

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

<b>Issuer</b>	Educational Funding of the South, Inc.
<b>Deal Name</b>	2003FL Indenture
<b>Distribution Date</b>	1/27/2014
<b>Collection Period</b>	12/31/2013
<b>Contact Name</b>	Ken Mann
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**Notes/Bonds - Group I (FFELP)**

Class	CUSIP	Rate	Index	Margin	Auction Status	Original Balance	Beg Princ Bal	Interest Accrual	Principal Paid	End Princ Bal <sup>a</sup>	% of Securities	Payment Frequency	Maturity
2012FL A	28148WAD5	1.21460%	0.16460%	1.05000%		511,000,000.00	449,203,886.07	484,986.54	978,665.37	448,225,220.70	85.04%	Monthly	3/25/2036
2012FL B	28148WAE3	3.66460%	0.16460%	3.50000%		15,000,000.00	15,000,000.00	48,861.94	-	15,000,000.00	2.85%	Monthly	12/28/2048
2007-1 A-2	28148XAQ4	0.53760%	0.23760%	0.30000%		400,000,000.00	-	-	-	-	0.00%	Quarterly	3/1/2016
2007-1 A-3	28148XAR2	0.58760%	0.23760%	0.35000%		235,000,000.00	81,289,000.00	94,867.53	17,419,000.00	63,870,000.00	12.12%	Quarterly	9/1/2017
<b>Total</b>						<b>1,161,000,000.00</b>	<b>545,492,886.06</b>	<b>628,716.01</b>	<b>18,397,665.37</b>	<b>527,095,220.70</b>	100.00%		

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

**Portfolio Summary**

	Beg Balance	Activity	End Balance
Principal Balance	502,689,236.92	(6,694,479.34)	495,994,757.58
Accrued Interest to be Capitalized	5,940,123.43	78,674.35	6,018,797.78
<b>Total Pool Balance</b>	<b>508,629,360.35</b>	<b>(6,615,804.99)</b>	<b>502,013,555.36</b>
Weighted Average Coupon (WAC)	4.78	0.00	4.78
Weighted Average Maturity (WAM)	168.41	(0.22)	168.19
Number of Loans	69,753	(903)	68,850
Number of Borrowers	36,022	(451)	35,571
Average Loan Balance	\$ 7,291.86	(0.45)	\$ 7,291.41
Average Borrower Indebtedness	\$ 14,119.96	(6.96)	\$ 14,113.00

**Weighted Average Payments Made**

	% of Pool	W.A. Time until Repayment (months) <sup>(a)</sup> <i>(should include grace period)</i>
In School	0.48%	-25.75
Grace	0.17%	-2.30
Deferment	11.92%	-13.99
Forbearance	15.94%	-3.76
		<b>W.A. Time in Repayment (months)</b>
Repayment	70.70%	93.36
Claims in Progress	0.72%	85.39
Claims Denied	0.06%	96.43
<b>Total Weighted Average</b>		<b>64.29</b>

(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**

	Beg Balance	Activity	End Balance
Reserve Account	4,868,372.28	(25,225.48)	4,843,146.80
Reserve Amt Required	4,843,146.80	(33,079.02)	4,810,067.78
Debt Service 2007-1	17,543,305.13	(11,705,253.75)	5,838,051.38
Capitalized Interest Account	21,308,230.36	-	21,308,230.36
Capitalized Interest Account Required	-	-	-
Collection Fund	6,895,009.07	1,601,285.12	8,496,294.19
Acquisition Account	-	-	-
Interest Account	-	-	-
<b>Total Accounts Balance</b>	<b>50,589,691.36</b>	<b>(10,137,047.65)</b>	<b>40,452,643.71</b>

**Balance Sheet and Parity**

	Beg Balance	Activity	End Balance
<b>Assets</b>			
Pool Balance <sup>a</sup>	511,709,195.87	(6,667,067.25)	505,042,128.62
Capitalized Interest Fund	21,308,230.36	-	21,308,230.36
Debt Service Reserve	4,843,146.80	(33,079.02)	4,810,067.78
Debt Payment Account	23,381,260.97	(11,705,253.75)	11,676,007.22
<b>Total Assets</b>	<b>561,241,834.00</b>	<b>(18,405,400.02)</b>	<b>542,836,433.98</b>
<b>Liabilities</b>			
Note Outstanding Class A	449,203,886.07	(978,665.37)	448,225,220.70
Note Outstanding Class B	15,000,000.00	-	15,000,000.00
Bonds Outstanding 2007-1	81,289,000.00	(17,419,000.00)	63,870,000.00
Accrued Interest 2007-1	155,832.10	(60,964.57)	94,867.53
<b>Total Liabilities</b>	<b>545,617,095.65</b>	<b>(18,458,629.94)</b>	<b>527,190,088.23</b>
Class A Parity %	105.77%		105.98%
Total Parity %, Including Class B	102.86%		102.97%

(a) Pool Balance for parity includes all accrued interest, including any interest to be capitalized.

