

**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>	8/26/2013
<b>Collection Period</b>	7/31/2013
<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	1.24003%	0.19003%	1.05000%		511,000,000.00	452,513,863.95	498,789.14	2,541,629.07	449,972,234.88	80.51%	Monthly	3/25/2036
2012FL B	28148WAE3	3.69003%	0.19003%	3.50000%		15,000,000.00	15,000,000.00	49,201.02		15,000,000.00	2.68%	Monthly	12/28/2048
2007-1 A-2	28148XAQ4	0.57465%	0.27465%	0.30000%		400,000,000.00	2,961,039.53	4,348.43		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	145,213.15		90,967,000.00	16.28%	Quarterly	9/1/2017
<b>Total</b>						<b>1,161,000,000.00</b>	<b>561,441,903.48</b>	<b>697,551.74</b>	<b>2,541,629.07</b>	<b>558,900,274.41</b>	<b>100.00%</b>		

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

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**Portfolio Summary**

	Beg Balance	Activity	End Balance
Principal Balance	530,122,606.50	(6,260,189.70)	523,862,416.80
Accrued Interest to be Capitalized	5,670,557.30	(86,325.80)	5,584,231.50
<b>Total Pool Balance</b>	<b>535,793,163.80</b>	<b>(6,346,515.50)</b>	<b>529,446,648.30</b>
Weighted Average Coupon (WAC)	4.77	(0.00)	4.77
Weighted Average Maturity (WAM)	169.25	0.16	169.41
Number of Loans	73,733	(814)	72,919
Number of Borrowers	38,032	(424)	37,608
Average Loan Balance	\$ 7,266.67	(5.92)	\$ 7,260.75
Average Borrower Indebtedness	\$ 14,087.96	(9.92)	\$ 14,078.03

**Weighted Average Payments Made**

	% of Pool	W.A. Time until Repayment (months) <sup>(a)</sup> <i>(should include grace period)</i>
In School	0.63%	-25.07
Grace	0.26%	-2.76
Deferment	12.53%	-14.02
Forbearance	15.29%	-3.07
		<b>W.A. Time in Repayment (months)</b>
Repayment	70.62%	88.22
Claims in Progress	0.64%	81.71
Claims Denied	0.02%	82.06
<b>Total Weighted Average</b>		<b>60.45</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	5,001,977.18	(23,011.36)	4,978,965.82
Reserve Amt Required	4,978,965.82	(31,732.58)	4,947,233.24
Debt Service 2007-1	4,262,962.57	4,262,867.04	8,525,829.61
Capitalized Interest Account	21,521,159.83	-	21,521,159.83
Capitalized Interest Account Required	-	-	-
Collection Fund	5,122,399.29	2,879,967.10	8,002,366.39
Acquisition Account	-	-	-
Interest Account	-	-	-
<b>Total Accounts Balance</b>	<b>35,908,498.87</b>	<b>7,119,822.78</b>	<b>43,028,321.65</b>

**Balance Sheet and Parity**

	Beg Balance	Activity	End Balance
<b>Assets</b>			
Pool Balance <sup>a</sup>	538,872,605.40	(6,475,552.10)	532,397,053.30
Capitalized Interest Fund	21,521,159.83	-	21,521,159.83
Debt Service Reserve	4,978,965.82	(31,732.58)	4,947,233.24
Debt Payment Account	8,525,829.61	4,262,867.04	12,788,696.65
<b>Total Assets</b>	<b>573,898,560.66</b>	<b>(2,244,417.64)</b>	<b>571,654,143.02</b>
<b>Liabilities</b>			
Note Outstanding Class A	452,513,863.95	(2,541,629.07)	449,972,234.88
Note Outstanding Class B	15,000,000.00	-	15,000,000.00
Bonds Outstanding 2007-1	93,928,039.53	-	93,928,039.53
Accrued Interest 2007-1	99,707.72	49,853.86	149,561.58
<b>Total Liabilities</b>	<b>561,541,611.20</b>	<b>(2,491,775.21)</b>	<b>559,049,835.99</b>
Class A Parity %	105.01%		105.07%
Total Parity %, Including Class B	102.20%		102.25%

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

**CPR (constant pmt rate)**

Current Lifetime	8.89%
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**Servicer Balance**

