

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

Issuer	Educational Funding of the South, Inc.
Deal Name	2003FL Indenture
Distribution Date	9/25/2013
Collection Period	8/31/2013
Contact Name	Ken Mann
Contact Number	865-824-3054
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	1.23406%	0.18406%	1.05000%		511,000,000.00	449,972,234.88	462,725.44	75,556.81	449,896,678.07	80.51%	Monthly	3/25/2036
2012FL B	28148WAE3	3.68406%	0.18406%	3.50000%		15,000,000.00	15,000,000.00	46,048.91		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	186,616.35		90,967,000.00	16.28%	Quarterly	9/1/2017
Total						1,161,000,000.00	558,900,274.41	699,739.12	75,556.81	558,824,717.60	100.00%		

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

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Portfolio Summary

	Beg Balance	Activity	End Balance
Principal Balance	523,862,416.80	(5,834,333.19)	518,028,083.61
Accrued Interest to be Capitalized	5,584,231.50	284,833.27	5,869,064.77
Total Pool Balance	529,446,648.30	(5,549,499.92)	523,897,148.38
Weighted Average Coupon (WAC)	4.77	0.00	4.77
Weighted Average Maturity (WAM)	169.41	(0.36)	169.05
Number of Loans	72,919	(769)	72,150
Number of Borrowers	37,608	(387)	37,221
Average Loan Balance	\$ 7,260.75	0.47	\$ 7,261.22
Average Borrower Indebtedness	\$ 14,078.03	(2.72)	\$ 14,075.31

Weighted Average Payments Made

	% of Pool	W.A. Time until Repayment (months) ^(a) <i>(should include grace period)</i>
In School	0.61%	-24.97
Grace	0.29%	-2.08
Deferment	12.61%	-14.14
Forbearance	15.77%	-3.19
		W.A. Time in Repayment (months)
Repayment	70.02%	89.32
Claims in Progress	0.69%	78.89
Claims Denied	0.01%	79.35
Total Weighted Average		60.65

(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	4,978,965.82	(31,732.58)	4,947,233.24
Reserve Amt Required	4,947,233.24	(27,747.50)	4,919,485.74
Debt Service 2007-1	8,525,829.61	4,262,867.04	12,788,696.65
Capitalized Interest Account	21,521,159.83	-	21,521,159.83
Capitalized Interest Account Required	-	-	-
Collection Fund	8,002,366.39	(1,496,125.39)	6,506,241.00
Acquisition Account	-	-	-
Interest Account	-	-	-
Total Accounts Balance	43,028,321.65	2,735,009.07	45,763,330.72

Balance Sheet and Parity

	Beg Balance	Activity	End Balance
Assets			
Pool Balance ^a	532,397,053.30	(5,523,551.30)	526,873,502.00
Capitalized Interest Fund	21,521,159.83	-	21,521,159.83
Debt Service Reserve	4,947,233.24	(27,747.50)	4,919,485.74
Debt Payment Account	12,788,696.65	5,847,736.53	18,636,433.18
Total Assets	571,654,143.02	296,437.73	571,950,580.75
Liabilities			
Note Outstanding Class A	449,972,234.88	(75,556.81)	449,896,678.07
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	149,561.58	41,403.20	190,964.78
Total Liabilities	559,049,835.99	(34,153.61)	559,015,682.38
Class A Parity %	105.07%		105.13%
Total Parity %, Including Class B	102.25%		102.31%

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

CPR (constant pmt rate)

Current Lifetime	8.76%
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Servicer Balance

	Balance	% of Portfolio	# of Loans	Clms Outstg
EdFinancial				
PHEAA	523,897,148.38	100.00%	72,150	3,639,226.54
Great Lakes	-	0.00%	-	-
Total Portfolio	523,897,148.38		72,150	3,639,226.54