**CPR (constant pmt rate)**

Current Lifetime	8.30%
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**Servicer Balance**

	Balance	% of Portfolio	# of Loans	Clms Outstanding
PHEAA	502,013,555.36	100.00%	68,850	3,633,996.96
<b>Total Portfolio</b>	<b>502,013,555.36</b>		<b>68,850</b>	<b>3,633,996.96</b>

Portfolio by Loan Status											
	# of Loans		Pool Balance		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
In School	670	623	2,570,235.62	2,394,366.70	0.51%	0.48%	5.64	5.63	120.00	120.00	
Grace	235	226	883,462.66	850,647.24	0.17%	0.17%	5.71	5.85	120.26	118.68	
Repayment											
Current	40,941	40,227	299,577,882.67	294,387,156.48	58.90%	58.64%	4.55	4.56	162.94	163.74	
31-60 Days Delinquent	2,817	2,487	19,880,163.89	17,554,077.58	3.91%	3.50%	5.15	5.12	175.08	167.97	
61-90 Days Delinquent	1,615	1,746	10,857,398.92	11,453,079.71	2.13%	2.28%	5.22	5.12	159.20	166.80	
91-120 Days Delinquent	948	1,202	7,033,482.27	8,334,913.28	1.38%	1.66%	5.09	5.12	180.52	171.21	
121-180 Days Delinquent	1,403	1,315	8,522,645.64	9,060,796.60	1.68%	1.80%	5.07	5.21	158.25	177.14	
181-270 Days Delinquent	1,451	1,472	8,877,538.81	9,186,277.86	1.75%	1.83%	5.17	5.03	151.79	153.98	
271+ Days Delinquent	933	861	5,970,875.93	4,969,627.17	1.17%	0.99%	5.11	5.24	163.96	161.79	
<b>Total Repayment</b>	<b>50,108</b>	<b>49,310</b>	<b>360,719,988.13</b>	<b>354,945,928.68</b>	<b>70.92%</b>	<b>70.70%</b>	<b>4.65</b>	<b>4.65</b>	<b>163.47</b>	<b>164.28</b>	
Forbearance	7,968	8,395	78,889,414.78	80,033,283.98	15.51%	15.94%	5.28	5.26	191.99	186.62	
Deferment	9,820	9,402	61,585,800.02	59,862,042.00	12.11%	11.92%	4.83	4.84	170.64	170.90	
Claims in Progress	927	853	3,790,694.63	3,633,996.96	0.75%	0.72%	4.81	5.05	156.87	143.20	
Claims Denied	25	41	189,764.51	293,289.80	0.04%	0.06%	4.55	4.71	155.23	167.45	
<b>Total Portfolio</b>	<b>69,753</b>	<b>68,850</b>	<b>508,629,360.35</b>	<b>502,013,555.36</b>			<b>4.78</b>	<b>4.78</b>	<b>168.41</b>	<b>168.19</b>	

Delinquency Status											
	# of Loans		Pool Balance		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Current	40,941	40,227	299,577,882.67	294,387,156.48	83.05%	82.94%	4.55	4.56	162.94	163.74	
31-60 Days Delinquent	2,817	2,487	19,880,163.89	17,554,077.58	5.51%	4.95%	5.15	5.12	175.08	167.97	
61-90 Days Delinquent	1,615	1,746	10,857,398.92	11,453,079.71	3.01%	3.23%	5.22	5.12	159.20	166.80	
91-120 Days Delinquent	948	1,202	7,033,482.27	8,334,913.28	1.95%	2.35%	5.09	5.12	180.52	171.21	
121-180 Days Delinquent	1,403	1,315	8,522,645.64	9,060,796.60	2.36%	2.55%	5.07	5.21	158.25	177.14	
181-270 Days Delinquent	1,451	1,472	8,877,538.81	9,186,277.86	2.46%	2.59%	5.17	5.03	151.79	153.98	
271+ Days Delinquent	933	861	5,970,875.93	4,969,627.17	1.66%	1.40%	5.11	5.24	163.96	161.79	
<b>Total Portfolio in Repayment</b>	<b>50,108</b>	<b>49,310</b>	<b>360,719,988.13</b>	<b>354,945,928.68</b>			<b>4.65</b>	<b>4.65</b>	<b>163.47</b>	<b>164.28</b>	

