

**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>	6/27/2016
<b>Collection Period</b>	5/31/2016
<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	1.49600%	0.44600%	1.05000%		511,000,000.00	321,779,541.22	441,283.06	6,847,287.32	314,932,253.90	95.45%	Monthly	3/25/2036
2012FL B	28148WAE3	3.94600%	0.44600%	3.50000%		15,000,000.00	15,000,000.00	54,259.47	-	15,000,000.00	4.55%	Monthly	12/28/2048
2007-1 A-2	28148XAQ4	0.00000%	0.00000%	0.00000%		400,000,000.00	-	-	-	-	0.00%	Quarterly	3/1/2016
2007-1 A-3	28148XAR2	0.00000%	0.00000%	0.00000%		235,000,000.00	-	-	-	-	0.00%	Quarterly	9/1/2017
<b>Total</b>						<b>1,161,000,000.00</b>	<b>336,779,541.22</b>	<b>495,542.53</b>	<b>6,847,287.32</b>	<b>329,932,253.90</b>	<b>100.00%</b>		

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

**Portfolio Summary**

	Beg Balance	Activity	End Balance
Principal Balance	349,818,307.02	(6,568,305.88)	343,250,001.14
Accrued Interest to be Capitalized	3,590,577.29	(158,430.76)	3,432,146.53
<b>Total Pool Balance</b>	<b>353,408,884.31</b>	<b>(6,726,736.64)</b>	<b>346,682,147.67</b>
Weighted Average Coupon (WAC)	4.79	(0.01)	4.78
Weighted Average Maturity (WAM)	162.32	(0.48)	161.84
Number of Loans	46,228	(824)	45,404
Number of Borrowers	23,791	(408)	23,383
Average Loan Balance	\$7,644.91	(9.41)	\$7,635.50
Average Borrower Indebtedness	\$14,854.73	(28.48)	\$14,826.25

**Weighted Average Payments Made**

	% of Pool	W.A. Time until Repayment (months) <sup>(a)</sup> <i>(should include grace period)</i>
In School	0.14%	-27.04
Grace	0.07%	-1.77
Deferment	8.67%	-16.53
Forbearance	13.15%	-2.89
		<b>W.A. Time in Repayment (months)</b>
Repayment	77.51%	122.21
Claims in Progress	0.43%	122.87
Claims Denied	0.03%	102.99
<b>Total Weighted Average</b>		<b>93.43</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	1,795,554.93	(28,510.51)	1,767,044.42
Reserve Amt Required	1,767,044.42	(33,633.68)	1,733,410.74
Debt Service 2007-1	-	-	-
Capitalized Interest Account	-	-	-
Capitalized Interest Account Required	-	-	-
Collection Fund	6,972,642.95	1,038,434.82	8,011,077.77
Acquisition Account	-	-	-
Interest Account	-	-	-
<b>Total Accounts Balance</b>	<b>8,739,687.37</b>	<b>1,004,801.14</b>	<b>9,744,488.51</b>

**Balance Sheet and Parity**

	Beg Balance	Activity	End Balance
<b>Assets</b>			
Pool Balance <sup>a</sup>	356,271,086.66	(6,663,913.33)	349,607,173.33
Capitalized Interest Fund	-	-	-
Debt Service Reserve	1,767,044.42	(33,633.68)	1,733,410.74
Debt Payment Account	-	-	-
<b>Total Assets</b>	<b>358,038,131.08</b>	<b>(6,697,547.01)</b>	<b>351,340,584.07</b>
<b>Liabilities</b>			
Note Outstanding Class A	321,779,541.22	(6,847,287.32)	314,932,253.90
Note Outstanding Class B	15,000,000.00	-	15,000,000.00
Bonds Outstanding 2007-1	-	-	-
Accrued Interest 2007-1	-	-	-
<b>Total Liabilities</b>	<b>336,779,541.22</b>	<b>(6,847,287.32)</b>	<b>329,932,253.90</b>
Class A Parity %	111.27%		111.56%
Total Parity %, Including Class B	106.31%		106.49%

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

**CPR (constant pmt rate)**

Current Lifetime	7.99%
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**Servicer Balance**