	Balance	% of Portfolio	# of Loans	Clms Outstg
EdFinancial				
PHEAA	529,446,648.30	100.00%	72,919	3,397,427.33
Great Lakes				
<b>Total Portfolio</b>	<b>529,446,648.30</b>		<b>72,919</b>	<b>3,397,427.33</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	875	863	3,324,475.63	3,355,876.37	0.62%	0.63%	5.63	5.62	120.25	120.25	
Grace	386	379	1,480,462.05	1,380,918.74	0.28%	0.26%	5.67	5.68	119.47	119.51	
Repayment											
Current	42,608	41,778	313,657,253.24	311,384,942.36	58.54%	58.81%	4.55	4.56	165.05	165.32	
31-60 Days Delinquent	3,133	2,851	21,505,258.50	18,183,700.58	4.01%	3.43%	4.99	5.12	166.04	162.06	
61-90 Days Delinquent	1,899	1,523	12,122,525.78	9,934,683.05	2.26%	1.88%	5.19	4.90	159.82	159.15	
91-120 Days Delinquent	1,203	1,184	7,535,127.69	7,420,029.00	1.41%	1.40%	5.11	5.04	163.48	155.86	
121-180 Days Delinquent	1,498	1,659	10,163,378.44	10,928,581.42	1.90%	2.06%	5.01	5.05	169.36	164.59	
181-270 Days Delinquent	1,760	1,465	10,689,806.79	9,511,983.48	2.00%	1.80%	4.88	5.07	160.26	165.44	
271+ Days Delinquent	1,194	1,135	6,826,623.43	6,554,653.09	1.27%	1.24%	4.76	4.61	148.09	151.10	
Total Repayment	53,295	51,595	382,499,973.87	373,918,572.98	71.39%	70.62%	4.63	4.64	164.59	164.54	
Forbearance	7,928	8,557	78,292,473.22	80,953,545.96	14.61%	15.29%	5.31	5.27	191.76	191.99	
Deferment	10,627	10,604	67,456,566.34	66,341,477.94	12.59%	12.53%	4.82	4.81	174.33	174.38	
Claims in Progress	609	905	2,688,608.57	3,397,427.33	0.50%	0.64%	4.86	4.79	138.70	138.97	
Claims Denied	13	16	50,604.12	98,828.98	0.01%	0.02%	5.24	4.61	122.77	166.49	
<b>Total Portfolio</b>	<b>73,733</b>	<b>72,919</b>	<b>535,793,163.80</b>	<b>529,446,648.30</b>			<b>4.77</b>	<b>4.77</b>	<b>169.25</b>	<b>169.41</b>	

Delinquency Status											
	# of Loans		Pool Balance		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Current	42,608	41,778	313,657,253.24	311,384,942.36	82.00%	83.28%	4.55	4.56	165.05	165.32	
31-60 Days Delinquent	3,133	2,851	21,505,258.50	18,183,700.58	5.62%	4.86%	4.99	5.12	166.04	162.06	
61-90 Days Delinquent	1,899	1,523	12,122,525.78	9,934,683.05	3.17%	2.66%	5.19	4.90	159.82	159.15	
91-120 Days Delinquent	1,203	1,184	7,535,127.69	7,420,029.00	1.97%	1.98%	5.11	5.04	163.48	155.86	
121-180 Days Delinquent	1,498	1,659	10,163,378.44	10,928,581.42	2.66%	2.92%	5.01	5.05	169.36	164.59	
181-270 Days Delinquent	1,760	1,465	10,689,806.79	9,511,983.48	2.79%	2.54%	4.88	5.07	160.26	165.44	
271+ Days Delinquent	1,194	1,135	6,826,623.43	6,554,653.09	1.78%	1.75%	4.76	4.61	148.09	151.10	
<b>Total Portfolio in Repayment</b>	<b>53,295</b>	<b>51,595</b>	<b>382,499,973.87</b>	<b>373,918,572.98</b>			<b>4.63</b>	<b>4.64</b>	<b>164.59</b>	<b>164.54</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	13,621	13,530	157,936,559.37	156,623,184.67	29.48%	29.58%	4.56	4.57	186.49	186.10	
Unsubsidized Consolidation Loans	14,620	14,527	208,826,324.58	207,119,155.14	38.98%	39.12%	4.69	4.69	200.68	200.26	
Subsidized Stafford Loans	24,690	24,358	69,788,112.21	68,533,874.43	13.03%	12.94%	4.71	4.70	109.03	109.23	
Unsubsidized Stafford Loans	18,739	18,493	83,795,636.52	82,179,109.12	15.64%	15.52%	4.86	4.85	118.87	119.94	
Grad PLUS Loans	2,001	1,949	15,246,409.25	14,793,242.94	2.85%	2.79%	7.67	7.69	113.89	115.53	
Other Loans	62	62	200,121.87	198,082.00	0.04%	0.04%	3.38	3.32	94.54	94.73	
<b>Total Balance</b>	<b>73,733</b>	<b>72,919</b>	<b>535,793,163.80</b>	<b>529,446,648.30</b>			<b>4.77</b>	<b>4.77</b>	<b>169.25</b>	<b>169.41</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	45,246	45,387	354,025,641.42	349,819,463.52	66.08%	66.07%	4.69	4.67	168.45	168.34	
2-Year Loans	12,831	12,071	45,292,702.54	46,367,073.37	8.45%	8.76%	4.87	4.77	125.05	133.69	
Proprietary / Technical / Vocational Loans	15,649	15,407	136,469,524.29	132,895,757.16	25.47%	25.10%	4.94	5.02	186.01	184.76	
Unknown (Consolidation) Loans	-	-	-	-	0.00%	0.00%	-	-	-	-	
Other	7	54	5,295.55	364,354.25	0.00%	0.07%	2.37	4.34	123.89	148.87	
<b>Total Portfolio</b>	<b>73,733</b>	<b>72,919</b>	<b>535,793,163.80</b>	<b>529,446,648.30</b>			<b>4.77</b>	<b>4.77</b>	<b>169.25</b>	<b>169.41</b>	

