

DIRECTION LETTER
(BELA 2018 Indenture)
July 20, 2023

To: The Brazos Higher Education Service Corporation, Inc.
5609 Crosslake Parkway
Waco, TX 76712
Attn: Ricky Turman, EVP, COO & CFO

Re: Indenture of Trust, dated as of December 11, 2018 (the “Indenture”), by and among Brazos Education Loan Authority, Inc. (the “Issuer”), U.S. Bank National Association, as Trustee, and U.S. Bank National Association, as Eligible Lender Trustee

In connection with the above referenced Indenture, the Trustee has been provided the Issuer Order, Notice and Instruction attached hereto as Exhibit A (the “Notice”) concerning the Adjustable Interest Rate (LIBOR) Act (the “Federal LIBOR Act”) and related changes to the securities issued under the Indenture. You are hereby authorized and directed to take any necessary and appropriate actions contemplated by the Notice and the Federal LIBOR Act, including providing additional information in the Investor Reporting concerning the change in interest rate Benchmark as provided in Exhibit B hereto.

WITNESS my hand as of the date first written above.

BRAZOS EDUCATION LOAN AUTHORITY, INC.,
as Issuer

By: /s/Ben Litle
Name: Ben Litle
Title : President and Chief Executive Officer

[Signature Page to Direction Letter]

EXHIBIT A

Issuer Order, Notice and Instruction

BRAZOS EDUCATION LOAN AUTHORITY, INC. (the “Issuer”)
5609 Crosslake Parkway
Waco, TX 76712

June 1, 2023

U.S. BANK NATIONAL ASSOCIATION (the “Trustee”)
Global Corporate Trust
425 Walnut Street, 6th Floor
CN-OH-W6CT
Cincinnati, OH 45202

Re: Change of Benchmark for the Federal Student Loan-Backed Notes, 2018-1 (the “Securities”) and Benchmark Conforming Changes

Greetings:

Reference is made to the Indenture of Trust, dated as of December 11, 2018 (as amended, restated, supplemented or otherwise modified, the “Indenture”), by and among the Issuer and you, as Eligible Lender Trustee and as Trustee and Paying Agent, pursuant to which the Securities were issued. Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to such terms in the Indenture or the hereafter defined Federal LIBOR Act or the Regulations. Certain classes or series of Securities issued under the Indenture bear interest at variable rates that are periodically adjusted based on a benchmark of one-month LIBOR (all such securities, collectively, the “LIBOR Securities”) plus an applicable spread (the “Existing Spread”). Each series or class of LIBOR Securities and the Existing Spread applicable thereto are identified on Schedule I attached hereto. More than 50% of the trust estate securing the Securities consists of Federal Family Education Loan Program loans.

On March 5, 2021, the United Kingdom’s Financial Conduct Authority announced that LIBOR will cease to be provided or will no longer be representative after June 30, 2023 with respect to one-month LIBOR. Reference is further made to the Adjustable Interest Rate (LIBOR) Act (the “Federal LIBOR Act”) signed into law on March 15, 2022 as part of Consolidated Appropriations Act of 2022, and the Regulation Implementing the Adjustable Interest Rate (LIBOR) Act adopted by the Board of Governors of the Federal Reserve System (the “Board”), effective February 27, 2023, (12 CFR Part 253, Regulation ZZ) (the “Regulation”). Pursuant to the foregoing, on and after the LIBOR replacement date¹, the applicable Board-selected benchmark replacement which is based on the Secured Overnight Financing Rate published by

¹ “LIBOR replacement date” means the first London banking day after June 30, 2023, unless the Board determines that any LIBOR tenor will cease to be published or cease to be representative on a different date. See Section 253.2 of the Regulation.

the Federal Reserve Bank of New York or any successor administrator (“SOFR”)² plus a tenor spread adjustment (the “Board-Selected Benchmark Replacement”) shall, by operation of law, be the benchmark replacement for the LIBOR contracts identified in Section 253.3(a) of the Regulation (except to the extent that an exception in paragraph (b) of Section 253.3(a) applies). The tenor spread adjustment identified in the LIBOR Act and by the Board are set forth in Section 253.4(b) in the Regulation.

