

**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>	7/25/2013
<b>Collection Period</b>	6/30/2013
<b>Contact Name</b>	Ken Mann
<b>Contact Number</b>	865-824-3054
<b>Contact Email</b>	<a href="mailto:kmann@edsouth.org">kmann@edsouth.org</a>
<b>Website</b>	<a href="http://www.edsouth.org">www.edsouth.org</a>

**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	1.24300%	0.19300%	1.05000%		511,000,000.00	452,860,357.99	469,069.09	346,494.04	452,513,863.95	80.60%	Monthly	3/25/2036
2012FL B	28148WAE3	3.69300%	0.64300%	3.05000%		15,000,000.00	15,000,000.00	46,160.65		15,000,000.00	2.67%	Monthly	12/28/2048
2007-1 A-2	28148XAQ4	0.57465%	0.27465%	0.30000%		400,000,000.00	7,193,039.53	11,026.81	4,232,000.00	2,961,039.53	0.53%	Quarterly	3/1/2016
2007-1 A-3	28148XAR2	0.62465%	0.27465%	0.35000%		235,000,000.00	90,967,000.00	151,327.14		90,967,000.00	16.20%	Quarterly	9/1/2017
<b>Total</b>						<b>1,161,000,000.00</b>	<b>566,020,397.52</b>	<b>677,583.69</b>	<b>4,578,494.04</b>	<b>561,441,903.48</b>	<b>100.00%</b>		

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

**Portfolio Summary**

	Beg Balance	Activity	End Balance
Principal Balance	534,493,589.53	(4,370,983.03)	530,122,606.50
Accrued Interest to be Capitalized	5,901,847.06	(231,289.76)	5,670,557.30
<b>Total Pool Balance</b>	<b>540,395,436.59</b>	<b>(4,602,272.79)</b>	<b>535,793,163.80</b>
Weighted Average Coupon (WAC)	4.77	0.00	4.77
Weighted Average Maturity (WAM)	169.84	(0.59)	169.25
Number of Loans	74,275	(542.00)	73,733
Number of Borrowers	38,317	(285.00)	38,032
Average Loan Balance	\$ 7,275.60	(8.94)	\$ 7,266.67
Average Borrower Indebtedness	\$ 14,103.28	(15.32)	\$ 14,087.96

**Weighted Average Payments Made**

	% of Pool	W.A. Time until Repayment (months) <sup>(a)</sup> <i>(should include grace period)</i>
In School	0.62%	-24.92
Grace	0.28%	-3.35
Deferment	12.59%	-13.66
Forbearance	14.61%	-2.74
		<b>W.A. Time in Repayment (months)</b>
Repayment	71.39%	87.17
Claims in Progress	0.50%	85.14
Claims Denied	0.01%	76.88
<b>Total Weighted Average</b>		<b>60.38</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	5,034,284.88	(32,307.70)	5,001,977.18
Reserve Amt Required	5,001,977.18	(23,011.36)	4,978,965.82
Debt Service 2007-1	4,394,429.48	-	4,262,962.57
Capitalized Interest Account	21,521,159.83	-	21,521,159.83
Capitalized Interest Account Required	-	-	-
Collection Fund	7,526,633.98	(2,404,234.69)	5,122,399.29
Acquisition Account	-	-	-
Interest Account	-	-	-
<b>Total Accounts Balance</b>	<b>38,476,508.17</b>	<b>(2,568,009.30)</b>	<b>35,908,498.87</b>

