEREOF, the parties hereto have caused this Certificate and Agreement to be executed in their respective corporate names on date first written above.

HIGHER EDUCATION LOAN AUTHORITY OF THE STATE OF MISSOURI

By: Karen M Luebbert
Name: Dr. Karen M. Luebbert
Title: Chairman

By: Raymond H Bayer
Name: Raymond H. Bayer, Jr.
Title: Interim Executive Director

AMBAC ASSURANCE CORPORATION

By ____________________________
Name: Richard Marsh
Title: Managing Director

IN WITNESS WHEREOF, the parties hereto have caused this Certificate and Agreement to be executed in their respective corporate names on date first written above.

HIGHER EDUCATION LOAN AUTHORITY OF THE STATE OF MISSOURI

By: ______________________________
Name: Dr. Karen M. Luebbert
Title: Chairman

By: ______________________________
Name: Raymond H. Bayer, Jr.
Title: Interim Executive Director

AMBAC ASSURANCE CORPORATION

By Richard Marsh
Name: Richard Marsh
Title: Managing Director

EXHIBIT A

BORROWER BENEFIT PROGRAM

The following borrower benefits are currently offered under the Authority's Loan Finance Program:

(A) Borrower benefits for Higher Educational Act Loans:

1. Rate Relief Program (applicable to both Stafford and PLUS loans). This benefit is received as soon as a borrower elects ACH. The benefit is an interest rate reduction which ranges from 2% to 3% as follows:

- a. 2.0% reduction for any borrower
- b. 2.5% reduction for a borrower with a Missouri Guarantor
- c. 3.0% reduction for a borrower that attended a Missouri school and with a Missouri Guarantor

2. On Consolidation loans, a rate reduction of 0.25% is available as soon as a borrower elects ACH.

3. Consolidation loan coupon program. Borrowers receive coupons for principal reduction ranging from $500 to $1,500. Larger balance borrowers were offered larger coupons. In order to actually receive the benefit borrowers also have to make a certain number of on time payments. For a $500 coupon benefit, borrowers must make three consecutive on time payments. For a $1,000 coupon benefit, borrowers have to make three consecutive on time payments to receive the first $500 in principal reduction then another 12 (for a total of 15) consecutive on time payments to receive the other $500 in principal reduction. For a $1,500 coupon benefit, borrowers must make three consecutive on time payments to receive the first $500 in principal reduction then another 12 (for a total of 15) consecutive on time payments to receive the next $500 in principal reduction and then another 15 (for a total of 30) consecutive on time payments to receive the final $500 in principal reduction. After the Issue Date, the aggregate benefit under the consolidation loan coupon program shall not exceed $500,000 without the prior written consent of the Bond Insurer.

(B) Borrower benefits for Supplemental Loans:

1. A rate reduction of ¼% is offered to borrowers that elect to use Direct Payment to make their monthly payments.

The above-listed borrower benefits may not be more favorable than stated above and no new borrower benefits may be offered without the Bond Insurer's prior written consent.

EXHIBIT B

The CASHLoan program or Supplemental Loan program features included in this Exhibit B can only be changed with the prior written consent of the Bond Insurer.

CASHLOAN PROGRAM	Program Features
School Eligibility	The following loan programs are offered by the Authority as part of the CASHLoan or Supplemental Loan program: EDCASH Loans, GRADCASH Loans, LAWCASH Loans, MEDCASH Loans and MEDCASH+ Loans. In order for a school to become an eligible CASHLoan school, it must meet all of the following criteria: • For non-Missouri institutions, the institution's Federal Stafford Loan Program Cohort Default Rate should not have exceeded 7% in any of the last three Federal Fiscal Years, as published by the Department of Education. • The institution must be accredited by an agency that has been listed as nationally recognized by the Secretary of Education. • The institution must be a four-year or two-year degree granting college or university located and operating in the continental US or a certificate or non-degree granting Title IV eligible institution. • The institution must currently participate in the FFELP or FDLP program.
Enrollment and Academic Progress	The CASHLoan student applicant must be enrolled at least half time at an eligible school participating in the CASHLoan program, except for MEDCASH LOAN borrowers which are limited to a maximum of 2 years as a less than full time student. EDCASH and GRADCASH student applicants may be enrolled less than halftime. Enrollment status is defined by each school's own policy. The student, if currently enrolled, must be maintaining satisfactory academic progress (meeting academic grades necessary for completion of a chosen degree within a reasonable time frame), as determined by the school. A student is not eligible for a CASHLoan if the student is on academic probation.
Qualifying for a CASHLoan	A student borrower must have a minimum credit history of 2 years. If this criterion is not met, a creditworthy cosigner will be required. (See minimum credit criteria) The student borrower ***or*** cosigner must be in good standing and in accordance with MOHELA's underwriting criteria. A student and or cosigner do *not* have to be employed to obtain approval for a CASHLoan.