	Balance	% of Portfolio	# of Loans	Clms Outstanding
PHEAA	346,682,147.67	100.00%	45,404	1,474,332.61
<b>Total Portfolio</b>	<b>346,682,147.67</b>		<b>45,404</b>	<b>1,474,332.61</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	121	113	549,144.18	499,907.98	0.16%	0.14%	6.04	6.26	120.00	120.00	
Grace	53	61	208,673.99	259,326.76	0.06%	0.07%	5.93	5.52	119.23	119.12	
Repayment											
Current	31,761	31,433	233,908,589.46	232,690,716.46	66.19%	67.12%	4.58	4.57	155.24	155.66	
31-60 Days Delinquent	1,311	1,465	10,697,640.34	11,463,678.21	3.03%	3.31%	5.07	5.25	174.55	167.30	
61-90 Days Delinquent	1,011	770	7,665,179.28	5,843,795.65	2.17%	1.69%	5.04	5.23	168.69	155.01	
91-120 Days Delinquent	612	730	4,885,091.84	5,930,091.11	1.38%	1.71%	5.20	5.21	168.60	170.07	
121-180 Days Delinquent	772	852	6,503,515.01	6,671,153.08	1.84%	1.92%	5.40	5.29	172.94	170.54	
181-270 Days Delinquent	644	656	5,495,128.06	4,958,906.65	1.55%	1.43%	5.10	5.19	162.73	161.49	
271+ Days Delinquent	195	156	1,409,651.10	1,164,260.82	0.40%	0.34%	5.55	5.37	162.69	192.30	
Total Repayment	36,306	36,062	270,564,795.09	268,722,601.99	76.56%	77.51%	4.66	4.66	157.24	157.09	
Forbearance	4,895	4,640	48,688,010.41	45,579,006.15	13.78%	13.15%	5.31	5.29	181.58	178.96	
Deferment	4,611	4,290	31,755,174.58	30,043,434.76	8.99%	8.67%	5.01	5.03	178.46	180.29	
Claims in Progress	230	227	1,531,701.97	1,474,332.61	0.43%	0.43%	4.76	4.77	136.36	145.77	
Claims Denied	12	11	111,384.09	103,537.43	0.03%	0.03%	5.53	5.59	138.83	139.97	
<b>Total Portfolio</b>	<b>46,228</b>	<b>45,404</b>	<b>353,408,884.31</b>	<b>346,682,147.67</b>			<b>4.79</b>	<b>4.78</b>	<b>162.32</b>	<b>161.84</b>	

Delinquency Status											
	# of Loans		Pool Balance		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Current	31,761	31,433	233,908,589.46	232,690,716.46	66.45%	66.59%	4.58	4.57	155.24	155.66	
31-60 Days Delinquent	1,311	1,465	10,697,640.34	11,463,678.21	3.95%	4.27%	5.07	5.25	174.55	167.30	
61-90 Days Delinquent	1,011	770	7,665,179.28	5,843,795.65	2.83%	2.17%	5.04	5.23	168.69	155.01	
91-120 Days Delinquent	612	730	4,885,091.84	5,930,091.11	1.81%	2.21%	5.20	5.21	168.60	170.07	
121-180 Days Delinquent	772	852	6,503,515.01	6,671,153.08	2.40%	2.48%	5.40	5.29	172.94	170.54	
181-270 Days Delinquent	644	656	5,495,128.06	4,958,906.65	2.03%	1.85%	5.10	5.19	162.73	161.49	
271+ Days Delinquent	195	156	1,409,651.10	1,164,260.82	0.52%	0.43%	5.55	5.37	162.69	192.30	
<b>Total Portfolio in Repayment</b>	<b>36,306</b>	<b>36,062</b>	<b>270,564,795.09</b>	<b>268,722,601.99</b>			<b>4.66</b>	<b>4.66</b>	<b>157.24</b>	<b>157.09</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	10,279	10,162	110,693,100.49	108,640,964.20	31.32%	31.34%	4.57	4.56	168.21	167.41	
Unsubsidized Consolidation Loans	11,052	10,908	151,674,512.46	149,045,124.28	42.92%	42.99%	4.73	4.72	184.97	184.20	
Subsidized Stafford Loans	13,485	13,183	36,078,958.23	35,158,352.89	10.21%	10.14%	4.75	4.76	108.61	108.65	
Unsubsidized Stafford Loans	10,465	10,225	46,750,167.71	45,764,332.05	13.23%	13.20%	4.97	4.97	122.24	122.37	
Grad PLUS Loans	923	903	8,094,220.31	7,955,849.13	2.29%	2.29%	7.94	7.96	128.74	129.41	
Other Loans	24	23	117,925.11	117,525.12	0.03%	0.03%	3.48	3.48	141.99	141.61	
<b>Total Balance</b>	<b>46,228</b>	<b>45,404</b>	<b>353,408,884.31</b>	<b>346,682,147.67</b>			<b>4.79</b>	<b>4.78</b>	<b>162.32</b>	<b>161.84</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	28,762	28,289	231,429,323.32	227,043,878.54	65.48%	65.49%	4.66	4.66	161.44	161.22	
2-Year Loans	6,827	6,668	27,046,763.25	26,624,591.39	7.65%	7.68%	4.83	4.83	131.37	131.74	
Proprietary / Technical / Vocational Loans	5,550	5,426	25,234,029.70	24,668,217.74	7.14%	7.12%	4.88	4.88	131.96	130.84	
Unknown (Consolidation) Loans	5,051	4,983	69,435,037.16	68,082,733.75	19.65%	19.64%	5.14	5.12	188.51	187.07	
Other	38	38	263,730.88	262,726.25	0.07%	0.08%	4.47	4.51	126.92	126.37	
<b>Total Portfolio</b>	<b>46,228</b>	<b>45,404</b>	<b>353,408,884.31</b>	<b>346,682,147.67</b>			<b>4.79</b>	<b>4.78</b>	<b>162.32</b>	<b>161.84</b>	

