

## MATERIAL EVENT NOTICE

**To:** Electronic Municipal Market Access (EMMA)

**Subject:** Assignment by Brazos Higher Education Authority, Inc. relating to the Indenture of Trust dated October 1, 2004

This Notice is delivered in connection with the notes identified on Exhibit A hereto (the “Notes”) pursuant to Section 12.03 of the Indenture of Trust dated October 1, 2004 (the “Indenture”), by and among Brazos Higher Education Authority, Inc. (“BHEA”), U.S. Bank (“U.S. Bank”), as indenture trustee (the “Indenture Trustee”), and U.S. Bank, as eligible lender trustee (the “Eligible Lender Trustee”).

Section 3.13 of the Indenture authorizes BHEA to sell, transfer or otherwise dispose of all or substantially all of the assets pledged under the Indenture if the transferee by proper written instrument for the benefit of the Indenture Trustee, irrevocably and unconditionally assumes the obligation to perform and observe the agreements and obligations of BHEA under the Indenture and BHEA receives confirmation from each rating agency then rating any of the outstanding Notes that its ratings of the outstanding Notes will not be reduced or withdrawn as a result of such transaction (a “Rating Conformation”).

BHEA has entered into an Irrevocable Assignment and Assumption (the “Agreement”) relating to the Indenture. Pursuant to the Agreement and in accordance with Section 3.13 of the Indenture: (i) BHEA, and U.S. Bank as eligible lender trustee on behalf of BHEA, are irrevocably assigning to Brazos Education Loan Authority, Inc. (“BELA”) and U.S. Bank as eligible lender trustee on behalf of BELA, all of their right, title and interest in and to the moneys, rights, and properties held in the trust estate created and maintained under the Indenture; and (ii) BELA is irrevocably and unconditionally assuming from BHEA all of the obligations to perform and observe the agreements and obligations of BHEA under the Indenture (the “Assignment and Assumption”). In accordance with the Indenture, BHEA has received a Rating Conformation with respect to the Assignment and Assumption.

BELA is a Texas nonprofit corporation and is exempt from payment of federal income taxation as a “501(c)(3)” non-profit corporation. The Brazos Higher Education Service Corporation, Inc. (“BHESC”) has entered into separate contracts under which it manages the business affairs of various non-profit corporations, including BHEA and BELA. Following the Assignment and Assumption, BHESC will continue to serve as master servicer and administrator under the Indenture.

**The Assignment and Assumption does not amend, modify or otherwise change the terms of the Notes or the Indenture in any respect. Following the Assignment and Assumption, the Notes will continue to be limited recourse obligations that are payable solely from and secured solely by the existing assets pledged under the Indenture.**

Historic quarterly reports relating to the Indenture may be viewed at [www.brazos.us.com](http://www.brazos.us.com) by clicking on the link labeled “Brazos Higher Education Authority” on the investors tab. Following the Assignment and Assumption, quarterly reports relating to the Indenture may be viewed at

www.brazos.us.com by clicking on the link labeled “Brazos Education Loan Authority, Inc.” on the investors tab.

This Notice does not, and is not intended to, provide disclosure as to the student loans pledged under the Indenture securing the Notes, and no representation is made as to the materiality of the information provided in this Notice. Other information may exist that an investor would consider to be important in making an investment decision. No representation, warranty, assurance or guaranty is made as to the accuracy or correctness of the CUSIP numbers included in this Notice.

If you have comments or questions, please contact Ricky Turman at 254-753-0915.

Dated: January 30, 2015

Exhibit A

Series	2004 I-B-1	(CUSIP: 106238KQ0)
Series	2005 I-A-3	(CUSIP: 106238LD8)
Series	2005 I-A-4	(CUSIP: 106238LE6)
Series	2005 I-B-1	(CUSIP: 106238LJ5)
Series	2005 I-A-10	(CUSIP: 10620NAC2)
Series	2005 I-A-11	(CUSIP: 10620NAD0)
Series	2005 I-A-12	(CUSIP: 10620NAE8)
Series	2005 I-B-2	(CUSIP: 10620NAF5)
Series	2005 I-A-15	(CUSIP: 10620NAJ7)
Series	2005 I-A-16	(CUSIP: 10620NAK4)
Series	2005 I-B-3	(CUSIP: 10620NAL2)
Series	2006 I-A-2	(CUSIP: 10620NAN8)
Series	2006 I-A-3	(CUSIP: 10620NAP3)
Series	2006 I-B-1	(CUSIP: 10620NAU2)
Series	2006 I-A-9	(CUSIP: 10620NAW8)
Series	2006 I-A-10	(CUSIP: 10620NAX6)
Series	2006 I-A-13	(CUSIP: 10620NBA5)
Series	2006 I-A-14	(CUSIP: 10620NBB3)
Series	2006 I-A-15	(CUSIP: 10620NBC1)
Series	2006 I-B-2	(CUSIP: 10620NBD9)
Series	2007 I-A-1	(CUSIP: 10620NBS6)
Series	2007 I-A-2	(CUSIP: 10620NBT4)
Series	2007 I-A-3	(CUSIP: 10620NBU1)
Series	2007 I-A-4	(CUSIP: 10620NBV9)
Series	2007 I-A-5	(CUSIP: 10620NBW7)
Series	2007 I-B-1	(CUSIP: 10620NBX5)