Citizenship	On all CASHLoans, the applicant must be a US Citizen. If a cosigner is required, he/she must also be a US Citizen.
Minimum Credit Requirements	Generally, the borrower ***or*** cosigner must have a satisfactory credit history as defined by the following guidelines: ✓ There is not more than one account currently rated 30 or more days delinquent at the time of the credit report. ✓ There are not more than two accounts that have been 30 or more days delinquent within the past two years. ✓ There is no account that has been delinquent 90 or more days within the past five years. ✓ There is no record of charged off accounts within the past five years. ✓ There is no record of a foreclosure, repossession, open judgment or suit, unpaid prior educational loan default or other negative public record items within the past seven years. ✓ There is no record of bankruptcy within the past seven years. ✓ Borrowers must have a minimum of two years credit history, or a creditworthy cosigner. ✓ Cosigners must have a minimum of two years credit history. ✓ Credit reports listing an account with a status of "Not Paid as Agreed" will be classified as delinquent 90 days. ✓ The Trans Union Empirica score is one on the scores that will be used. To be eligible a borrower applicant and/or cosigner applicant must have an Empirica score of 685 or greater for LAWCASH, and 650 or greater for all other programs. Appeals may be made in writing for scores between 660 and 684 for LAWCASH, and between 620 and 649 for all other programs. ✓ The Trans Union Horizon score is the other score that will be used. To be eligible a borrower applicant and/or cosigner applicant must have a Horizon score of 665 or greater for LAWCASH, and 630 or greater for all other programs. Appeals may be made in writing for Horizon scores between 640 and 664 for LAWCASH, and 600 and 629 for all other programs. ✓ A borrower applicant and/or cosigner applicant must have at least one of the two types of credit score in the acceptable range. MOHELA reserves the right to change required scores or which credit bureaus may be utilized.

Cash Loan Program Limits

CASHLoan PROGRAM	ANNUAL CASH Loan LIMITS	AGGREGATE CASH Loan LIMITS	CUMULATIVE EDUCATION DEBT LIMITS	Grace Period	Amortization
EDCASH	Cost of Education minus other aid	$60,000	$100,000	6 months	20 Years
GRADCASH	Cost of Education minus other aid	$80,000	$150,000	6 months	20 years
LAWCASH	Cost of Education minus other aid	$60,000	$150,000	6 months	20 Years
MEDCASH	Cost of Education minus other aid	$250,000	$300,000	48 months	25 Years
MEDCASH+	$10,000*	$10,000	$310,000 including MEDCASH	48 months	25 Years

(a) Currently law school graduates can borrow money under LAWCASH Loan while studying for the bar. Previously, such loans were made under the BARCASH label and there are still BARCASH Loans outstanding under the Resolution.

(b) Currently MEDCASH Loans are made to pharmacy school students under the CASH Loan Program. Previously RXLoans were made to such students and there are still RXLoans outstanding under the Resolution.

Interest Rate

The interest rate is always variable and is adjusted quarterly. The rate is indexed to the Prime Rate in the Wall Street Journal for Supplemental Loans purchased on or after the Issue Date. With respect to all other Supplemental Loans outstanding under the Resolution on the Issue Date, the rate may be indexed to the Prime Rate or a T-Bill Rate. The borrower's interest rate is determined by adding a margin of 0 to 2% to the Prime Rate. The credit level is set by the borrower's Empirica Score.

	Empirica Scores	No Cosigner	With Cosigner
Excellent Credit	750+	P + .5%	P + 0%
Good Credit	700 - 749	P + 1.5%	P + 1%
Fair Credit	650 - 699	P + 2%	P + 1.75%

Payment Rate

The payment rate and the interest rate on the CASHLoans are not the same. At the time a loan enters repayment, the monthly payment amount is calculated by using a 10% interest rate and a 20 or 25 year amortization period with the unpaid balance. The calculated monthly payment amount is then billed monthly and does not change. The actual interest rate the borrower pays will adjust quarterly. Therefore, the amount of the payment that goes to principal and interest is based on the actual interest rate and not the payment rate. The number of months to pay on the loan will change as the actual interest rate increases or decreases.