Portfolio by Loan Status											
	# of Loans		Pool Balance		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
In School	863	820	3,355,876.37	3,201,114.44	0.63%	0.61%	5.62	5.64	120.25	120.26	
Grace	379	416	1,380,918.74	1,526,706.88	0.26%	0.29%	5.68	5.65	119.51	119.39	
Repayment											
Current	41,778	41,420	311,384,942.36	306,767,373.93	58.81%	58.55%	4.56	4.54	165.32	164.84	
31-60 Days Delinquent	2,851	2,270	18,183,700.58	15,765,611.84	3.43%	3.01%	5.12	5.15	162.06	169.86	
61-90 Days Delinquent	1,523	1,701	9,934,683.05	11,018,683.42	1.88%	2.10%	4.90	5.00	159.15	167.13	
91-120 Days Delinquent	1,184	1,105	7,420,029.00	6,988,839.30	1.40%	1.33%	5.04	5.06	155.86	148.00	
121-180 Days Delinquent	1,659	1,562	10,928,581.42	9,700,919.74	2.06%	1.85%	5.05	5.10	164.59	153.27	
181-270 Days Delinquent	1,465	1,489	9,511,983.48	9,825,024.41	1.80%	1.88%	5.07	5.07	165.44	165.73	
271+ Days Delinquent	1,135	1,152	6,554,653.09	6,744,495.88	1.24%	1.29%	4.61	4.70	151.10	156.93	
Total Repayment	51,595	50,699	373,918,572.98	366,810,948.52	70.62%	70.02%	4.64	4.62	164.54	164.37	
Forbearance	8,557	8,642	80,953,545.96	82,618,233.30	15.29%	15.77%	5.27	5.30	191.99	191.64	
Deferment	10,604	10,642	66,341,477.94	66,053,231.22	12.53%	12.61%	4.81	4.83	174.38	171.50	
Claims in Progress	905	919	3,397,427.33	3,639,226.54	0.64%	0.69%	4.79	4.89	138.97	146.80	
Claims Denied	16	12	98,828.98	47,687.48	0.02%	0.01%	4.61	5.11	166.49	126.73	
Total Portfolio	72,919	72,150	529,446,648.30	523,897,148.38			4.77	4.77	169.41	169.05	

Delinquency Status											
	# of Loans		Pool Balance		% of Balance		WAC		WARM		
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	
Current	41,778	41,420	311,384,942.36	306,767,373.93	83.28%	83.63%	4.56	4.54	165.32	164.84	
31-60 Days Delinquent	2,851	2,270	18,183,700.58	15,765,611.84	4.86%	4.30%	5.12	5.15	162.06	169.86	
61-90 Days Delinquent	1,523	1,701	9,934,683.05	11,018,683.42	2.66%	3.00%	4.90	5.00	159.15	167.13	
91-120 Days Delinquent	1,184	1,105	7,420,029.00	6,988,839.30	1.98%	1.91%	5.04	5.06	155.86	148.00	
121-180 Days Delinquent	1,659	1,562	10,928,581.42	9,700,919.74	2.92%	2.64%	5.05	5.10	164.59	153.27	
181-270 Days Delinquent	1,465	1,489	9,511,983.48	9,825,024.41	2.54%	2.68%	5.07	5.07	165.44	165.73	
271+ Days Delinquent	1,135	1,152	6,554,653.09	6,744,495.88	1.75%	1.84%	4.61	4.70	151.10	156.93	
Total Portfolio in Repayment	51,595	50,699	373,918,572.98	366,810,948.52			4.64	4.62	164.54	164.37	

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	13,530	13,457	156,623,184.67	155,219,535.45	29.58%	29.63%	4.57	4.57	186.10	185.58	
Unsubsidized Consolidation Loans	14,527	14,445	207,119,155.14	205,391,297.82	39.12%	39.20%	4.69	4.70	200.26	199.64	
Subsidized Stafford Loans	24,358	24,033	68,533,874.43	67,452,512.69	12.94%	12.88%	4.70	4.70	109.23	109.14	
Unsubsidized Stafford Loans	18,493	18,250	82,179,109.12	81,133,140.64	15.52%	15.49%	4.85	4.86	119.94	119.53	
Grad PLUS Loans	1,949	1,904	14,793,242.94	14,503,239.00	2.79%	2.77%	7.69	7.70	115.53	115.47	
Other Loans	62	61	198,082.00	197,422.78	0.04%	0.04%	3.32	3.32	94.73	94.59	
Total Balance	72,919	72,150	529,446,648.30	523,897,148.38			4.77	4.77	169.41	169.05	

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	45,387	44,900	349,819,463.52	345,813,641.68	66.07%	66.01%	4.67	4.67	168.34	167.90	
2-Year Loans	12,071	11,917	46,367,073.37	45,875,965.50	8.76%	8.76%	4.77	4.78	133.69	133.59	
Proprietary / Technical / Vocational Loans	15,407	15,281	132,895,757.16	131,848,176.31	25.10%	25.17%	5.02	5.02	184.76	184.44	
Unknown (Consolidation) Loans	-	-	-	-	0.00%	0.00%	-	-	-	-	
Other	54	52	364,354.25	359,364.89	0.07%	0.07%	4.34	4.36	148.87	148.52	
Total Portfolio	72,919	72,150	529,446,648.30	523,897,148.38			4.77	4.77	169.41	169.05	