SAP Indices							
	# of Loans		Pool Balance		% of Total		Margin
	Beginning	Ending	Beginning	Ending	Beginning	Ending	
T-Bill Loans	2,183	2,139	9,034,418.20	8,738,887.52	2.56%	2.52%	3.0143
1ML Loans	44,045	43,265	344,374,466.11	337,943,260.15	97.44%	97.48%	2.5493
Other Margin Loans	-	-	-	-	0.00%	0.00%	-
<b>Total Pool Balance</b>	<b>46,228</b>	<b>45,404</b>	<b>353,408,884.31</b>	<b>346,682,147.67</b>			<b>2.5610</b>

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

Distribution Date	6/27/2016
Collection Period	5/31/2016

Collection Account Activity <sup>a</sup>	
Collection Amount Received	\$ 7,015,007.82
Recoveries	-
Reserve Account	
Excess of Required Reserve Account	33,633.68
Interest on Investment Earnings	4,073.90
Capitalized Interest Fund (after a stepdown or release date)	-
Temporary Cost of Issuance Remaining	
Payments from Guarantor	958,362.37
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>\$ 8,011,077.77</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	5/31/2016
Indenture Trustee Fees	-
Servicing Fees	70,967.85
Administration Fees	57,208.33
Consolidation Rebate Fees	226,949.55
Other Fees	-
<b>Total Fees</b>	<b>\$ 355,125.73</b>

Cumulative Default Rate	5/31/2016
Current Period's Defaults (\$)	657,590.64
Cumulative Defaults (\$)	284,223,659.89
Cumulative Default (% of original pool balance)	NA
Cumulative Default (% of Repayment ending balances)	82.16%
Current period payments (recoveries) from Guarantor (\$)	958,362.37
Current period borrower recoveries (\$)	-
Cumulative Recoveries (\$) <sup>a</sup>	287,365,441.52
Cumulative Recovery Rate (%) <sup>d</sup>	101.11%
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>		8,011,077.77
<b>First:</b> Deposits to Department Reserve Fund	540,071.74	7,471,006.03
<b>Second:</b> Trustee Fees due	-	7,471,006.03
<b>Third:</b> Servicing Fee due	70,967.85	7,400,038.18
<b>Fourth:</b> Administration Fees due	57,208.33	7,342,829.85
<b>Fifth:</b> Interest Distribution on Senior Notes or Obligations		
1. 2007 Debt Service Amount		
> 1/3 of 2007 Bonds Interest Distribution Amount	-	
> Any 2007 Bonds Interest Remaining unpaid	-	7,342,829.85
2. 2012-1 A Interest Distribution	441,283.06	
Total Interest Distribution on Senior Notes or Obligations	441,283.06	6,901,546.79
<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)	-	6,901,546.79
<b>Seventh:</b> 2012-1 B Interest Distribution Amount Subject to a Class B Interest Cap	54,259.47	6,847,287.32
<b>Eight:</b> Debt Service Fund replenishment	-	6,847,287.32
<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	-	6,847,287.32
<b>Tenth:</b> Payments to Noteholders for 2012 A and 2012 B Notes	6,847,287.32	-
<b>Eleventh:</b> Class B Carryover Amount	-	-
<b>Twelfth:</b> Release to Issuer	-	-

Principal and Interest Distributions	2012-1 A	2012-1 B	TOTAL
Periodic Interest Due	441,283.06	54,259.47	495,542.53
Periodic Interest Paid	441,283.06	54,259.47	495,542.53
Interest Excess/(Shortfall)	-	-	-
Interest Carryover Due	-	-	-
Interest Carryover Paid	-	-	-
Interest Carryover	-	-	-
Periodic Principal Distribution Amount	6,847,287.32	-	6,847,287.32
Periodic Principal Paid	6,847,287.32	-	6,847,287.32
Excess/(Shortfall)	-	-	-
<b>Total Distribution Amount</b>	<b>7,288,570.38</b>	<b>54,259.47</b>	<b>7,342,829.85</b>

**Educational Funding of the South, Inc**  
**2003FL Indenture**  
**Balance Sheet**  
**May 31, 2016**  
**(Unaudited)**