Origination Fee	None.
In-School Period	The student is not required to make any payments while attending school at least halftime if the loan was made to a more than halftime student. If the CASHLoan was originated as a less than halftime student, payments do not have to be made until the student is out of school or 7 years after the date of the first loan disbursement, whichever comes first. Interest will accrue and be capitalized one time when a student enters repayment.
Minimum Payment	The minimum payment amount during repayment is $50.00.
Co-borrower Release	If a borrower makes 24 consecutive on time payments of full principal and interest they can request their cosigner be released. Approval is subject to the borrower's credit history at that time.
Denial Review	All loans are initially underwritten by our automated underwriting process. This is set-up with more conservative standards to ensure loans approved through this process are credit worthy loans. All loans which are initially denied by the automated underwriting process are manually reviewed by the Department Manager or Supervisor to verify the loan does not meet our underwriting guidelines. The denial decision can be reversed and a loan approved if warranted. A denial is not final until the review process has been completed.
Enrollment Status	EDCASH and GRADCASH students can have an enrollment status of full-time, half-time or less than half-time. LAWCASH students can have an enrollment status of half-time or full-time. MEDCASH students are required to be full-time. MEDCASH+ students can have an enrollment status of graduated.
Certified CASHLoan Amount	The amount certified by the school can not exceed the COST OF EDUCATION MINUS ESTIMATED OTHER FINANCIAL AID. The loan amount must be a minimum of $500.00
Cancellation and Refund Policy	If the student or school needs to request cancellation of a loan or disbursement they must call MOHELA CASHLoans at 866-820-8542. If the disbursement has not been mailed or sent out electronically, it can be cancelled by email, fax or written letter from the school or student. If the disbursement has already been mailed the school must either return the funds or request that MOHELA pull the funds from their account. The school is responsible for providing timely notification of loan cancellation(s). The school should notify MOHELA directly in all cases. **Cancellations must be returned within 30 days of disbursement.**
Commitment Letter	A loan application is reviewed for final approval after receipt of the school certification. This process confirms loan amount, total debt limits and other program requirements. If an application passes this process a commitment letter, Truth In Lending and the Lender's Privacy Statement are mailed to the borrower and cosigner.
Denial Letter	All denied applicants will receive a denial letter, ECO notice and an appeal form. The appeal form may be submitted if an applicant feels there are extenuating circumstances or additional information which may affect the loan denial decision. After review of the appeal request the applicant will receive an approval or denial letter informing them of MOHELA's decision.

Disbursement Options	**Schools may request loan funds be issued using one the following methods:** 1). Check (Co-payable to the school and student. Mailed U.S. Priority Mail) 2). Master Check (Payable to the school only. Mailed U.S. Priority Mail) 3). Electronically (EFT) by ACH 4). By ELM/NDN
Disbursement Reduction/Adjustments	Schools may only reduce or adjust disbursements no less than 2 days prior to the scheduled disbursement date, after that the school will have to return the fund with detailed instructions for reissuing or refunding the amount.
Final Disbursement and Loan Purchase	All CASHLoans will be sold to MOHELA within 30-60 days of being fully disbursed. The day of loan purchase by MOHELA a Purchase Roster is faxed to the lenders which details the loans being purchased and the amounts. The funds will be wired by MOHELA to the lenders account the same day.
Electronic Billing Option	With this service, the student can view and pay their billing statements online at www.mohela.com. We will notify the student, by e-mail, when each new electronic billing statement is available. An active account with MOHELA and a web account are required.
Direct Payment Option	With Direct Payment, CASHLoan payments are deducted from the student's checking or savings account. Direct Payment is convenient and protection is guaranteed. The student's financial institution automatically deducts payments from their account monthly for their student loan on the due date.
Forbearance Options	The borrower or cosigner may utilize two types of forbearance options if they run into financial difficulties. The first forbearance option is Full Payment Forbearance. Under this option a monthly payment does not have to be paid on the loan. This must be requested prior to the date of monthly billing and may be utilized for up to 4 months at a time with a total of 18 months available for the life of the loan. A full payment is required after the forbearance period ends and before the next forbearance can be approved. The second option is the Reduced Payment Forbearance. Under this option a monthly payment can be reduced to approximately 60% of the full payment amount. This must be requested prior to the date of monthly billing. This may be utilized for up to 4 months at a time with a total of 24 months available for the life of the loan. Both of these options may be utilized during the life of the loan.
Death Of A CASHLoan Borrower	In the untimely death of a CASHLoan borrower, MOHELA will file a claim against the estate of the deceased for the remaining amount of the loan. MOHELA will also immediately contact the cosigner, if any, to fulfill the promise to pay outlined and agreed upon in the CASHLoan Promissory Note. Schools or lenders must notify MOHELA immediately upon learning of a borrower's death.