Portfolio by Loan Type											
	# of Loans		Pool Balance		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Subsidized Consolidation Loans	13,192	13,113	151,498,073.30	149,898,386.92	29.79%	29.86%	4.58	4.58	184.25	183.63	
Unsubsidized Consolidation Loans	14,172	14,082	201,204,437.78	199,022,503.40	39.56%	39.64%	4.71	4.71	198.55	197.88	
Subsidized Stafford Loans	22,989	22,607	64,211,047.95	62,884,520.88	12.62%	12.53%	4.72	4.73	108.28	108.15	
Unsubsidized Stafford Loans	17,532	17,215	77,807,509.85	76,463,427.49	15.30%	15.23%	4.88	4.89	119.14	119.71	
Grad PLUS Loans	1,811	1,777	13,714,206.13	13,554,761.62	2.70%	2.70%	7.75	7.76	113.54	114.79	
Other Loans	57	56	194,085.34	189,955.05	0.04%	0.04%	3.32	3.32	96.77	97.50	
<b>Total Balance</b>	<b>69,753</b>	<b>68,850</b>	<b>508,629,360.35</b>	<b>502,013,555.36</b>			<b>4.78</b>	<b>4.78</b>	<b>168.41</b>	<b>168.19</b>	

Portfolio by Program Type											
	# of Loans		Pool Balance		% of Principal		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Graduate / 4-Year Loans	43,458	42,912	335,210,825.00	330,947,859.47	65.90%	65.92%	4.68	4.68	167.00	166.90	
2-Year Loans	11,427	11,258	44,081,270.60	43,455,908.23	8.67%	8.66%	4.78	4.79	133.08	133.15	
Proprietary / Technical / Vocational Loans	14,816	14,629	128,968,742.97	127,244,294.69	25.36%	25.35%	5.04	5.04	184.22	183.58	
Unknown (Consolidation) Loans	-	-	-	-	0.00%	0.00%	-	-	-	-	
Other	52	51	368,521.78	365,492.97	0.07%	0.07%	4.24	4.27	149.33	149.57	
<b>Total Portfolio</b>	<b>69,753</b>	<b>68,850</b>	<b>508,629,360.35</b>	<b>502,013,555.36</b>			<b>4.78</b>	<b>4.78</b>	<b>168.41</b>	<b>168.19</b>	

SAP Indices							
	# of Loans		Pool Balance		% of Total		Margin
	Beginning	Ending	Beginning	Ending	Beginning	Ending	
T-Bill Loans	3,824	3,776	14,339,955.65	14,131,079.11	2.82%	2.81%	2.9889
1ML Loans	65,929	65,074	494,289,404.70	487,882,476.25	97.18%	97.19%	2.5221
Other Margin Loans	-	-	-	-	0.00%	0.00%	-
<b>Total Pool Balance</b>	<b>69,753</b>	<b>68,850</b>	<b>508,629,360.35</b>	<b>502,013,555.36</b>			<b>2.5353</b>

**Student Loan Backed Reporting - FFELP  
Monitoring Waterfall and Collections**

Distribution Date	1/27/2014
Collection Period	12/31/2013

Collection Account Activity <sup>a</sup>	
Collection Amount Received	\$ 5,694,607.51
Recoveries	-
Reserve Account	
Excess of Required Reserve Account	33,079.02
Interest on Investment Earnings	2,088.72
Capitalized Interest Account (after a stepdown or release date)	-
Temporary Cost of Issuance Remaining	
Payments from Guarantor	2,766,518.94
Proceeds from Tender	
Paid to Guarantor	-
Purchased by Servicers/Sellers	
Prior Month's Allocations or Adjustments	
Investment Income	
All Fees	
Other Amounts Received in Collection	
<b>Total Available Funds</b>	<b>\$ 8,496,294.19</b>