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SAP Indices							
	# of Loans		Pool Balance		% of Total		Margin
	Beginning	Ending	Beginning	Ending	Beginning	Ending	
T-Bill Loans	4,173	4,104	15,392,553.36	15,163,082.56	2.87%	2.86%	2.9905
1ML Loans	69,560	68,815	520,400,610.44	514,283,565.74	97.13%	97.14%	2.5176
Other Margin Loans	-	-	-	-	0.00%	0.00%	-
<b>Total Pool Balance</b>	<b>73,733</b>	<b>72,919</b>	<b>535,793,163.80</b>	<b>529,446,648.30</b>			<b>2.5312</b>

Collateral Pool Characteristics	Amount (\$)
Initial Pool Balance	

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

Distribution Date	8/26/2013
Collection Period	7/31/2013

Collection Account Activity <sup>a</sup>	
Collection Amount Received	\$ 6,424,953.04
Recoveries	-
Reserve Account	
Excess of Required Reserve Account	31,732.58
Interest on Investment Earnings	2,720.31
Capitalized Interest Account (after a stepdown or release date)	
Temporary Cost of Issuance Remaining	
Payments from Guarantor	1,980,056.38
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>\$ 8,439,462.31</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	7/31/2013
Indenture Trustee Fees	32,725.97
Servicing Fees	120,220.61
Administration Fees	87,310.40
Consolidation Rebate Fees	319,596.54
Other Fees	-
<b>Total Fees</b>	<b>\$ 559,853.52</b>

Cumulative Default Rate	7/31/2013
Current Period's Defaults (\$)	2,800,682.94
Cumulative Defaults (\$)	229,948,427.43
Cumulative Default (% of original pool balance)	NA
Cumulative Default (% of Repayment ending balances)	43.82%
Current period payments (recoveries) from Guarantor (\$)	1,980,056.38
Current period borrower recoveries (\$)	-
Cumulative Recoveries (\$) <sup>a</sup>	234,873,161.29
Cumulative Recovery Rate (%) <sup>b</sup>	102.14%
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>		8,439,462.31
<b>First:</b> Deposits to Department Reserve Fund	846,719.06	7,592,743.25
<b>Second:</b> Trustee Fees due	32,725.97	7,560,017.28
<b>Third:</b> Servicing Fee due	120,220.61	7,439,796.67
<b>Fourth:</b> Administration Fees due	87,310.40	7,352,486.27
<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	-	
	49,853.86	7,302,632.41
2. 2012-1 A Interest Distribution	498,789.14	
Total Interest Distribution on Senior Notes or Obligations	498,789.14	6,803,843.27
<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)	-	6,803,843.27
<b>Seventh:</b> 2012-1 B Interest Distribution Amount Subject to a Class B Interest Cap	49,201.02	6,754,642.25
<b>Eighth:</b> Debt Service Fund replenishment	-	6,754,642.25
<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	2,541,629.07
<b>Tenth:</b> Payments to Noteholders for 2012 A and 2012 B Notes	2,541,629.07	-
<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	498,789.14	49,201.02	1,449.48	48,404.38	597,844.02
Periodic Interest Paid	498,789.14	49,201.02	1,449.48	48,404.38	597,844.02
Interest Excess/(Shortfall)	-	-	-	-	-
Interest Carryover Due	-	-	-	-	-
Interest Carryover Paid	-	-	-	-	-
Interest Carryover	-	-	-	-	-
Periodic Principal Distribution Amount	2,541,629.07	-	987,013.18	3,226,000.00	6,754,642.25
Periodic Principal Paid	2,541,629.07	-	987,013.18	3,226,000.00	6,754,642.25
Excess/(Shortfall)	-	-	-	-	-
<b>Total Distribution Amount</b>	<b>3,040,418.21</b>	<b>49,201.02</b>	<b>988,462.65</b>	<b>3,274,404.38</b>	<b>7,352,486.27</b>