The Indenture falls within the LIBOR contracts identified in Section 253.3(a) of the Regulation and does not fall within any exception contained in paragraph (b) of such Section, notwithstanding the inclusion of a benchmark rate fallback provision therein. The benchmark rate fallback provision contained in the Indenture does not identify a specific benchmark replacement for LIBOR and there is no Determining Person,³ as any benchmark replacement selected by the Issuer pursuant to the terms of the Indenture is not effective without the satisfaction of additional conditions, including the consent to such replacement by certain holders of the Securities and/or satisfaction of the Rating Agency Notification. Additionally, the conditions in the definition of “LIBOR Related Amendment” of the Indenture for implementing the benchmark rate fallback provision cannot be met. Furthermore, even if the Issuer is the Determining Person under the Federal LIBOR Act and the Regulations, the Issuer is not obligated by the terms of the Indenture to implement the benchmark fallback provision. The Issuer hereby certifies that it has determined that it shall not exercise any such authority granted to it to select a successor benchmark under the benchmark rate fallback provisions therein.

As a result of the foregoing:

Change to Interest Rate Benchmark

By operation of law pursuant to the Federal LIBOR Act and the Regulation, including, without limitation, Sections 253.4(b)(4) and (c)(2) thereof, effective as of the LIBOR replacement date, you are notified and instructed that: (1) the interest rate on the LIBOR Securities that currently have a benchmark of one-month LIBOR shall be calculated based on the Board-Selected Benchmark Replacement of 30-day Average SOFR⁴ plus the tenor spread adjustment of 0.11448%, and all references to one-month LIBOR or words of similar import in the Securities and the Indenture shall be replaced with 30-day Average SOFR plus the tenor spread adjustment. The tenor spread adjustment is a component of the Board-Selected Benchmark Replacement and does not replace the applicable Existing Spread which shall continue to apply.

Schedule I sets forth the Board-Selected Benchmark Replacement (including the applicable tenor spread adjustment) and the Existing Spread that shall apply by operation of law to each class or series of LIBOR Securities after the LIBOR replacement date without further action of any person.

² See Section 253.2 of the Regulation.

³ “Determining Person” shall mean, with respect to any LIBOR Contract, any person with the authority, right, or obligation, including on a temporary basis, (as identified by the provisions of the LIBOR Contract, or as identified by the governing law of the LIBOR Contract, as appropriate) to determine a Benchmark Replacement. See Section 3(9) of the Federal LIBOR Act.

⁴ “30-day Average SOFR” means the 30-calendar-day compounded average of SOFR, as published by the Federal Reserve Bank of New York or any successor administrator. See Section 253.2 of the Regulation.

Benchmark Replacement Conforming Changes

By operation of law pursuant to the Federal LIBOR Act and Section 233.5 of the Regulations, on and after the LIBOR replacement date, the following Benchmark Replacement Conforming Changes,⁵ together with any other Benchmark Replacement Conforming Changes that may be published by the Board from time to time by regulation or order, shall become an integral part of the Indenture and the LIBOR Securities:

1. Any reference to a specified source for LIBOR (such as a particular newspaper, website, or screen) shall be replaced with the publication of 30-day Average SOFR as set forth on Schedule I hereto (inclusive or exclusive of the relevant tenor spread adjustment identified in Section 253.4(c) of the Regulation and identified for each class or series of LIBOR Securities on Schedule I hereto), by either The Federal Reserve Bank of New York (the relevant benchmark administrator with respect to 30-day Average SOFR pursuant to the Regulations (the “Relevant Benchmark Administrator”) or any third party authorized by such Relevant Benchmark Administrator to publish 30-day Average SOFR.

2. Any reference to a particular time of day for determining LIBOR (such as 11:00 a.m. London time) shall be replaced with the standard publication time for the 30-day Average SOFR (inclusive or exclusive of the relevant tenor spread adjustment identified in Section 253.4(c) of the Regulation and identified for each class or series of LIBOR Securities on Schedule I hereto), as established by the Relevant Benchmark Administrator.

3. Any provision of the Indenture or the LIBOR Securities requiring use of a combination (such as an average) of LIBOR values over a period of time that spans the LIBOR replacement date shall be modified to provide that the combination shall be calculated consistent with that contractual provision using (i) the applicable LIBOR for any date prior to the LIBOR replacement date and (ii) 30-day Average SOFR for any date on or following the LIBOR replacement date, respectively.