**ASSETS**

Cash	\$	10,366,658.99
Assets Held by Trustee		
Investments		4,073.90
Student Loans Receivable, Net		342,830,385.40
Accrued Interest Receivable		5,749,269.42
Other Receivables		94,847.82
Bond Issue Costs		2,569,622.28
Prepaid and Deferred Expenses		4,487.00
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<b>Total Assets</b>	<b>\$</b>	<b>361,619,344.81</b>
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**LIABILITIES AND NET ASSETS**

Notes Payable, Net	\$	336,779,541.22
Discount on Notes Payable, Net		(5,377,321.37)
Accrued Interest Payable		105,069.31
Other Accounts Payable & Accrued Expenses		355,125.73
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<b>Total Liabilities</b>	<b>\$</b>	<b>331,862,414.89</b>
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<b>Net Assets</b>	<b>\$</b>	<b>29,756,929.92</b>
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<b>Total Liabilities and Net Assets</b>	<b>\$</b>	<b>361,619,344.81</b>
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**IV. Transactions for the Time Period**

**5-1-2016 - 5-31-2016**

**A. Student Loan Principal Collection Activity**

i. Regular Principal Collections	(2,191,717.80)
ii. Principal Collections from Guarantor	(928,499.85)
iii. Paydown due to Loan Consolidation	(3,963,691.79)
iv. Principal Collections from Schools	-
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>(7,083,909.44)</b>

**B. Student Loan Non-Cash Principal Activity**

i. Principal Realized Losses - Claim Write-Offs	(966.18)
ii. Principal Realized Losses - Other	(242.70)
iii. Other Adjustments	587.20
iv. Capitalized Interest	516,225.24
<b>v. Total Non-Cash Principal Activity</b>	<b>515,603.56</b>

**C. Student Loan Principal Additions**

i. New Loan Additions \$ -	-
<b>ii. Total Principal Additions \$ -</b>	<b>-</b>

**D. Total Student Loan Principal Activity (Aviii + Bv + Cii) (6,568,305.88)**

**E. Student Loan Interest Activity**

i. Regular Interest Collections	(745,113.94)
ii. Interest Claims Received from Guarantors	(29,862.52)
iii. Late Fees & Other	(1,173.26)
iv. Interest due to Loan Consolidation	(98,422.78)
v. Interest Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments -	-
vii. Interest Benefit and Special Allowance Payments	302,614.30
viii. Loans transferred out/deconverted	-
<b>vix. Total Interest Collections</b>	<b>(571,958.20)</b>

**F. Student Loan Non-Cash Interest Activity**

i. Interest Losses - Claim Write-offs	(15,396.77)
ii. Interest Losses - Other	(4,073.94)
iii. Other Adjustments b.	(45.09)
iv. Capitalized Interest	(516,225.24)
v. Interest Accrual	1,342,280.18
<b>vi. Total Non-Cash Interest Adjustments</b>	<b>806,539.14</b>

**G. Student Loan Interest Additions**

i. New Loan Additions(a) \$ -	-
<b>ii. Total Interest Additions \$ -</b>	<b>-</b>

**H. Total Student Loan Interest Activity (Eviii + Fvi + Gii) 234,580.94**

**I. Defaults Paid this Quarter (Aii + Eii) (958,362.37)**

**J. Cumulative Defaults Paid to Date (287,365,441.52)**

**K. Interest Expected to be Capitalized**

Interest Expected to be Capitalized - Beginning (III - A-ii)	3,590,577.29
Interest Capitalized into Principal During Collection Period (B-iv)	516,225.24
Change in Interest Expected to be Capitalized	674,656.00
Interest Expected to be Capitalized - Ending (III - A-ii)	3,432,146.53

## 2003FL Indenture

		5-1-2016 - 5-31-2016
<b>A. Principal Collections</b>		
i. Principal Payments Received - Cash	\$	3,120,217.65
ii. Principal Received from Loans Consolidated		3,963,691.79
<b>iii. Total Principal Collections</b>	\$	7,083,909.44
<b>B. Interest Collections</b>		
i. Interest Payments Received - Cash	\$	774,976.46
ii. Interest Received from Loans Consolidated		98,422.78
iii. Interest Payments Received(Paid) - Interest Benefit and Special Allowance Payments		(302,614.30)
iv. Late Fees & Other		1,173.26
<b>v. Total Interest Collections</b>	\$	571,958.20
<b>C. Other Reimbursements</b>	\$	-
<b>D. Repurchases/ Reimbursements by Servicer/Seller</b>	\$	-
<b>E. Investment Earnings</b>	\$	4,073.90
<b>F. Total Cash Receipts during Collection Period</b>	\$	7,659,941.54