

**Student Loan Backed Reporting Mixed Deal - FFELP
Monthly/Quarterly Distribution Report**

Issuer	Educational Funding of the South, Inc.
Deal Name	2003FL Indenture
Distribution Date	11/26/2012
Collection Period	10/31/2012
Contact Name	
Contact Number	865-342-0676
Contact Email	kmann@edsouth.org
Website	www.edsouth.org

Notes/Bonds - Group I (FFELP)

Class	CUSIP	Rate	Index	Margin	Auction Status	Original Balance	Beg Princ Bal	Interest Accrual	Principal Paid	End Princ Bal ^a	% of Securities	Payment Frequency	Maturity
2012FL A	28148WAD5	1.26070%	0.21070%	1.05000%		511,000,000.00	489,917,063.89	549,018.81	7,876,666.99	482,040,396.90	79.80%	Monthly	3/25/2036
2012FL B	28148WAE3	3.71070%	0.21070%	3.50000%		15,000,000.00	15,000,000.00	49,476.62	-	15,000,000.00	2.48%	Monthly	12/28/2048
2007-1 A-2	28148XAQ4	0.72080%	0.42075%	0.30000%		400,000,000.00	16,080,039.53	18,672.28	-	16,080,039.53	2.66%	Quarterly	3/1/2016
2007-1 A-3	28148XAR2	0.77080%	0.42075%	0.35000%		235,000,000.00	90,967,000.00	112,959.54	-	90,967,000.00	15.06%	Quarterly	9/1/2017
Total						1,161,000,000.00	611,964,103.42	730,127.25	7,876,666.99	604,087,436.43	100%		

(a) Should include Principal Pmts in the current distribution month

Portfolio Summary

	Beg Balance	Activity	End Balance
Principal Balance	581,392,700.20	(6,588,727.62)	574,803,972.58
Accrued Interest to be Capitalized	6,178,969.37	(157,178.93)	6,021,790.44
Total Pool Balance	587,571,669.57	(6,745,906.55)	580,825,763.02
Repurchased Guaranteed Student Loans ^a	1,023,731.33	(1,023,731.33)	-
Weighted Average Coupon (WAC)	4.75	0.00	4.76
Weighted Average Maturity (WAM)	173.36	(0.27)	173.09
Number of Loans	82,067	(1,117.00)	80,950
Number of Borrowers	42,386	(580.00)	41,806
Average Loan Balance	\$ 7,159.66	15.46	\$ 7,175.12
Average Borrower Indebtedness	\$ 13,862.40	30.96	\$ 13,893.36

(a) Pending repurchase loans that are not reflected in the ending pool balance

Weighted Average Payments Made

	% of Pool	W.A. Time until Repayment (months) ^(a) (should include grace period)
In School	0.99%	-25.81
Grace	0.51%	-1.27
Deferment	13.95%	-14.26
Forbearance	14.99%	-3.25
W.A. Time in Repayment (months)		
Repayment	68.70%	79.52
Claims in Progress	0.85%	76.31
Claims Denied	0.02%	104.11
Total Weighted Average		52.56

(a) W.A. Time Until Repayment would most likely be reflected as a negative number in this calculation. For example, if a loan has 3 months left in school and 6 months of grace period, the time until repayment for that loan would be -9 months.

Funds and Accounts

Department Reserve Account 2012-1	Debt Service Payment Account 2007-1	Capitalized Interest Account	Debt Service Reserve Account 2012-1
Dept. Reserve Account (beginning) \$ 3,956,255.20	Debt Service Payment Account (beginning) \$ 1,478,854.09	Capitalized Interest Account (beginning) \$ 21,522,460.47	Reserve Account (beginning) \$ 2,975,596.19
Plus transfers in 876,075.11	Plus transfers in \$1,478,752.09	Less releases (1,300.64)	Less releases (32,619.19)
Less DOE Fees paid (347,118.92)	Less Funds paid on 2007 taxable bond	Less draws -	Less draws -
Plus investment earnings	Plus investment earnings (6.48)	Beginning Balance transfer -	Beginning Balance transfer -
Dept. Reserve Account (ending) \$ 4,485,211.39	Debt Service Payment Account (ending) \$ 2,957,599.70	Capitalized Interest Account (ending) \$ 21,521,159.83	Reserve Account (ending) \$ 2,942,977.00
		Capitalized Interest Account Requirement	Reserve Account Requirement \$ 2,904,128.82
2007-1 Debt Service Reserve \$ 2,300,000.00			
Collection Account - (Available Funds) \$ 11,057,165.51			
Total Accounts Balances (includes above accounts) \$ 45,264,113.43			