4. To the extent 30-day Average SOFR is not available or published on a particular day indicated in the Indenture or the LIBOR Securities as the determination date, the most recently available publication of 30-day Average SOFR, as applicable, will apply.

⁵ “Benchmark Replacement Conforming Changes” are defined in the LIBOR Act to mean any technical, administrative, or operational changes, alternations, or modifications that— (A) the Board determines, in its discretion, would address one or more issues affecting the implementation, administration, and calculation of the Board-Selected Benchmark Replacement in LIBOR contracts; or (B) solely with respect to a LIBOR Contract that is not a Consumer Loan, in the reasonable judgment of a Calculating Person, are otherwise necessary or appropriate to permit the implementation, administration, and calculation of the Board-Selected Benchmark Replacement under or in respect of a LIBOR Contract after giving due consideration to any Benchmark Replacement Conforming Changes under subparagraph (A).

WITNESS my hand as of the date first written above.

BRAZOS EDUCATION LOAN AUTHORITY, INC. as
Issuer

By: /s/Ricky Turman

Name: Ricky Turman

Title: EVP – COO&CFO

Acknowledged and agreed by:

U.S. BANK NATIONAL ASSOCIATION

By: /s/Brian True

Name: Brian True

Title: Vice President

[Signature Page to Issuer Order, Notice and Instruction]

SCHEDULE I

| LIBOR Securities Subject to Benchmark Replacement | | | | | | |
|---|-----------|---------------------------|--------------------|-----------------|---------------------|-------------------------|
| Description of Securities | CUSIP# | Original Principal Amount | Original Benchmark | Existing Spread | New Benchmark | Tenor Spread Adjustment |
| 2018-1 | 10620WAC2 | \$63,800,000 | One-Month LIBOR | 0.85% | 30-Day Average SOFR | 0.11448% |

Note: The new benchmark (30-Day Average SOFR) will be effective as of July 1, 2023 for all determinations of the benchmark on or after such date. Because the LIBOR Determination Date for the Interest Period ending on July 24, 2023 will occur prior to July 1, 2023, One-Month LIBOR will be the benchmark for the Interest Period ending on July 24, 2023, and 30-day Average SOFR will be the benchmark for the Interest Period beginning on July 25, 2023 and each Interest Period thereafter.

EXHIBIT B

BELA 2018-1

| LIBOR Securities Subject to Benchmark Replacement | | | | | | |
|---|-----------|---------------------------|--------------------|-----------------|---------------------|-------------------------|
| Description of Securities | CUSIP# | Original Principal Amount | Original Benchmark | Existing Spread | New Benchmark | Tenor Spread Adjustment |
| 2018-1 | 10620WAC2 | \$63,800,000 | One-Month LIBOR | 0.85% | 30-Day Average SOFR | 0.11448% |

Note: The new benchmark (30-Day Average SOFR) will be effective as of July 1, 2023 for all determinations of the benchmark on or after such date. Because the LIBOR Determination Date for the Interest Period ending on July 24, 2023 will occur prior to July 1, 2023, One-Month LIBOR will be the benchmark for the Interest Period ending on July 24, 2023, and 30-day Average SOFR will be the benchmark for the Interest Period beginning on July 25, 2023 and each Interest Period thereafter.



Brazos Education Loan Authority, Inc.