EXHIBIT C

PROGRAM EXPENSES, SERVICING FEES AND BOND FEES

Servicing Fees

Servicing Fees and other Program Expenses (exclusive of Bond Fees) shall not exceed 0.79% of the principal balance of Student Loans outstanding, paid monthly in arrears; provided, that for so long as any of the Bonds bear interest at the Maximum Rate, the Servicing Fees shall be 0.75% per annum.

Bond Fees

Bond Fees shall include Trustee Fees, Bond Insurer Fees, Auction Agent Fees and Broker-Dealer Fees as detailed below.

Trustee Fees.

Trustee Fees shall be up to 0.015% of the Bonds Outstanding.

Bond Insurer Fees

- 1995 Bonds: The annual premium for the 1995 Bonds is 0.14% of the Outstanding principal amount of the 1995 Bonds.
- 1996 Bonds: The annual premium for the 1996 Bonds is 0.185% of the Outstanding principal amount of the 1996 Bonds.
- 2006 Bonds: The annual premium for the 2006 Bonds is 0.13% of the Outstanding principal amount of the 2006 Bonds.

Broker-Dealer and Auction Agent Fees. Broker-Dealer and Auction Agent Fees shall be 0.153% of auction Bonds Outstanding.

The above Servicing Fees, Bond Fees and other Program Expenses may not exceed the amounts listed in this Exhibit C without the prior written consent of the Bond Insurer.

EXHIBIT D

FORMS OF QUARTERLY MONITORING REPORTS

Higher Education Loan Authority of the State of Missouri (MOHELA)
Student Loan Revenue Bonds
12th General Resolution
QUARTERLY TRUST ESTATE SUMMARY
As of: [insert date]

Bond Information

	CUSIP	Original Principal Issued	Beginning Principal as of 6/30/06	Principal Paid	Ending Principal as of 9/30/06	Payment Frequency	Stated Maturity
1995A			$ 20,000,000				
1995B			$ 55,000,000				
1995C			$ 45,000,000				
1995D			$ 40,000,000				
1996H			$ 55,000,000				
1996G			$ 16,000,000				
2006I			$ 63,000,000				
2006J			$ 63,000,000				
Totals		0	$ 357,000,000	0	0		

Balance Sheet

Assets	
Cash & Investments	0
Student Loan Fund Principal Balance	0
Accrued Interest, Subsidy & SAP on Loans	0
Debt Service Reserve Fund Balance	0 *
Revenue Fund Balance	0
TOTAL	0
Liabilities	
Outstanding Bond Balance	0
Accrued Interest on Bonds	0
Accured expenses	0
Amount due to the DOE	0
TOTAL	0
Excess Coverage	0
Parity Percentage	#DIV/0!

**1.94% Debt Service Reserve Requirement being met with a Surety Bond, for purposes of the parity calculation, the value is zero.*

Higher Education Loan Authority of the State of Missouri (MOHELA)
Student Loan Revenue Bonds
12th General Resolution
QUARTERLY C&A COMPLIANCE REPORT
As of: [insert date]

Supplemental Loan Cumulative Default Rate	**Principal Balance at Time of Default**
Previously defaulted loans (Cumulative to date)	$ -
This period total defaults	$ -
Total cumulative defaulted supplemental loans	$ -
Total Cumulative Default Rate	0%
Maximum Cumulative Default Rate allowed per C&A	10%