Balance Sheet and Parity

	Beg Balance	Activity	End Balance
Assets			
Pool Balance	591,247,044.54	(7,766,871.65)	583,480,172.89
Capitalized Interest Fund	21,522,460.47	(1,300.64)	21,521,159.83
Debt Service Reserve	5,242,977.00	(38,848.18)	5,204,128.82
Debt Payment Account ^b	2,957,606.18	1,478,745.61	4,436,351.79
Total Assets	620,970,088.19	(6,328,274.86)	614,641,813.33
Liabilities			
Note Outstanding Class A	489,917,063.89	(7,876,666.99)	482,040,396.90
Note Outstanding Class B	15,000,000.00	-	15,000,000.00
Bonds Outstanding 2007-1	107,047,039.53	-	107,047,039.53
Accrued Interest 2007-1	61,276.88	70,354.94	131,631.82
Total Liabilities	612,025,380.30	(7,806,312.05)	604,219,068.25
Class A Parity %	104.01%		104.32%
Class B Parity %	101.46%		101.73%

(a) Pool Balance for parity includes all accrued interest and pending loans. Including accrued interest to be capitalized and additional interest.

(b) Included 1/3 of the Principal and Interest for the 2007 Bond for the next payment date

CPR (constant prmt rate)

	%
Current	12.84%
Lifetime	

Servicer Balance

	Balance	% of Portfolio	# of Loans	Cms Outstanding
Edfinancial	433,269,941.00	74.60%	69,576	3,607,322.44
PHEAA	113,167,727.83	19.48%	8,246	373,994.58
CitiBank	-	0.00%	-	-
Great Lakes	34,388,094.19	5.92%	3,128	66,856.26
Total Portfolio	580,825,763.02		80,950	4,048,173.28

2003FL Indenture

Portfolio by Loan Status											
	# of Loans		Balance (inc Accrued Interest)		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
In School	1,617	1,525	6,007,509.13	5,728,730.90	1.02%	0.99%	5.65	5.65	120.14	120.15	
Grace	944	805	3,507,646.47	2,960,615.12	0.60%	0.51%	5.69	5.58	116.16	116.60	
Repayment											
Current	45,889	45,604	336,064,527.17	334,797,274.12	57.20%	57.64%	4.53	4.53	169.43	169.68	
31-60 Days Delinquent	2,900	2,874	18,598,384.27	19,452,430.92	3.17%	3.35%	4.84	4.97	172.17	172.29	
61-90 Days Delinquent	1,729	1,779	10,935,848.73	10,793,868.11	1.86%	1.86%	5.09	4.83	161.00	169.88	
91-120 Days Delinquent	1,285	1,216	8,080,923.26	8,105,496.56	1.38%	1.40%	4.93	5.05	162.49	162.06	
121-180 Days Delinquent	1,791	1,733	11,672,534.59	10,675,742.71	1.99%	1.84%	4.98	4.84	166.03	161.46	
181-270 Days Delinquent	1,852	1,921	10,501,364.75	11,375,975.09	1.79%	1.96%	4.91	5.04	152.07	154.48	
271+ Days Delinquent	790	614	4,119,138.36	3,818,726.97	0.70%	0.66%	5.03	4.89	146.38	166.59	
Total Repayment	56,236	55,741	399,972,721.13	399,019,514.48	68.07%	68.70%	4.60	4.60	168.39	168.98	
Forbearance	9,377	9,229	89,731,056.25	87,048,489.38	15.27%	14.99%	5.27	5.31	194.75	191.71	
Deferment	12,894	12,558	83,456,031.79	81,047,207.04	14.20%	13.95%	4.84	4.85	181.25	180.75	
Claims in Progress	949	1,058	4,719,258.55	4,917,018.40	0.80%	0.85%	4.85	4.93	160.56	148.70	
Claims Denied	50	34	177,446.25	104,187.70	0.03%	0.02%	4.74	3.41	98.08	69.02	
Total Portfolio	82,067	80,950	587,571,669.57	580,825,763.02			4.75	4.76	173.36	173.09	