Monthly Student Loan Report

Indenture BELA 2018 Securing the 2018 Notes

For the One Month Ending June 30, 2023

| I DEAL PARAMETERS | | | | | | | | | |
|--|---|--|--|-------------------------|----------------|-----------------|----------|-------------------------|------------|
| Student Loan Portfolio Characteristics | | | | 5/31/2023 | Loans Acquired | | Activity | 6/30/2023 | |
| A-I | Portfolio Balance | | | \$ 32,142,196.22 | \$ - | \$ (912,288.42) | \$ | 31,229,907.80 | |
| A-II | Interest to be Capitalized | | | 196,209.88 | - | 47,825.83 | | 244,035.71 | |
| A-III | Pool Balance | | | \$ 32,338,406.10 | \$ - | \$ (864,462.59) | \$ | 31,473,943.51 | |
| A-IV | Reserve Fund Account Balance | | | 106,267.35 | | | | 100,000.00 | |
| A-V | Cash & Payments In Transit | | | 982,921.11 | | | | 1,015,293.88 | |
| A-VI | Total Pool Balance, Reserves, Cash, and Payments in Transit | | | <u>\$ 33,427,594.56</u> | | | | <u>\$ 32,589,237.39</u> | |
| B-I | Weighted Average Coupon (WAC) | | | | | | | | 4.71% |
| B-II | Weighted Average Remaining Term | | | | | | | | 156.85 |
| B-III | Number of Loans | | | | | | | | 1,801 |
| B-IV | Number of Borrowers | | | | | | | | 906 |
| B-V | Aggregate Outstanding Principal Balance - T-Bill | | | | | | | | 6,263,284 |
| B-VI | Percentage Outstanding Principal Balance - T-Bill | | | | | | | | 20.06% |
| B-VII | Aggregate Outstanding Principal Balance - Libor Paper | | | | | | | | 24,966,624 |
| B-VIII | Percentage Outstanding Principal Balance - Libor Paper | | | | | | | | 79.94% |
| B-IX | Since Issued Constant Prepayment Rate (CPR) | | | | | | | | 7.57% |

| Notes | CUSIPS | 1 Month LIBOR * | Spread | Adjusted Rate | Spread | 5/31/2023 | 6/30/2023 |
|-------|-------------------------|-----------------|---------|---------------|-----------------------|------------------|------------------|
| C-I | 2018 A-1 10620WAC2 | 5.15043% | + 0.85% | = 6.00043% | 1 Month LIBOR + 0.85% | 29,311,000.00 | 28,478,000.00 |
| C-II | Total Notes Outstanding | | | | | \$ 29,311,000.00 | \$ 28,478,000.00 |

| Reserve Account ¹ | | 5/31/2023 | 6/30/2023 |
|------------------------------|-------------------------------------|---------------|---------------|
| D | Required Reserve Acct Deposit | | |
| D-I | Reserve Acct Initial Deposit (\$) | \$ 957,000.00 | \$ 957,000.00 |
| D-II | Specified Reserve Acct Balance (\$) | 102,588.50 | 99,673.00 |
| D-III | Reserve Account Floor Balance (\$) | 100,000.00 | 100,000.00 |
| D-IV | Current Reserve Acct Balance (\$) | \$ 106,267.35 | \$ 100,000.00 |

| Parity ¹ | | 5/31/2023 | 6/30/2023 |
|---------------------|---------------------------|-----------|-----------|
| E-I | Class A Parity Percentage | 121.05% | 121.93% |

¹ See detail Page 2

II Required Reserves and Parity Calculations

Required Reserves

| | | Outstanding Principal 5/31/2023 | Required (1) Reserve % | Required Reserves 5/31/2023 | Outstanding Principal 6/30/2023 | Required Reserve % | Required Reserves 6/30/2023 |
|--------|---|------------------------------------|---------------------------|--------------------------------|------------------------------------|-----------------------|--------------------------------|
| A | 2018 A-1 | 29,311,000.00 | 0.35% | 102,588.50 | 28,478,000.00 | 0.35% | 99,673.00 |
| B- I | Specified Reserve Account Balance | | | \$ 102,588.50 | | | \$ 99,673.00 |
| B- II | Required Reserve Account Floor | | | 100,000.00 | | | 100,000.00 |
| B- III | Required Reserve Balance (Greater of B-I or B-II) | | | 102,588.50 | | | 100,000.00 |
| B- IV | Reserve Account Balance | | | 106,267.35 | | | 100,000.00 |
| B- V | Reserve Account funds released during collection period | | | | | | \$ 6,267.35 |

(1) Reserve balance is 1.50% of Outstanding Principal through January 31, 2021, after which the reserve balance is 0.35% of Outstanding Principal.