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

**ASSETS**

Cash	\$ 46,755,144.59
Assets Held by Trustee	
Investments	3,033.53
Student Loans Receivable, Net	522,905,156.11
Accrued Interest Receivable	6,533,744.27
Other Receivables	194,026.48
Bond Issue Costs	2,933,858.33
Prepaid and Deferred Expenses	-
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<b>Total Assets</b>	<b><u><u>\$ 579,324,963.31</u></u></b>

**LIABILITIES AND NET ASSETS**

Notes Payable, Net	\$ 561,441,903.48
Discount on Notes Payable, Net	(6,148,751.44)
Accrued Interest Payable	215,773.46
Other Accounts Payable & Accrued Expenses	559,853.52
	<hr/>
<b>Total Liabilities</b>	<b><u><u>\$ 556,068,779.02</u></u></b>
<b>Net Assets</b>	<b><u><u>\$ 23,256,184.29</u></u></b>
<b>Total Liabilities and Net Assets</b>	<b><u><u>\$ 579,324,963.31</u></u></b>

## 2003FL Indenture

07/01/2013 - 07/31/2013

<b>A. Student Loan Principal Collection Activity</b>	
i. Regular Principal Collections	(3,261,485.30)
ii. Principal Collections from Guarantor	(1,930,370.82)
iii. Paydown due to Loan Consolidation	(1,640,531.89)
iv. Principal Collections from Schools	(287,332.29)
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>(7,119,720.30)</b>
<b>B. Student Loan Non-Cash Principal Activity</b>	
i. Principal Realized Losses - Claim Write-Offs	(2,395.52)
ii. Principal Realized Losses - Other	(2,364.75)
iii. Other Adjustments	(5,552.32)
iv. Capitalized Interest	869,843.19
<b>v. Total Non-Cash Principal Activity</b>	<b>859,530.60</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>(6,260,189.70)</b>
<b>E. Student Loan Interest Activity</b>	
i. Regular Interest Collections	(1,179,518.96)
ii. Interest Claims Received from Guarantors	(49,685.56)
iii. Late Fees & Other	17,590.60
iv. Interest due to Loan Consolidation	(33,170.75)
v. Interest Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments -	-
vii. Interest Benefit and Special Allowance Payments	527,122.52
viii. Loans transferred out/deconverted	-
<b>vix. Total Interest Collections</b>	<b>(717,662.15)</b>
<b>F. Student Loan Non-Cash Interest Activity</b>	
i. Interest Losses - Claim Write-offs	(36,869.50)
ii. Interest Losses - Other	(10,509.57)
iii. Other Adjustments	466.76
iv. Capitalized Interest	(869,843.19)
v. Interest Accrual	1,984,919.96
<b>vi. Total Non-Cash Interest Adjustments</b>	<b>1,068,164.46</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>350,502.31</b>
<b>I. Defaults Paid this Period (Aii + Eii)</b>	<b>(1,980,056.38)</b>
<b>J. Cumulative Defaults Paid to Date</b>	<b>(234,873,161.29)</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)	869,843.19
Change in Interest Expected to be Capitalized	(927,236.83)
Interest Expected to be Capitalized - Ending (III - A-ii)	5,901,847.06

**2003FL Indenture**

<b>07/01/2013 - 07/31/2013</b>		
<b>A. Principal Collections</b>		
i. Principal Payments Received - Cash	\$	5,479,188.41
ii. Principal Received from Loans Consolidated		1,640,531.89
<b>iii. Total Principal Collections</b>	<b>\$</b>	<b>7,119,720.30</b>
<b>B. Interest Collections</b>		
i. Interest Payments Received - Cash	\$	1,229,204.52
ii. Interest Received from Loans Consolidated		33,170.75
iii. Interest Payments Received(Paid) - Interest Benefit and Special Allowance Payments		(527,122.52)
iv. Late Fees & Other		(17,590.60)
<b>v. Total Interest Collections</b>	<b>\$</b>	<b>717,662.15</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>2,720.31</b>
<b>F. Total Cash Receipts during Collection Period</b>	<b>\$</b>	<b>7,840,102.76</b>