Delinquency Status											
	# of Loans		Balance (inc Accrued Interest)		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Current	45,889	45,604	336,064,527.17	334,797,274.12	84.02%	83.90%	4.53	4.53	169.43	169.68	
31-60 Days Delinquent	2,900	2,874	18,598,384.27	19,452,430.92	4.65%	4.88%	4.84	4.97	172.17	172.29	
61-90 Days Delinquent	1,729	1,779	10,935,848.73	10,793,868.11	2.73%	2.71%	5.09	4.83	161.00	169.88	
91-120 Days Delinquent	1,285	1,216	8,080,923.26	8,105,496.56	2.02%	2.03%	4.93	5.05	162.49	162.06	
121-180 Days Delinquent	1,791	1,733	11,672,534.59	10,675,742.71	2.92%	2.68%	4.98	4.84	166.03	161.46	
181-270 Days Delinquent	1,852	1,921	10,501,364.75	11,375,975.09	2.63%	2.85%	4.91	5.04	152.07	154.48	
271+ Days Delinquent	790	614	4,119,138.36	3,818,726.97	1.03%	0.96%	5.03	4.89	146.38	166.59	
Total Portfolio in Repayment	56,236	55,741	399,972,721.13	399,019,514.48			4.60	4.60	168.39	168.98	

Portfolio by Loan Type											
	# of Loans		Balance (inc Accrued Interest)		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Subsidized Consolidation Loans	14,483	14,366	171,118,187.66	169,296,132.59	29.12%	29.15%	4.56	4.57	192.80	192.26	
Unsubsidized Consolidation Loans	15,578	15,459	224,057,686.68	222,206,519.72	38.13%	38.26%	4.69	4.69	206.79	206.14	
Subsidized Stafford Loans	28,246	27,742	80,219,779.48	78,845,110.06	13.65%	13.57%	4.67	4.67	112.00	111.86	
Unsubsidized Stafford Loans	21,358	21,028	94,432,288.45	93,021,443.98	16.07%	16.02%	4.82	4.83	121.70	121.82	
Grad PLUS Loans	2,324	2,282	17,512,983.52	17,227,022.86	2.98%	2.97%	7.51	7.53	116.29	116.65	
Other Loans	78	73	230,543.78	229,533.81	0.04%	0.04%	3.37	3.37	90.80	90.55	
Total Balance	82,067	80,950	587,571,669.57	580,825,763.02			4.75	4.76	173.36	173.09	

Portfolio by Program Type											
	# of Loans		Balance (inc Accrued Interest)		% of Principal		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Graduate / 4-Year Loans	51,020	50,377	392,942,133.79	388,550,385.07	66.88%	66.90%	4.68	4.68	173.13	172.83	
2-Year Loans	14,545	14,319	51,300,947.03	50,634,675.44	8.73%	8.72%	4.83	4.83	127.15	127.37	
Proprietary / Technical / Vocational Loans	9,204	9,015	40,678,329.02	39,800,657.83	6.92%	6.85%	4.55	4.57	139.43	139.54	
Unknown (Consolidation) Loans	7,261	7,202	102,235,373.18	101,425,550.69	17.40%	17.46%	5.08	5.09	211.12	210.28	
Other Loans	37	37	414,886.55	414,493.99	0.07%	0.07%	6.30	6.29	116.72	116.32	
Total Portfolio	82,067	80,950	587,571,669.57	580,825,763.02			4.75	4.76	173.36	173.09	

SAP Indices							
	# of Loans		Balance		% of Total		Margin
	Beginning	Ending	Beginning	Ending	Beginning	Ending	
T-Bill Loans	4,858	4,743	17,662,861.88	17,372,422.11	3.01%	2.99%	2.7024
1ML Loans	77,209	76,207	569,908,807.69	563,453,340.91	96.99%	97.01%	2.3564
Other Loans	-	-	-	-	0.00%	0.00%	-
Total Pool Balance	82,067	80,950	587,571,669.57	580,825,763.02			2.3667

**Student Loan Backed Reporting Mixed Deal
Monitoring Waterfall and Collections
2003FL Indenture**

Distribution Date	11/26/2012
Collection Period	10/31/2012

Collection Activity	
Cash Inflows Available to be Distributed	10/31/2012
Collection Amount Received	6,800,275.44
Recoveries	-
Reserve Account	-
Excess of Required Reserve Account	38,848.18
Interest on Investment Earnings	-
Capitalized Interest Account (after a stepdown or release date)	-
Prefunding Account (after release date)	-
Payments from Guarantor	3,045,345.72
Proceeds from Tender	-
Prepayments	-
Purchased by Servicers/Sellers	-
Prior Month's Allocations or Adjustments	-
Investment Income	3,138.28
All Fees	-
Other Amounts Received in Collection	1,169,557.89
Total Available Funds	\$ 11,057,165.51

(a) Cash collections represent amounts received and posted in the Trust accounts as of the last day of the collection period.