Parity Calculations

| | | 5/31/2023 | 6/30/2023 |
|---------|---|------------------|------------------|
| C | Value of the Trust Estate | | |
| C- I | Portfolio Balance | \$ 32,142,196.22 | \$ 31,229,907.80 |
| C- II | Unguaranteed portion in claims | (12,939.12) | (3,008.10) |
| C- III | Accrued Interest on Investments | 5,493.35 | 6,398.68 |
| C- IV | Accrued Borrower Interest | 2,164,388.41 | 2,151,268.81 |
| C- V | Accrued Government Interest and Special Allowance | 165,740.09 | 277,337.47 |
| C- VI | Accrued Receivables Related to Outstanding Notes | - | - |
| C- VII | Cash and Investments | 843,783.13 | 1,107,479.57 |
| C- VIII | Payments In Transit | 245,405.33 | 7,814.31 |
| C- IX | Total Trust Estate Value | \$ 35,554,067.41 | \$ 34,777,198.54 |
| D | Less: | | |
| D- I | Accrued interest on Outstanding Notes | 34,127.77 | 23,733.37 |
| D- II | Accrued fees related to Outstanding Notes | 40,000.00 | 30,556.62 |
| E | Net Asset Value | \$ 35,479,939.64 | \$ 34,722,908.55 |

Notes Outstanding

| | | 5/31/2023 | 6/30/2023 |
|---------------|------------------------------------|------------------|------------------|
| F- I | Senior Notes | \$ 29,311,000.00 | \$ 28,478,000.00 |
| Parity | | 5/31/2023 | 6/30/2023 |
| G- I | Senior Parity Percentage (E / F-I) | 121.05% | 121.93% |

| III TRANSACTIONS FROM: | | 6/1/2023 THROUGH 6/30/2023 |
|------------------------|---|----------------------------|
| A | Student Loan Principal Activity: | |
| A-I | Regular Principal Collections | \$ 343,011.86 |
| A-II | Principal Collections from Guarantor | 593,921.37 |
| A-III | Loans Acquired | - |
| A-IV | Loans Sold | - |
| A-V | Other System Adjustments | - |
| A-VI | Total Cash Principal Activity | \$ 936,933.23 |
| B | Student Loan Non-Cash Principal Activity: | |
| B-I | Capitalized Interest | \$ (24,914.64) |
| B-II | Other Adjustments | 269.83 |
| B-III | Total Non-Cash Principal Activity | \$ (24,644.81) |
| C | Total Student Loan Principal Activity (-) | \$ 912,288.42 |
| D | Student Loan Interest Activity: | |
| D-I | Regular Interest Collections | \$ 88,439.80 |
| D-II | Interest Claims Received from Guarantors | 15,020.10 |
| D-III | Interest Purchased | - |
| D-IV | Interest Sold | - |
| D-V | Other System Adjustments | - |
| D-VI | Special Allowance Payments Receipts (Rebates) | - |
| D-VII | Government Interest Subsidy Payments | - |
| D-VIII | Total Cash Interest Activity | \$ 103,459.90 |
| E | Student Loan Non-Cash Interest Activity: | |
| E-I | Capitalized Interest | \$ 24,914.64 |
| E-II | Interest Accrual Adjustment | 2,004.54 |
| E-III | Total Non-Cash Interest Adjustments | \$ 26,919.18 |
| F | Total Student Loan Interest Activity (-) | \$ 130,379.08 |

| IV AVAILABLE FUNDS | | 6/30/2023 |
|--------------------|---|-----------------|
| G | Other Collections & Reserve Releases | |
| G-I | Late Fees | \$ 705.99 |
| G-II | Investment Income | 5,385.98 |
| G-III | Recoveries (net) | - |
| G-IV | Other collections | - |
| G-V | Reserve Account | 6,267.35 |
| G-VI | Total Other Collections & Reserve Releases | \$ 12,359.32 |
| H | Total Funds Received (A-VI + D-VIII + G-VI) | \$ 1,052,752.45 |
| I | Less Funds Previously Remitted: | |
| I-I | DOE Rebate and Lender Fees | \$ 28,457.62 |
| I-II | Subservicing Fees | 2,904.51 |
| I-III | Trustee Fees | - |
| I-IV | Administrator Fees | 2,783.00 |
| I-V | Other Payments | - |
| I-VI | Total | \$ 34,145.13 |
| J | Total Available Funds (H - I-VI) | \$ 1,018,607.32 |