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SAP Indices							
	# of Loans		Pool Balance		% of Total		Margin
	Beginning	Ending	Beginning	Ending	Beginning	Ending	
T-Bill Loans	4,104	4,019	15,163,082.56	14,924,809.26	2.86%	2.85%	2.9904
1ML Loans	68,815	68,131	514,283,565.74	508,972,339.12	97.14%	97.15%	2.5170
Other Margin Loans	-	-	-	-	0.00%	0.00%	-
Total Pool Balance	72,919	72,150	529,446,648.30	523,897,148.38			2.5304

Collateral Pool Characteristics	Amount (\$)
Initial Pool Balance	-
Loans Acquired During The Acquisition Period	-
Ending Original Pool Balance	-
*Original Pool Balance on date of Issuance was \$300. The "Initial Pool Balance" as defined in the Indenture is \$100.	

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

Distribution Date	9/25/2013
Collection Period	8/31/2013

Collection Account Activity ^a	
Collection Amount Received	\$ 5,328,499.30
Recoveries	-
Reserve Account	
Excess of Required Reserve Account	27,747.50
Interest on Investment Earnings	3,171.09
Capitalized Interest Account (after a stepdown or release date)	
Temporary Cost of Issuance Remaining	
Payments from Guarantor	2,073,858.09
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	
Total Available Funds	\$ 7,433,275.98

(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	8/31/2013
Indenture Trustee Fees	-
Servicing Fees	104,811.11
Administration Fees	86,338.01
Consolidation Rebate Fees	316,919.84
Other Fees	-
Total Fees	\$ 508,068.96

Cumulative Default Rate	8/31/2013
Current Period's Defaults (\$)	2,785,660.24
Cumulative Defaults (\$)	232,734,087.67
Cumulative Default (% of original pool balance)	NA
Cumulative Default (% of Repayment ending balances)	44.83%
Current period payments (recoveries) from Guarantor (\$)	2,073,858.09
Current period borrower recoveries (\$)	-
Cumulative Recoveries (\$) ^a	237,181,564.61
Cumulative Recovery Rate (%) ^b	101.91%
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
Total Available Funds		7,433,275.98
First: Deposits to Department Reserve Fund	810,059.17	6,623,216.81
Second: Trustee Fees due	-	6,623,216.81
Third: Servicing Fee due	104,811.11	6,518,405.70
Fourth: Administration Fees due	86,338.01	6,432,067.69
Fifth: Interest Distribution on Senior Notes or Obligations		
1. 2007 Debt Service Amount		
> 1/3 of 2007 Bonds Interest Distribution Amount	41,403.20	
> Any 2007 Bonds Interest Remaining unpaid	-	
	<u>41,403.20</u>	6,390,664.49
2. 2012-1 A Interest Distribution	462,725.44	
Total Interest Distribution on Senior Notes or Obligations	<u>462,725.44</u>	5,927,939.05
Sixth: To the 2007 Debt Service Account 1/3 of Principal or unpaid Principal (if Maturity Date occurs in the next 3 months)	-	5,927,939.05
Seventh: 2012-1 B Interest Distribution Amount Subject to a Class B Interest Cap	46,048.91	5,881,890.14
Eighth: Debt Service Fund replenishment	-	5,881,890.14
Ninth: 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	75,556.81
Tenth: Payments to Noteholders for 2012 A and 2012 B Notes	75,556.81	-
Eleventh: Class B Carryover Amount	-	-
Twelfth: Release to Issuer	-	-

Principal and Interest Distributions	2012-1 A	2012-1 B	2007-1 A2	2007-1 A3	TOTAL
Periodic Interest Due	462,725.44	46,048.91	-	41,403.20	550,177.54
Periodic Interest Paid	462,725.44	46,048.91	-	41,403.20	550,177.54
Interest Excess/(Shortfall)	-	-	-	-	-
Interest Carryover Due	-	-	-	-	-
Interest Carryover Paid	-	-	-	-	-
Interest Carryover	-	-	-	-	-
Periodic Principal Distribution Amount	75,556.81	-	-	5,806,333.33	5,881,890.14
Periodic Principal Paid	75,556.81	-	-	5,806,333.33	5,881,890.14
Excess/(Shortfall)	-	-	-	-	-
Total Distribution Amount	538,282.25	46,048.91	-	5,847,736.53	6,432,067.69