Fees Due for Current Period	10/31/2012
Indenture Trustee Fees	7,493.29
Custodial Fees	-
Paying Agent Fees	-
Registrar Fees	-
Servicing Fees	216,036.75
Administration Fees	95,800.69
Late Fees	-
Other Fees	343,736.78
Total Fees	\$ 663,067.51

Cumulative Default Rate	as of 10/31/2012
Current Period's Defaults (\$)	7,191,505.81
Cumulative Defaults (\$)	207,608,422.97
Cumulative Default (% of original pool balance)	NA
Cumulative Default (% of Repayment ending balances)	36.29%
Current period payments (recoveries) from Guarantor (\$)	3,045,345.72
Current period borrower recoveries (\$)	-
Cumulative Recoveries (\$) ^a	214,157,518.24
Cumulative Recovery Rate (%) ^b	103.15%
Cumulative Net Loss Rate (%)	NA
Cumulative Servicer Reject Rate (FFELP) (%)	0.00194%

a) Cumulative Recoveries includes 97% of Claims in Progress

b) Due to the inclusion of death, disability and bankruptcy claims, the recovery rate can exceed 100%.

Waterfall Activity		
Waterfall for Distribution (in accordance with Transaction - specific documents)	Amount Due	Amount Remaining
Total Available Funds	11,057,165.51	
First: Deposits to Department Reserve Fund	783,920.27	10,273,245.24
Second: Trustee Fees due	7,493.29	10,265,751.95
Third: Servicing Fee due	216,036.75	10,049,715.20
Fourth: Administration Fees due	95,800.69	9,953,914.51
Fifth: Interest Distribution on Senior Notes or Obligations		
1. 2007 Debt Service Account		
>1/3 of 2007 Bonds Interest Distribution Amount	68,085.42	
>Any 2007 Bonds Interest Remaining unpaid	-	
	<u>68,085.42</u>	9,885,829.09
2. 2012-1 A Interest Distribution Amount	549,018.81	
Total Interest Distribution on Senior Notes or Obligations	<u>549,018.81</u>	9,336,810.28
Sixth: To the 2007 Debt Service Account 1/3 of Principal or unpaid Principal (if Maturity Date occurs in one of the next three months)	1,410,666.67	7,926,143.61
Seventh: 2012-1 B Interest Distribution Amount Subject to Class B Interest Cap	49,476.62	7,876,666.99
Eighth: Debt Service Reserve Fund Replenishment	-	7,876,666.99
Ninth: 2007 Bonds Principal Distribution Amount	-	7,876,666.99
Tenth: Payments to Noteholders for 2012 A and 2012 B Notes	7,876,666.99	-
Eleventh: Class B Carryover Amount	-	-
Twelfth: Release to Issuer	-	-

(a) Footnotes

(b) Footnotes

Principal and Interest Distributions	2007-1 A2	2007-1 A3	2012-1 A	2012-1 B	TOTAL
Periodic Interest Due	9,658.07	58,427.35	549,018.81	49,476.62	666,580.85
Periodic Interest Paid	9,658.07	58,427.35	549,018.81	49,476.62	666,580.85
Interest Shortfall	-	-	-	-	-
Interest Carryover Due	-	-	-	-	-
Interest Carryover Paid	-	-	-	-	-
Interest Carryover	-	-	-	-	-
Periodic Principal Distribution Amount	1,410,666.67	-	7,876,666.99	-	9,287,333.66
Periodic Principal Paid	1,410,666.67	-	7,876,666.99	-	9,287,333.66
Excess/(Shortfall)	(0.00)	-	-	-	(0.00)
Total Distribution Amount	1,420,324.74	58,427.35	8,425,685.80	49,476.62	9,953,914.51

Educational Funding of the South, Inc
2003FL Indenture
Balance Sheet
October 31, 2012
(Unaudited)