(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	12/31/2013
Indenture Trustee Fees	-
Servicing Fees	94,917.19
Administration Fees	82,665.79
Consolidation Rebate Fees	306,848.23
Other Fees	-
<b>Total Fees</b>	<b>\$ 484,431.21</b>

Cumulative Default Rate	12/31/2013
Current Period's Defaults (\$)	2,114,988.74
Cumulative Defaults (\$)	241,739,007.83
Cumulative Default (% of original pool balance)	NA
Cumulative Default (% of Repayment ending balances)	48.47%
Current period payments (recoveries) from Guarantor (\$)	2,766,518.94
Current period borrower recoveries (\$)	-
Cumulative Recoveries (\$) <sup>a</sup>	246,390,792.59
Cumulative Recovery Rate (%) <sup>b</sup>	101.92%
Cumulative Net Loss Rate (%)	NA
Cumulative Servicer Reject Rate (FFELP) (%)	0.00%

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
<b>Total Available Funds</b>		8,496,294.19
<b>First:</b> Deposits to Department Reserve Fund	968,241.52	7,528,052.67
<b>Second:</b> Trustee Fees due	-	7,528,052.67
<b>Third:</b> Servicing Fee due	94,917.19	7,433,135.49
<b>Fourth:</b> Administration Fees due	82,665.79	7,350,469.69
<b>Fifth:</b> Interest Distribution on Senior Notes or Obligations		
1. 2007 Debt Service Amount		
> 1/3 of 2007 Bonds Interest Distribution Amount	31,622.51	
> Any 2007 Bonds Interest Remaining unpaid	-	
	31,622.51	7,318,847.18
2. 2012-1 A Interest Distribution	484,986.54	
Total Interest Distribution on Senior Notes or Obligations	484,986.54	6,833,860.64
<b>Sixth:</b> To the 2007 Debt Service Account 1/3 of Principal or unpaid Principal (if Maturity Date occurs in the next 3 months)	-	6,833,860.64
<b>Seventh:</b> 2012-1 B Interest Distribution Amount Subject to a Class B Interest Cap	48,861.94	6,784,998.70
<b>Eighth:</b> Debt Service Fund replenishment	-	6,784,998.70
<b>Ninth:</b> To the 2007 Debt Service Account 1/3 of Principal or unpaid Principal due on the 2007 Bonds on the next Principal Reduction Payment Date	5,806,333.33	978,665.37
<b>Tenth:</b> Payments to Noteholders for 2012 A and 2012 B Notes	978,665.37	-
<b>Eleventh:</b> Class B Carryover Amount	-	-
<b>Twelfth:</b> Release to Issuer	-	-

Principal and Interest Distributions	2012-1 A	2012-1 B	2007-1 A3	TOTAL
Periodic Interest Due	484,986.54	48,861.94	41,403.20	575,251.68
Periodic Interest Paid	484,986.54	48,861.94	41,403.20	575,251.68
Interest Excess/(Shortfall)	-	-	-	-
Interest Carryover Due	-	-	-	-
Interest Carryover Paid	-	-	-	-
Interest Carryover	-	-	-	-
Periodic Principal Distribution Amount	978,665.37	-	5,806,333.33	6,784,998.70
Periodic Principal Paid	978,665.37	-	5,806,333.33	6,784,998.70
Excess/(Shortfall)	-	-	-	-
<b>Total Distribution Amount</b>	<b>1,463,651.91</b>	<b>48,861.94</b>	<b>5,847,736.53</b>	<b>7,360,250.38</b>

**Educational Funding of the South, Inc**  
**2003FL Indenture**  
**Balance Sheet**  
**December 31, 2013**  
**(Unaudited)**

**ASSETS**

Cash	\$ 41,456,515.13
Assets Held by Trustee	
Investments	1,036.06
Student Loans Receivable, Net	495,450,828.09
Accrued Interest Receivable	7,573,012.82
Other Receivables	210,292.07
Bond Issue Costs	2,880,294.23
Prepaid and Deferred Expenses	23,832.06
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<b>Total Assets</b>	<b><u><u>\$ 547,595,810.46</u></u></b>

**LIABILITIES AND NET ASSETS**

Notes Payable, Net	\$ 528,073,886.07
Discount on Notes Payable, Net	(6,035,305.84)
Accrued Interest Payable	131,405.37
Other Accounts Payable & Accrued Expenses	484,431.21
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<b>Total Liabilities</b>	<b><u><u>\$ 522,654,416.81</u></u></b>
<b>Net Assets</b>	<b><u><u>\$ 24,941,393.65</u></u></b>
<b>Total Liabilities and Net Assets</b>	<b><u><u>\$ 547,595,810.46</u></u></b>