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

ASSETS

Cash	\$	49,029,120
Assets Held by Trustee		
Investments		3,484
Student Loans Receivable, Net		517,070,823
Accrued Interest Receivable		7,825,157
Other Receivables		204,844
Bond Issue Costs		2,923,146
Prepaid and Deferred Expenses		29,999
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Total Assets	\$	577,086,572

LIABILITIES AND NET ASSETS

Notes Payable, Net	\$	558,900,274
Discount on Notes Payable, Net		(6,126,062)
Accrued Interest Payable		248,043
Other Accounts Payable & Accrued Expenses		508,069
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Total Liabilities	\$	553,530,325
		<hr/>
Net Assets	\$	23,556,247
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Total Liabilities and Net Assets	\$	577,086,572

2003FL Indenture

8/1/13 - 8/31/13

A. Student Loan Principal Collection Activity	
i. Regular Principal Collections	(2,726,341.42)
ii. Principal Collections from Guarantor	(2,025,336.89)
iii. Paydown due to Loan Consolidation	(1,531,377.31)
iv. Principal Collections from Schools	(28.38)
v. Principal Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments	-
vii. Loans transferred out/deconverted (PUT)	-
viii. Total Principal Collections	(6,283,084.00)
B. Student Loan Non-Cash Principal Activity	
i. Principal Realized Losses - Claim Write-Offs	(4,345.36)
ii. Principal Realized Losses - Other	(8,026.69)
iii. Other Adjustments	176.43
iv. Capitalized Interest	460,946.43
v. Total Non-Cash Principal Activity	448,750.81
C. Student Loan Principal Additions	
i. New Loan Additions	-
ii. Total Principal Additions	-
D. Total Student Loan Principal Activity (Aviii + Bv + Cii)	(5,834,333.19)
E. Student Loan Interest Activity	
i. Regular Interest Collections	(1,026,848.27)
ii. Interest Claims Received from Guarantors	(48,521.20)
iii. Late Fees & Other	10,817.39
iv. Interest due to Loan Consolidation	(26,111.49)
v. Interest Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments -	-
vii. Interest Benefit and Special Allowance Payments	493,139.33
viii. Loans transferred out/deconverted	-
vix. Total Interest Collections	(597,524.24)
F. Student Loan Non-Cash Interest Activity	
i. Interest Losses - Claim Write-offs	(37,384.93)
ii. Interest Losses - Other	(9,743.59)
iii. Other Adjustments	(1,389.62)
iv. Capitalized Interest	(460,946.43)
v. Interest Accrual	1,968,007.55
vi. Total Non-Cash Interest Adjustments	1,458,542.98
G. Student Loan Interest Additions	
i. New Loan Additions	-
ii. Total Interest Additions	-
H. Total Student Loan Interest Activity (Eix + Fvi + Gii)	861,018.74
I. Defaults Paid this Period (Aii + Eii)	(2,073,858.09)
J. Cumulative Defaults Paid to Date	(237,181,564.61)
K. Interest Expected to be Capitalized	
Interest Expected to be Capitalized - Beginning (III - A-ii)	5,959,240.70
Interest Capitalized into Principal During Collection Period (B-iv)	460,946.43
Change in Interest Expected to be Capitalized	(518,340.07)
Interest Expected to be Capitalized - Ending (III - A-ii)	5,901,847.06

2003FL Indenture

		8/1/13 - 8/31/13
A. Principal Collections		
i. Principal Payments Received - Cash	\$	4,751,706.69
ii. Principal Received from Loans Consolidated		1,531,377.31
iii. Total Principal Collections	\$	6,283,084.00
B. Interest Collections		
i. Interest Payments Received - Cash	\$	1,075,369.47
ii. Interest Received from Loans Consolidated		26,111.49
iii. Interest Payments Received(Paid) - Interest Benefit and Special Allowance Payments		(493,139.33)
iv. Late Fees & Other		(10,817.39)
v. Total Interest Collections	\$	597,524.24
C. Other Reimbursements	\$	-
D. Repurchases/ Reimbursements by Servicer/Seller	\$	-
E. Investment Earnings	\$	3,171.09
F. Total Cash Receipts during Collection Period	\$	6,883,779.33