ASSETS

Cash	\$ 45,264,113.43
Assets Held by Trustee	
Investments	5,035.58
Student Loans Receivable, Net	573,846,711.89
Accrued Interest Receivable	6,740,707.72
Other Receivables	184,255.38
Bond Issue Costs	3,021,561.35
Prepaid and Deferred Expenses	27,615.01
	<hr/>
Total Assets	<u><u>\$ 629,090,000.36</u></u>

LIABILITIES AND NET ASSETS

Notes Payable, Net	\$ 611,964,103.42
Discount on Notes Payable, Net	(6,352,953.52)
Accrued Interest Payable	262,516.28
Other Accounts Payable & Accrued Expenses	559,773.53
Total Liabilities	<hr/> \$ 606,433,439.71
Net Assets	<hr/> \$ 22,656,560.65
Total Liabilities and Net Assets	<hr/> <u><u>\$ 629,090,000.36</u></u>

2003FL Indenture

IV. Transactions for the Time Period

10/1/2012 - 10/31/2012

A. Student Loan Principal Collection Activity

i. Regular Principal Collections	(3,245,345.63)
ii. Principal Collections from Guarantor	(2,967,751.25)
iii. Paydown due to Loan Consolidation	(2,328,606.84)
iv. Principal Collections from Schools	4,544.68
v. Principal Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments	279.69
vii. Loans transferred out/deconverted (PUT)	-
viii. Total Principal Collections	(8,536,879.35)

B. Student Loan Non-Cash Principal Activity

i. Principal Realized Losses - Claim Write-Offs	(9,646.81)
ii. Principal Realized Losses - Other	(20,482.55)
iii. Other Adjustments	(96.55)
iv. Capitalized Interest	909,581.20
v. Total Non-Cash Principal Activity	879,355.29

C. Student Loan Principal Additions

i. New Loan Additions	1,023,731.28
ii. Total Principal Additions	1,023,731.28

D. Total Student Loan Principal Activity (Aviii + Bv + Cii) (6,633,792.78)

E. Student Loan Interest Activity

i. Regular Interest Collections	(1,166,819.75)
ii. Interest Claims Received from Guarantors	(77,594.47)
iii. Late Fees & Other	5,231.89
iv. Interest due to Loan Consolidation	(56,905.70)
v. Interest Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments -	-
vii. Interest Benefit and Special Allowance Payments	475,128.43
viii. Loans transferred out/deconverted	-
vix. Total Interest Collections	(820,959.60)

F. Student Loan Non-Cash Interest Activity

i. Interest Losses - Claim Write-offs	(54,336.41)
ii. Interest Losses - Other	(30,386.04)
iii. Other Adjustments	(375.91)
iv. Capitalized Interest	(909,581.20)
v. Interest Accrual	2,144,105.57
vi. Total Non-Cash Interest Adjustments	1,149,426.01

G. Student Loan Interest Additions

i. New Loan Additions	-
ii. Total Interest Additions	-

H. Total Student Loan Interest Activity (Eix + Fvi + Gii) 328,466.41

I. Defaults Paid this Period (Aii + Eii) (3,045,345.72)

J. Cumulative Defaults Paid to Date (214,157,518.24)

K. Interest Expected to be Capitalized

Interest Expected to be Capitalized - Beginning (III - A-ii)	6,178,969.37
Interest Capitalized into Principal During Collection Period (B-iv)	909,581.20
Change in Interest Expected to be Capitalized	(1,066,760.13)
Interest Expected to be Capitalized - Ending (III - A-ii)	6,021,790.44

2003FL Indenture

V. Cash Receipts for the Time Period	10/1/2012 - 10/31/2012	
A. Principal Collections		
i. Principal Payments Received - Cash	\$	6,208,272.51
ii. Principal Received from Loans Consolidated		2,328,606.84
iii. Total Principal Collections	\$	8,536,879.35
B. Interest Collections		
i. Interest Payments Received - Cash	\$	1,244,414.22
ii. Interest Received from Loans Consolidated		56,905.70
iii. Interest Payments Received(Paid) - Interest Benefit and Special Allowance Payments		(475,128.43)
iv. Late Fees & Other		(5,231.89)
v. Total Interest Collections	\$	820,959.60
C. Other Reimbursements	\$	-
D. Repurchases/ Reimbursements by Servicer/Seller	\$	-
E. Investment Earnings	\$	3,138.28
F. Total Cash Receipts during Collection Period	\$	9,360,977.23