| Waterfall, Cash, and Note Information | | | | | | | |
|---|---|--|--|-----------|--------------|----|--------------|
| V Monthly Waterfall for Monthly Distributions | | | | 6/30/2023 | | | |
| A | Total available funds | | | \$ | 1,018,607.32 | \$ | 1,018,607.32 |
| A-I | Undesignated Distribution Account funds | | | | 735.54 | | 1,019,342.86 |
| B | Noteholders Interest Distribution Amount | | | | | | |
| B-I | 2018 A-1 | | | | 137,653.53 | | 881,689.33 |
| C | Noteholders Principal Distribution Amount | | | | | | |
| C-I | 2018 A-1 | | | | 881,000.00 | | 689.33 |
| D | Undesignated Distribution Account funds | | | | 689.33 | | - |

| VI Account Balance Rollforward | | | | 5/31/2023 | | | | 6/30/2023 | | | |
|--------------------------------|--------------------|----|-------------------|-----------|--------------|----|--------------|-----------|----------------|--|--|
| | Account | | Beginning Balance | | Deposits | | Withdrawals | | Ending Balance | | |
| E-I | Collection Account | \$ | 737,515.78 | \$ | 1,293,490.07 | \$ | 1,023,526.28 | \$ | 1,007,479.57 | | |
| E-II | Reserve Account | | 106,267.35 | | 444.56 | | 6,711.91 | | 100,000.00 | | |
| E-III | Total | \$ | 843,783.13 | | | | | | 1,107,479.57 | | |

| VII Rollforward of Undesignated Distribution Account Funds | | | | 6/30/2023 | | | |
|--|-----------------------------|--|--|-----------|---------|--|--|
| F-I | Beginning (Initial) Balance | | | \$ | 735.54 | | |
| F-II | Additions | | | | - | | |
| F-III | Withdrawals | | | | (46.21) | | |
| F-IV | Ending Balance | | | | 689.33 | | |

| VIII Note Balances | | | | 6/26/2023 | | | | 7/25/2023 | | | |
|--------------------|----------------------|-----------|--------------------|------------------|------------------|------------------|------------------|-----------|--|--|--|
| | Security Description | CUSIP | Original Issue Amt | Note Balance | Note Pool Factor | Note Balance | Note Pool Factor | | | | |
| G | 2018 A-1 | 10620WAC2 | \$ 63,800,000.00 | \$ 28,478,000.00 | 0.4463636 | \$ 27,597,000.00 | 0.4325549 | | | | |