**Balance Sheet and Parity**

	Beg Balance	Activity	End Balance
<b>Assets</b>			
Pool Balance <sup>a</sup>	543,279,053.98	(4,406,448.58)	538,872,605.40
Capitalized Interest Fund	21,521,159.83	-	21,521,159.83
Debt Service Reserve	5,001,977.18	(23,011.36)	4,978,965.82
Debt Payment Account	8,657,296.52	(131,466.91)	8,525,829.61
<b>Total Assets</b>	<b>578,459,487.51</b>	<b>(4,560,926.85)</b>	<b>573,898,560.66</b>
<b>Liabilities</b>			
Note Outstanding Class A	452,860,357.99	(346,494.04)	452,513,863.95
Note Outstanding Class B	15,000,000.00	-	15,000,000.00
Bonds Outstanding 2007-1	98,160,039.53	(4,232,000.00)	93,928,039.53
Accrued Interest 2007-1	212,207.81	(112,500.09)	99,707.72
<b>Total Liabilities</b>	<b>566,232,605.33</b>	<b>(4,690,994.13)</b>	<b>561,541,611.20</b>
Class A Parity %	104.94%		105.01%
Total Parity %, Including Class B	102.16%		102.20%

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

**CPR (constant pmt rate)**

Current Lifetime	8.88%
------------------	-------

**Servicer Balance**

	Balance	% of Portfolio	# of Loans	Clms Outstg
EdFinancial	-	0.00%	-	-
PHEAA	535,793,163.80	100.00%	73,733	2,688,608.57
Great Lakes	-	0.00%	-	-
<b>Total Portfolio</b>	<b>535,793,163.80</b>		<b>73,733</b>	<b>2,688,608.57</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	972	875	3,643,815.39	3,324,475.63	0.67%	0.62%	5.68	5.63	120.23	120.25	
Grace	572	386	2,192,481.88	1,480,462.05	0.41%	0.28%	5.67	5.67	116.33	119.47	
Repayment											
Current	43,167	42,608	316,260,215.80	313,657,253.24	58.52%	58.54%	4.55	4.55	165.27	165.05	
31-60 Days Delinquent	2,548	3,133	17,803,519.65	21,505,258.50	3.29%	4.01%	5.20	4.99	169.46	166.04	
61-90 Days Delinquent	1,526	1,899	9,671,837.35	12,122,525.78	1.79%	2.26%	5.12	5.19	169.76	159.82	
91-120 Days Delinquent	1,178	1,203	8,410,737.73	7,535,127.69	1.56%	1.41%	5.07	5.11	172.75	163.48	
121-180 Days Delinquent	1,348	1,498	8,556,223.86	10,163,378.44	1.58%	1.90%	5.11	5.01	164.70	169.36	
181-270 Days Delinquent	1,799	1,760	10,892,285.38	10,689,806.79	2.02%	2.00%	4.79	4.88	158.09	160.26	
271+ Days Delinquent	869	1,194	4,905,906.67	6,826,623.43	0.91%	1.27%	4.75	4.76	154.03	148.09	
Total Repayment	52,435	53,295	376,500,726.44	382,499,973.87	69.67%	71.39%	4.63	4.63	165.38	164.59	
Forbearance	8,749	7,928	85,534,254.00	78,292,473.22	15.83%	14.61%	5.30	5.31	189.35	191.76	
Deferment	10,766	10,627	68,911,692.99	67,456,566.34	12.75%	12.59%	4.83	4.82	175.38	174.33	
Claims in Progress	728	609	3,321,872.13	2,688,608.57	0.61%	0.50%	4.74	4.86	148.37	138.70	
Claims Denied	53	13	290,593.76	50,604.12	0.05%	0.01%	4.73	5.24	169.95	122.77	
<b>Total Portfolio</b>	<b>74,275</b>	<b>73,733</b>	<b>540,395,436.59</b>	<b>535,793,163.80</b>			<b>4.77</b>	<b>4.77</b>	<b>169.84</b>	<b>169.25</b>	