## 2003FL Indenture

12/1/2013 - 12/31/2013

<b>A. Student Loan Principal Collection Activity</b>	
i. Regular Principal Collections	(2,516,896.48)
ii. Principal Collections from Guarantor	(2,697,886.21)
iii. Paydown due to Loan Consolidation	(2,055,984.44)
iv. Principal Collections from Schools	1,902.35
v. Principal Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments	-
vii. Loans transferred out/deconverted (PUT)	-
<b>viii. Total Principal Collections</b>	<b>(7,268,864.78)</b>
<b>B. Student Loan Non-Cash Principal Activity</b>	
i. Principal Realized Losses - Claim Write-Offs	(4,154.80)
ii. Principal Realized Losses - Other	(4,965.41)
iii. Other Adjustments	(6,291.85)
iv. Capitalized Interest	589,797.50
<b>v. Total Non-Cash Principal Activity</b>	<b>574,385.44</b>
<b>C. Student Loan Principal Additions</b>	
i. New Loan Additions	-
<b>ii. Total Principal Additions</b>	<b>-</b>
<b>D. Total Student Loan Principal Activity (Aviii + Bv + Cii)</b>	<b>(6,694,479.34)</b>
<b>E. Student Loan Interest Activity</b>	
i. Regular Interest Collections	(1,041,582.66)
ii. Interest Claims Received from Guarantors	(68,632.73)
iii. Late Fees & Other	1,527.76
iv. Interest due to Loan Consolidation	(63,414.99)
v. Interest Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments -	-
vii. Interest Benefit and Special Allowance Payments	524,133.72
viii. Loans transferred out/deconverted	-
<b>vix. Total Interest Collections</b>	<b>(647,968.90)</b>
<b>F. Student Loan Non-Cash Interest Activity</b>	
i. Interest Losses - Claim Write-offs	(53,306.21)
ii. Interest Losses - Other	(16,021.64)
iii. Other Adjustments	5221.13
iv. Capitalized Interest	(589,797.50)
v. Interest Accrual	1,898,980.74
<b>vi. Total Non-Cash Interest Adjustments</b>	<b>1,245,076.52</b>
<b>G. Student Loan Interest Additions</b>	
i. New Loan Additions	-
<b>ii. Total Interest Additions</b>	<b>-</b>
<b>H. Total Student Loan Interest Activity (Eix + Fvi + Gii)</b>	<b>597,107.62</b>
<b>I. Defaults Paid this Period (Aii + Eii)</b>	<b>(2,766,518.94)</b>
<b>J. Cumulative Defaults Paid to Date</b>	<b>(246,390,792.59)</b>
<b>K. Interest Expected to be Capitalized</b>	
Interest Expected to be Capitalized - Beginning (III - A-ii)	5,959,240.70
Interest Capitalized into Principal During Collection Period (B-iv)	589,797.50
Change in Interest Expected to be Capitalized	(647,191.14)
Interest Expected to be Capitalized - Ending (III - A-ii)	5,901,847.06

**2003FL Indenture**

		12/1/2013 - 12/31/2013
<b>A. Principal Collections</b>		
i. Principal Payments Received - Cash	\$	5,212,880.34
ii. Principal Received from Loans Consolidated		2,055,984.44
<b>iii. Total Principal Collections</b>	<b>\$</b>	<b>7,268,864.78</b>
<b>B. Interest Collections</b>		
i. Interest Payments Received - Cash	\$	1,110,215.39
ii. Interest Received from Loans Consolidated		63,414.99
iii. Interest Payments Received(Paid) - Interest Benefit and Special Allowance Payments		(524,133.72)
iv. Late Fees & Other		(1,527.76)
<b>v. Total Interest Collections</b>	<b>\$</b>	<b>647,968.90</b>
<b>C. Other Reimbursements</b>	<b>\$</b>	<b>-</b>
<b>D. Repurchases/ Reimbursements by Servicer/Seller</b>	<b>\$</b>	<b>-</b>
<b>E. Investment Earnings</b>	<b>\$</b>	<b>2,088.72</b>
<b>F. Total Cash Receipts during Collection Period</b>	<b>\$</b>	<b>7,918,922.40</b>