| IX | Historical Pool Information | 3/1/2023 - 3/31/2023 | 4/1/2023 - 4/30/2023 | 5/1/2023 - 5/31/2023 | 6/1/2023 - 6/30/2023 |
|--------|--|----------------------|----------------------|----------------------|----------------------|
| A | Beginning Student Loan Portfolio Balance | \$ 34,259,340.58 | \$ 33,759,448.21 | \$ 33,053,486.45 | \$ 32,142,196.22 |
| B | Student Loan Principal Activity: | | | | |
| B-I | Regular Principal Collections | \$ 218,545.59 | \$ 418,332.68 | \$ 606,754.34 | \$ 343,011.86 |
| B-II | Principal Collections from Guarantor | 328,161.33 | 303,420.71 | 312,325.66 | 593,921.37 |
| B-III | Loans Acquired | - | - | - | - |
| B-IV | Loans Sold | - | - | - | - |
| B-V | Other System Adjustments | - | - | - | - |
| B-VI | Total Principal Collections | \$ 546,706.92 | \$ 721,753.39 | \$ 919,080.00 | \$ 936,933.23 |
| C | Student Loan Non-Cash Principal Activity: | | | | |
| C-I | Capitalized Interest | \$ (46,808.97) | \$ (21,795.61) | \$ (14,765.42) | \$ (24,914.64) |
| C-II | Other Adjustments | (5.58) | 6,003.98 | 6,975.65 | 269.83 |
| C-III | Total Non-Cash Principal Activity | \$ (46,814.55) | \$ (15,791.63) | \$ (7,789.77) | \$ (24,644.81) |
| D | Total Student Loan Principal Activity (-) | \$ 499,892.37 | \$ 705,961.76 | \$ 911,290.23 | \$ 912,288.42 |
| E | Student Loan Interest Activity: | | | | |
| E-I | Regular Interest Collections | \$ 71,026.75 | \$ 207,847.35 | \$ 72,716.53 | \$ 88,439.80 |
| E-II | Interest Claims Received from Guarantors | 12,949.15 | 52,228.04 | 29,524.77 | 15,020.10 |
| E-III | Interest Purchased | - | - | - | - |
| E-IV | Interest Sold | - | - | - | - |
| E-V | Other System Adjustments | - | - | - | - |
| E-VI | Special Allowance Payments | - | 241,805.67 | - | - |
| E-VII | Subsidy Payments | - | 6,414.73 | - | - |
| E-VIII | Total Interest Collections | \$ 83,975.90 | \$ 508,295.79 | \$ 102,241.30 | \$ 103,459.90 |
| F | Student Loan Non-Cash Interest Activity: | | | | |
| F-I | Capitalized Interest | \$ 46,808.97 | \$ 21,795.61 | \$ 14,765.42 | \$ 24,914.64 |
| F-II | Interest Accrual Adjustment | 2,730.79 | 6,476.93 | 1,014.33 | 2,004.54 |
| F-III | Total Non-Cash Interest Adjustments | \$ 49,539.76 | \$ 28,272.54 | \$ 15,779.75 | \$ 26,919.18 |
| G | Total Student Loan Interest Activity (-) | \$ 133,515.66 | \$ 536,568.33 | \$ 118,021.05 | \$ 130,379.08 |
| H | (=) Ending Student Loan Portfolio Balance (A - D) | \$ 33,759,448.21 | \$ 33,053,486.45 | \$ 32,142,196.22 | \$ 31,229,907.80 |
| I | (+) Interest to be Capitalized | 217,486.54 | 170,997.52 | 196,209.88 | 244,035.71 |
| J | TOTAL POOL (=) | \$ 33,976,934.75 | \$ 33,224,483.97 | \$ 32,338,406.10 | \$ 31,473,943.51 |
| K | Cash Available for Distributions & Payments in Transit | \$ 600,634.64 | \$ 1,051,122.09 | \$ 982,921.11 | \$ 1,015,293.88 |
| L | Reserve Account Balance | 107,880.85 | 106,267.35 | 106,267.35 | 100,000.00 |
| M | Total Adjusted Pool (=) | \$ 34,685,450.24 | \$ 34,381,873.41 | \$ 33,427,594.56 | \$ 32,589,237.39 |

| X Total Student Loan Portfolio Characteristics | | | | 6/30/2023 |
|--|------------------|----------------|---------|-----------|
| A | STATUS | Title IV Loans | | |
| | | \$ | % | # |
| A-I | In School | \$ - | 0.00% | - |
| A-II | Grace | - | 0.00% | - |
| A-III | Repay/Current | 26,317,472 | 84.27% | 1,517 |
| A-IV | Delinquent: | | | |
| A-V | 31-60 Days | 487,321 | 1.56% | 24 |
| A-VI | 61-90 Days | 573,737 | 1.84% | 22 |
| A-VII | 91-120 Days | 153,176 | 0.49% | 12 |
| A-VIII | > 120 Days | 561,633 | 1.80% | 37 |
| A-IX | Total Delinquent | 1,775,867 | 5.69% | 95 |
| A-X | Deferment | 991,940 | 3.18% | 93 |
| A-XI | Forbearance | 1,994,224 | 6.39% | 85 |
| A-XII | Claims/Other | 150,405 | 0.48% | 11 |
| A-XIII | Totals | \$ 31,229,908 | 100.00% | 1,801 |

| XIII Student Loans in IBR | | | | 6/30/2023 |
|---------------------------|--------------|----------------------------------|--------|-----------|
| B | | PBO Amount % of Total PBO #Loans | | |
| | | \$ | | |
| B-I | IBR-PFH * | \$ 10,182,966 | 32.61% | 307 |
| B-II | IBR-Standard | 3,232,382 | 10.35% | 205 |
| B-II | Totals | \$ 13,415,348 | 42.96% | 512 |