Delinquency Status											
	# of Loans		Pool Balance		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Current	43,167	42,608	316,260,215.80	313,657,253.24	84.00%	82.00%	4.55	4.55	165.27	165.05	
31-60 Days Delinquent	2,548	3,133	17,803,519.65	21,505,258.50	4.73%	5.62%	5.20	4.99	169.46	166.04	
61-90 Days Delinquent	1,526	1,899	9,671,837.35	12,122,525.78	2.57%	3.17%	5.12	5.19	169.76	159.82	
91-120 Days Delinquent	1,178	1,203	8,410,737.73	7,535,127.69	2.23%	1.97%	5.07	5.11	172.75	163.48	
121-180 Days Delinquent	1,348	1,498	8,556,223.86	10,163,378.44	2.27%	2.66%	5.11	5.01	164.70	169.36	
181-270 Days Delinquent	1,799	1,760	10,892,285.38	10,689,806.79	2.89%	2.79%	4.79	4.88	158.09	160.26	
271+ Days Delinquent	869	1,194	4,905,906.67	6,826,623.43	1.30%	1.78%	4.75	4.76	154.03	148.09	
<b>Total Portfolio in Repayment</b>	<b>52,435</b>	<b>53,295</b>	<b>376,500,726.44</b>	<b>382,499,973.87</b>			<b>4.63</b>	<b>4.63</b>	<b>165.38</b>	<b>164.59</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	13,698	13,621	159,242,793.54	157,936,559.37	29.47%	29.48%	4.57	4.56	187.34	186.49	
Unsubsidized Consolidation Loans	14,701	14,620	210,429,170.37	208,826,324.58	38.94%	38.98%	4.70	4.69	201.48	200.68	
Subsidized Stafford Loans	24,902	24,690	70,487,315.53	69,788,112.21	13.04%	13.03%	4.71	4.71	109.55	109.03	
Unsubsidized Stafford Loans	18,895	18,739	84,577,362.27	83,795,636.52	15.65%	15.64%	4.86	4.86	118.82	118.87	
Grad PLUS Loans	2,017	2,001	15,454,063.28	15,246,409.25	2.86%	2.85%	7.66	7.67	114.18	113.89	
Other Loans	62	62	204,731.60	200,121.87	0.04%	0.04%	3.38	3.38	94.71	94.54	
<b>Total Balance</b>	<b>74,275</b>	<b>73,733</b>	<b>540,395,436.59</b>	<b>535,793,163.80</b>			<b>4.77</b>	<b>4.77</b>	<b>169.84</b>	<b>169.25</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	46,288	29,960	360,108,308.82	354,025,641.42	66.64%	66.08%	4.68	4.69	168.61	168.45	
2-Year Loans	13,007	10,300	46,468,321.84	45,292,702.54	8.60%	8.45%	4.86	4.87	126.85	125.05	
Proprietary / Technical / Vocational Loans	8,022	33,466	36,018,943.53	136,469,524.29	6.67%	25.47%	4.60	4.94	137.89	186.01	
Unknown (Consolidation) Loans	6,921	-	97,379,447.00	-	18.02%	0.00%	5.10	-	207.02	-	
Other	37	7	420,415.40	5,295.55	0.08%	0.00%	6.30	2.37	104.15	123.89	
<b>Total Portfolio</b>	<b>74,275</b>	<b>73,733</b>	<b>540,395,436.59</b>	<b>535,793,163.80</b>			<b>4.77</b>	<b>4.77</b>	<b>169.84</b>	<b>169.25</b>	

4

SAP Indices							
	# of Loans		Pool Balance		% of Total		Margin
	Beginning	Ending	Beginning	Ending	Beginning	Ending	
T-Bill Loans	4,209	4,173	15,561,566.81	15,392,553.36	2.88%	2.87%	2.9925
1ML Loans	70,066	69,560	524,833,869.78	520,400,610.44	97.12%	97.13%	2.5163
Other Margin Loans	-	-	-	-	0.00%	0.00%	-
<b>Total Pool Balance</b>	<b>74,275</b>	<b>73,733</b>	<b>540,395,436.59</b>	<b>535,793,163.80</b>			<b>2.5300</b>