Supplemental Loan Delinquency Rate	**Principal Balance at Time of Default**
Loans that are more than 61 days past due (excluding defaults)	$ -
Total loans in repayment status	$ -
Supplemental Loan Delinquency Rate	0%
Maximum Delinquency Rate allowed per C&A	10%

SUPPLEMENTAL LOAN LIMITATIONS PER CERTIFICATE & AGREEMENT	$ Amount	% Percent	**Maximum Allowed Per C&A**
Total Supplemental Loans (as % of all loans)	$ -	0%	75%
LAWCASH Loans (as % of all Supplemental loans)	$ -	0%	25%
Supplemental Loans in Forbearance status	$ -	0%	20%
Supplemental Loans made to students attending schools other than 4-year regionally accredited schools	$ -	0%	5%
Supplemental Loans made to students attending school less than half-time	$ -	0%	3%
Supplemental Loans with Empirica scores below 650 (including loans with no scores)	$ -	0%	20%
Supplemental Loans with Empirica scores below 620 (excluding loans with no scores or scores below 620 as of the Issue Date)	$ -	0%	3%
Supplemental Loans made through the appeal process	$ -	0%	2%

OTHER LIMITATIONS	$ Amount	% Percent	**Maximum Allowed Per C&A**
Loans sold, assigned, transferred per Section 7.8(C)(i)(a) & (C)(i)(b) of the General Resolution	$ -	0%	5%
Higher Education Act Loans made to students attending proprietary or vocational schools	$ -	0%	25%

Higher Education Loan Authority of the State of Missouri (MOHELA)
Student Loan Revenue Bonds
12th General Resolution
QUARTERLY STUDENT LOAN PORTFOLIO REPORT
As of: [insert date]

Calculation of Student Loan "Value"	Current Principal Balance	Accrued Borrower Interest	Accrued Special Allowance	Accrued Interest Subsidy	Total
FFELP Loans					
All FFELP Loans					0
Less: unguaranteed portion of loans >270 dpd					0
Subtotal: Guaranteed Loans for purposes of "Value"	0	0		0	0
Supplemental Loans					
All Supplemental Loans					0
Less: loans > 121days past due					0
Less: loans > 150 days past due (TuitionGuard loans)					0
Less: loans discharged due to bankruptcy, death, disability, etc.					0
Subtotal: Supplemental Loans for purposes of "Value"	0	0	0	0	0
Total Student Loans for purposes of "Value"	0	0	0	0	0

Higher Education Loan Authority of the State of Missouri (MOHELA)
Student Loan Revenue Bonds
12th General Resolution
QUARTERLY DISTRIBUTION REPORT
As of: [insert date]

REVENUES

Revenues received during the calendar quarter		Amount
Receipts on Student Loans:		
Principal		0.00
Borrower Interest		0.00
Govt. Interest Subsidy & Special Allowance less Consol. Rebate		0.00
Investment earnings		0.00
TOTAL REVENUES		**0.00**

DISTRIBUTIONS

Allocations to funds, accounts & outside parties for payments when due (per Section 5.4(A)):

(i)	Rebate Fund for Rebate Amounts & Yield Reduction Payments		0.00
(ii)	Amount due on HEA to the Secretary of Education		0.00
(iii)	To pay Bond Fees and Servicing Fees		0.00
(iv)	Interest due on Bonds		0.00
	Principal due on bonds		0.00
	Premium paid on bonds, if any		0.00
(v)	To the provider of a DSRF liquidity facility	0.00	
	To the DSRF to replenish the amount drawn	0.00	
	To the Student Loan Fund, the amount drawn	0.00	0.00
(vii)	To pay any Program Expenses due & not paid		0.00
(viii)	Transfer to Student Loan Fund for Recycling into new loans		0.00
(ix)	To pay any Carry-Over Amount due		0.00
(x)	To release to the Authority any Excess Coverage		0.00
(xi)	To redeem bonds after the end of the Recycling Period		0.00
(xii)	To the Authority per Section 5.4(A)(xii), for partial refundings		0.00
	TOTAL DISTRIBUTIONS		**0.00**

Ambac

Ambac Assurance Corporation
One State Street Plaza, 15th Floor
New York, New York 10004
Telephone: (212) 668-0340

Financial Guaranty Insurance Policy

Obligor: HIGHER EDUCATION LOAN AUTHORITY OF THE STATE OF MISSOURI

Policy Number: 25425BE

Obligations: $126,000,000 Student Loan Revenue Bonds (Taxable Auction Rate Certificates), dated their date of delivery and consisting of: (AS FURTHER DESCRIBED ON THE REVERSE HEREOF)