* IBR-PFH represents Partial Financial Hardship repayment plan of IBR

| XI Statistical Analysis of Student Loans | | | | | | | | | 6/30/2023 |
|---|----------------|--------------|--------------|------------|--------------|-------------|---------------|---------------|-----------|
| The following amounts include Principal + Capitalized Interest at the end of the reporting period | | | | | | | | | |
| C | Program Type | School Type | | | | | Consolidation | Total | ABI |
| | | 4 Year | 4 Year Other | 2 Year | 2 Year Other | Proprietary | | | |
| C-I | Subsidized | \$ 563,759 | \$ 73,472 | \$ 64,077 | \$ - | \$ 15,662 | \$ - | \$ 716,970 | \$ 13,528 |
| C-II | Unsubsidized | 643,773 | 97,139 | 40,056 | - | 22,614 | - | 803,582 | 19,133 |
| C-III | Consolidation | - | - | - | - | - | 29,709,356 | 29,709,356 | 34,993 |
| C-IV | Total Title IV | \$ 1,207,532 | \$ 170,611 | \$ 104,133 | \$ - | \$ 38,276 | \$ 29,709,356 | \$ 31,229,908 | \$ 34,470 |

* 4 Year Other and 2 Year other are schools classified by the Dept of Ed as Proprietary but are degree-granting institutions with a Cohort Default Rate of 8% or less, i.e. Univ. of Phoenix.

| D | Guarantor | \$ % | |
|-------|----------------|---------------|---------|
| | | \$ | % |
| D-I | Ascendium | \$ 15,592,457 | 49.93% |
| D-II | PHEAA | 12,430,317 | 39.80% |
| D-III | ASA | 2,003,496 | 6.42% |
| D-IV | Others | 1,203,638 | 3.85% |
| D-V | Total Title IV | \$ 31,229,908 | 100.00% |

| Guarantees % | |
|-----------------------|--------|
| Title IV ¹ | 97/98% |

¹ Claims for loans originated after July 1, 2006 are reimbursed at 97%.

| XII Total Student Loan Portfolio By Servicer | | | 6/30/2023 |
|--|----------|----------------|-----------|
| E | Servicer | Title IV Loans | |
| | | \$ | % |
| E-I | AES | 16,741,403 | 53.61% |
| E-II | Nelnet | 11,030,411 | 35.32% |
| E-III | Navient | 3,458,094 | 11.07% |
| E-IV | Totals | 31,229,908 | 100.00% |

XIII Loan Default Statistics By Servicer

| Current Month - Insured Loans | | | | | | |
|-------------------------------|----------|---------------|-----------------|-------|-----------|-----------|
| Loan Type | Servicer | Claims Paid | Claims Rejected | Cured | Recoursed | Write Off |
| Title IV | PHEAA | \$ 6,785.92 | \$ - | \$ - | \$ - | \$ - |
| Title IV | Navient | - | - | - | - | - |
| Title IV | Nelnet | 587,135.45 | - | - | - | - |
| Totals | | \$ 593,921.37 | \$ - | \$ - | \$ - | \$ - |

| Since Inception | | | | | | | | | | | | | | | | | |
|-----------------|----------|-------------|---------------|-------------|--------------|-----------------|-------------|-------|---------------|-----------|---------------|-----------|---------------|---------|-------|----|---|
| Loan Type | Servicer | Static Pool | | Claims Paid | % of Static | Claims Rejected | % of Static | Cured | % of Rejected | Recoursed | % of Rejected | Write Off | % of Rejected | Pending | | | |
| Title IV | PHEAA | \$ | 37,558,834.00 | \$ | 1,577,926.14 | 4.20% | \$ | - | 0.00% | \$ | - | 0.00% | \$ | - | 0.00% | \$ | - |
| Title IV | Navient | | 5,518,016.18 | | 153,824.32 | 2.79% | | - | 0.00% | | - | 0.00% | | - | 0.00% | | - |
| Title IV | Nelnet | | 19,256,071.30 | | 2,641,422.86 | 13.72% | | - | 0.00% | | - | 0.00% | | - | 0.00% | | - |
| Totals | | \$ | 62,332,921.48 | \$ | 4,373,173.32 | 7.02% | \$ | - | 0.00% | \$ | - | 0.00% | \$ | - | 0.00% | \$ | - |