Collateral Pool Characteristics	Amount (\$)
Initial Pool Balance	

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

Distribution Date	7/25/2013
Collection Period	6/30/2013

Collection Account Activity <sup>a</sup>	
Collection Amount Received	4,151,115.09
Recoveries	-
Reserve Account	
Excess of Required Reserve Account	23,011.36
Interest on Investment Earnings	3,353.90
Capitalized Interest Account (after a stepdown or release date)	
Temporary Cost of Issuance Remaining	
Payments from Guarantor	2,112,744.55
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>\$ 6,290,224.90</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	6/30/2013
Indenture Trustee Fees	-
Servicing Fees	202,319.29
Administration Fees	112,353.77
Consolidation Rebate Fees	322,320.55
Other Fees	-
<b>Total Fees</b>	<b>\$ 636,993.61</b>

Cumulative Default Rate	6/30/2013
Current Period's Defaults (\$)	3,097,419.23
Cumulative Defaults (\$)	227,147,744.49
Cumulative Default (% of original pool balance)	NA
Cumulative Default (% of Repayment ending balances)	42.78%
Current period payments (recoveries) from Guarantor (\$)	2,112,744.55
Current period borrower recoveries (\$)	-
Cumulative Recoveries (\$) <sup>a</sup>	232,205,550.71
Cumulative Recovery Rate (%) <sup>b</sup>	102.23%
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>		6,290,224.90
<b>First:</b> Deposits to Department Reserve Fund	850,961.02	5,439,263.88
<b>Second:</b> Trustee Fees due	-	5,439,263.88
<b>Third:</b> Servicing Fee due	202,319.29	5,236,944.59
<b>Fourth:</b> Administration Fees due	112,353.77	5,124,590.82
<b>Fifth:</b> Interest Distribution on Senior Notes or Obligations		
1. 2007 Debt Service Amount		
> 1/3 of 2007 Bonds Interest Distribution Amount	49,853.86	
> Any 2007 Bonds Interest Remaining unpaid	-	
	<u>49,853.86</u>	5,074,736.96
2. 2012-1 A Interest Distribution	469,069.09	
Total Interest Distribution on Senior Notes or Obligations	<u>469,069.09</u>	4,605,667.87
<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)	-	4,605,667.87
<b>Seventh:</b> 2012-1 B Interest Distribution Amount Subject to a Class B Interest Cap	46,160.65	4,559,507.22
<b>Eighth:</b> Debt Service Fund replenishment	-	4,559,507.22
<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	4,213,013.18	346,494.04
<b>Tenth:</b> Payments to Noteholders for 2012 A and 2012 B Notes	346,494.04	-
<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 A2	2007-1 A3	TOTAL
Periodic Interest Due	469,069.09	46,160.65	1,449.48	48,404.38	565,083.60
Periodic Interest Paid	469,069.09	46,160.65	1,449.48	48,404.38	565,083.60
Interest Excess/(Shortfall)	-	-	-	-	-
Interest Carryover Due	-	-	-	-	-
Interest Carryover Paid	-	-	-	-	-
Interest Carryover	-	-	-	-	-
Periodic Principal Distribution Amount	346,494.04	-	987,013.18	3,226,000.00	4,559,507.22
Periodic Principal Paid	346,494.04	-	987,013.18	3,226,000.00	4,559,507.22
Excess/(Shortfall)	-	-	-	-	-
<b>Total Distribution Amount</b>	<b>815,563.13</b>	<b>46,160.65</b>	<b>988,462.65</b>	<b>3,274,404.38</b>	<b>5,124,590.82</b>

**Educational Funding of the South, Inc**  
**2003FL Indenture**  
**Balance Sheet**  
**June 30, 2013**  
**(Unaudited)**

**ASSETS**

Cash	\$ 39,846,825.28
Assets Held by Trustee	
Investments	2,815.50
Student Loans Receivable, Net	529,165,345.81
Accrued Interest Receivable	7,276,229.19
Other Receivables	176,435.88
Bond Issue Costs	2,944,571.15
Prepaid and Deferred Expenses	3,068.37
	<hr/>
<b>Total Assets</b>	<b><u><u>\$ 579,415,291.18</u></u></b>