Premium: $151,683.29 at closing (AS FURTHER DESCRIBED ON THE REVERSE HEREOF)

Ambac Assurance Corporation (Ambac), a Wisconsin stock insurance corporation, in consideration of the payment of the premium and subject to the terms of this Policy, hereby agrees to pay to The Bank of New York, as trustee, or its successor (the "Insurance Trustee"), for the benefit of the Holders, that portion of the principal of and interest on the above-described obligations (the "Obligations") which shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Obligor.

Ambac will make such payments to the Insurance Trustee within one (1) business day following written notification to Ambac of Nonpayment. Upon a Holder's presentation and surrender to the Insurance Trustee of such unpaid Obligations or related coupons, uncanceled and in bearer form and free of any adverse claim, the Insurance Trustee will disburse to the Holder the amount of principal and interest which is then Due for Payment but is unpaid. Upon such disbursement, Ambac shall become the owner of the surrendered Obligations and/or coupons and shall be fully subrogated to all of the Holder's rights to payment thereon.

In cases where the Obligations are issued in registered form, the Insurance Trustee shall disburse principal to a Holder only upon presentation and surrender to the Insurance Trustee of the unpaid Obligation, uncanceled and free of any adverse claim, together with an instrument of assignment, in form satisfactory to Ambac and the Insurance Trustee duly executed by the Holder or such Holder's duly authorized representative, so as to permit ownership of such Obligation to be registered in the name of Ambac or its nominee. The Insurance Trustee shall disburse interest to a Holder of a registered Obligation only upon presentation to the Insurance Trustee of proof that the claimant is the person entitled to the payment of interest on the Obligation and delivery to the Insurance Trustee of an instrument of assignment, in form satisfactory to Ambac and the Insurance Trustee, duly executed by the Holder or such Holder's duly authorized representative, transferring to Ambac all rights under such Obligation to receive the interest in respect of which the insurance disbursement was made. Ambac shall be subrogated to all of the Holders' rights to payment on registered Obligations to the extent of any insurance disbursements so made.

In the event that a trustee or paying agent for the Obligations has notice that any payment of principal of or interest on an Obligation which has become Due for Payment and which is made to a Holder by or on behalf of the Obligor has been deemed a preferential transfer and theretofore recovered from the Holder pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court of competent jurisdiction, such Holder will be entitled to payment from Ambac to the extent of such recovery if sufficient funds are not otherwise available.

As used herein, the term "Holder" means any person other than (i) the Obligor or (ii) any person whose obligations constitute the underlying security or source of payment for the Obligations who, at the time of Nonpayment, is the owner of an Obligation or of a coupon relating to an Obligation. As used herein, "Due for Payment", when referring to the principal of Obligations, is when the scheduled maturity date or mandatory redemption date for the application of a required sinking fund installment has been reached and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by application of required sinking fund installments), acceleration or other advancement of maturity; and, when referring to interest on the Obligations, is when the scheduled date for payment of interest has been reached. As used herein, "Nonpayment" means the failure of the Obligor to have provided sufficient funds to the trustee or paying agent for payment in full of all principal of and interest on the Obligations which are Due for Payment.

This Policy is noncancelable. The premium on this Policy is not refundable for any reason, including payment of the Obligations prior to maturity. This Policy does not insure against loss of any prepayment or other acceleration payment which at any time may become due in respect of any Obligation, other than at the sole option of Ambac, nor against any risk other than Nonpayment.

In witness whereof, Ambac has caused this Policy to be affixed with a facsimile of its corporate seal and to be signed by its duly authorized officers in facsimile to become effective as its original seal and signatures and binding upon Ambac by virtue of the countersignature of its duly authorized representative.

Robert J Genader
President

AMBAC ASSURANCE CORPORATION CORPORATE SEAL WISCONSIN

Anne Gill Kelly
Secretary

Effective Date: June 28, 2006

James R Mullens
Authorized Representative

THE BANK OF NEW YORK acknowledges that it has agreed to perform the duties of Insurance Trustee under this Policy.

Noraida Lauro
Authorized Officer of Insurance Trustee

Form No.: 2B-0012 (1/01)

A-09828