**LIABILITIES AND NET ASSETS**

Notes Payable, Net	\$ 561,788,397.52
Discount on Notes Payable, Net	(6,171,440.56)
Accrued Interest Payable	148,542.61
Other Accounts Payable & Accrued Expenses	636,993.61
	<hr/>
<b>Total Liabilities</b>	<b><u><u>\$ 556,402,493.18</u></u></b>
<b>Net Assets</b>	<b><u><u>\$ 23,012,798.00</u></u></b>
<b>Total Liabilities and Net Assets</b>	<b><u><u>\$ 579,415,291.18</u></u></b>

## 2003FL Indenture

06/01/2013 - 06/30/2013

<b>A. Student Loan Principal Collection Activity</b>	
i. Regular Principal Collections	(2,317,579.84)
ii. Principal Collections from Guarantor	(2,073,055.83)
iii. Paydown due to Loan Consolidation	(831,732.96)
iv. Principal Collections from Schools	(1,286.59)
v. Principal Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments	-
vii. Loans transferred out/deconverted (PUT)	(152,703.90)
<b>viii. Total Principal Collections</b>	<b>(5,376,359.12)</b>
<b>B. Student Loan Non-Cash Principal Activity</b>	
i. Principal Realized Losses - Claim Write-Offs	(2,272.32)
ii. Principal Realized Losses - Other	41,200.87
iii. Other Adjustments	(3,228.75)
iv. Capitalized Interest	969,676.29
<b>v. Total Non-Cash Principal Activity</b>	<b>1,005,376.09</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>(4,370,983.03)</b>
<b>E. Student Loan Interest Activity</b>	
i. Regular Interest Collections	(865,610.59)
ii. Interest Claims Received from Guarantors	(39,688.72)
iii. Late Fees & Other	3,995.31
iv. Interest due to Loan Consolidation	(17,962.17)
v. Interest Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments -	-
vii. Interest Benefit and Special Allowance Payments	528,640.47
viii. Loans transferred out/deconverted	(17,304.09)
<b>vix. Total Interest Collections</b>	<b>(407,929.79)</b>
<b>F. Student Loan Non-Cash Interest Activity</b>	
i. Interest Losses - Claim Write-offs	(34,095.77)
ii. Interest Losses - Other	(5,336.51)
iii. Other Adjustments	10,803.72
iv. Capitalized Interest	(969,676.29)
v. Interest Accrual	1,944,101.11
<b>vi. Total Non-Cash Interest Adjustments</b>	<b>945,796.26</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>537,866.47</b>
<b>I. Defaults Paid this Period (Aii + Eii)</b>	<b>(2,112,744.55)</b>
<b>J. Cumulative Defaults Paid to Date</b>	<b>(232,205,550.71)</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)	969,676.29
Change in Interest Expected to be Capitalized	(1,027,069.93)
Interest Expected to be Capitalized - Ending (III - A-ii)	5,901,847.06

**2003FL Indenture**

<b>06/01/2013 - 06/30/2013</b>		
<b>A. Principal Collections</b>		
i. Principal Payments Received - Cash	\$	4,391,922.26
ii. Principal Received from Loans Consolidated		831,732.96
<b>iii. Total Principal Collections</b>	<b>\$</b>	<b>5,223,655.22</b>
<b>B. Interest Collections</b>		
i. Interest Payments Received - Cash	\$	905,299.31
ii. Interest Received from Loans Consolidated		17,962.17
iii. Interest Payments Received(Paid) - Interest Benefit and Special Allowance Payments		(528,640.47)
iv. Late Fees & Other		(3,995.31)
<b>v. Total Interest Collections</b>	<b>\$</b>	<b>390,625.70</b>
<b>C. Other Reimbursements</b>	<b>\$</b>	<b>-</b>
<b>D. Repurchases/ Reimbursements by Servicer/Seller</b>	<b>\$</b>	<b>(170,007.99)</b>
<b>E. Investment Earnings</b>	<b>\$</b>	<b>-</b>
<b>F. Total Cash Receipts during Collection Period</b>	<b>\$</b>	<b>5,614,280.92</b>