ARTICLE VI

Covenants to Secure Bonds

The covenants and agreements of the Issuing Authority, Administrator, the Eligible Lender Trustee and the Trustee contained in Article VI of this Indenture shall be applicable to, and shall be made with respect to, any Exchange Counterparty, and the Administrator, the Eligible Lender Trustee and the Trustee hereby make such covenants and agreements with any such Exchange Counterparty. The Issuing Authority, the Administrator, the Eligible Lender Trustee and the Trustee shall have the same responsibilities and obligations under this Article VI with respect to any Exchange Counterparty as each has with respect to the Holders, except for such responsibilities and obligations which, of necessity, apply only the Holders of Bonds.

The Issuing Authority, the Administrator, the Eligible Lender Trustee and the Trustee, as the case may be, hereby covenant and agree with the purchasers and Holders of the Bonds as follows:

SECTION 6.1 Administration of the Program. The Administrator shall administer, operate and perform all acts and things required to administer, operate and maintain the Program in strict compliance with the law, including the Higher Education Act, the Ohio Revised Code, the Policy Guidelines, the Ohio Centric Program Manual, the Ohio SSLP Program Manual and the Administration Agreement and, with respect to Financed Federal Student Loans, will administer, operate and perform all acts in such manner as to insure that the Program and the Financed Federal Student Loans will benefit, to the optimum extent, from any Guarantee, and Interest Subsidy Payments and Special Allowance Payments (to the extent, if any, allowed) in respect of Federal Student Loans pursuant to the Higher Education Act or other applicable federal statutes.

SECTION 6.2 Contracts of Guarantee. So long as any Bonds are Outstanding and unpaid, the Administrator, the Eligible Lender Trustee and the Trustee (a) will, from and after the date on which the Administrator, the Eligible Lender Trustee, on behalf of the Issuing Authority, and the Trustee shall have succeeded to the rights and interests of any Seller under a Contract of Guarantee covering a Financed Federal Student Loan, maintain such Contract of Guarantee and diligently enforce their rights thereunder; (b) will enter into such other similar or supplemental agreements as the Administrator shall determine and notify the Eligible Lender Trustee and/or the Trustee in writing shall be required to maintain benefits for all Financed Federal Student Loans covered thereby; and (c) will not voluntarily consent to or permit any rescission of or consent to any amendment to or otherwise take any action under or in connection with any such Contract of Guarantee or any similar or supplemental agreement which in any manner will materially adversely affect the rights of the Holders.

SECTION 6.3 Enforcement of Administration Agreement. The Issuing Authority shall cause to be diligently enforced and taken all reasonable steps, actions and proceedings necessary for the enforcement of all terms, covenants and conditions of the Administration Agreement.

The Issuing Authority shall not consent or agree to or permit any amendment or modification of the Administration Agreement which will in any manner materially adversely affect the rights or security of the Holders under this Indenture. Upon termination or expiration of the Administration Agreement, the Issuing Authority shall take all appropriate steps to maintain adequate provision for the continued administration of the Program to the extent that Bonds remain Outstanding hereunder.

SECTION 6.4 Acquisition, Collection and Assignment of Student Loans; Compliance with Law. The Administrator, on behalf of the Issuing Authority, shall Finance directly, or indirectly through the Eligible Lender Trustee, under this Indenture only Student Loans as described herein and shall diligently cause to be collected all principal and interest payments on each Financed Student Loan, and grants, subsidies, donations, and with respect to Financed Federal Student Loans, Guarantee payments, Interest Subsidy Payments, Special Allowance Payments (to the extent, if any, allowed) and all defaulted payments Guaranteed by a Guarantor which relate to any Financed Federal Student Loan. The Administrator shall also make, or cause to be made by each Servicer, every effort to perfect the claims of the Administrator and the Eligible Lender Trustee for payment from the Guarantor or the Secretary of Education, as soon as possible, of all amounts related to each Financed Federal Student Loan. The Administrator and the Eligible Lender Trustee will assign or cause to be assigned each Financed Federal Student Loan for payment of Guarantee benefits at the earliest date permitted under applicable law and regulations. The Administrator and the Eligible Lender Trustee will comply with all State and federal statutes, rules and regulations which apply to the Program and to Financed Student Loans, including, where applicable, the Ohio Revised Code, the Policy Guidelines, the Administration Agreement and the Higher Education Act.

SECTION 6.5 Enforcement of Financed Student Loans. The Administrator, and the Eligible Lender Trustee and the Issuing Authority at the Administrator's written request, shall cause to be diligently taken all reasonable steps, actions and proceedings necessary for the enforcement of all terms, covenants and conditions of all Financed Student Loans and agreements in connection therewith, including the prompt payment of all principal and interest payments and all other amounts due thereunder. The Administrator, and the Eligible Lender Trustee and the Issuing Authority at the Administrator's written request, shall at all times, to the extent permitted by law, defend, enforce, preserve and protect the rights and privileges of the Administrator, the Eligible Lender Trustee, the State and the Holders under or with respect to each Financed Student Loan, including with respect to a Financed Federal Student Loan, the Contract of Guarantee in connection therewith. The Administrator, the Issuing Authority and the Eligible Lender Trustee shall not consent, or agree to or permit any amendment or modification of any Financed Student Loan, including with respect to a Financed Federal Student Loan, the Contract of Guarantee in connection therewith, without the prior written consent of the Bond Insurer. Nothing in this Indenture shall be construed to prevent the Administrator, the Issuing Authority or the Eligible Lender Trustee from permitting a student borrower to settle a default or cure a delinquency on any Financed Student Loan on such terms as shall be required by law.

SECTION 6.6 Enforcement of Servicing Agreements; Removal of Servicer. The Administrator shall cause to be diligently enforced and taken, to the extent permitted by law, all reasonable steps, actions and proceedings necessary for the enforcement of all terms, covenants and conditions of the Servicing Agreements, including the prompt payment of all principal and interest payments, with respect to all Financed Federal Student Loans, all Interest Subsidy Payments, all Special Allowance Payments (to the extent, if any, allowed), and all defaulted payments Guaranteed by a Guarantor which relate to any Financed Student Loan and all other amounts due the Administrator thereunder. The Administrator shall, at all times, to the extent permitted by law, cause to be defended, enforced, preserved and protected the rights and interests of the State, the Issuing Authority, the Eligible Lender Trustee, the Administrator and the Holders under or with respect to the Servicing Agreements. Neither the Issuing Authority nor the Administrator shall consent or agree to or permit any amendment or modification of any Servicing Agreement which will in any manner materially adversely affect the rights or security of the Holders under this Indenture, and shall so advise in writing either the Eligible Lender Trustee, if the Eligible Lender Trustee is the party to the Servicing Agreement, or any party to the Servicing Agreement other than the Servicer. Neither the Issuing Authority nor the Administrator shall enter into or permit any amendment or modification of any Servicing Agreement without the prior written consent of the Bond Insurer. Upon termination or

expiration of any Servicing Agreement, the Administrator shall take all appropriate steps to maintain adequate provision for the administration, servicing and collection of the Financed Student Loans. The Administrator shall notify the Trustee, the Issuing Authority, the Bond Insurer and each Rating Agency if a successor Servicer is appointed and shall send a copy of any amendment or supplement to any Servicing Agreement in connection therewith. Without the prior written consent of the Bond Insurer, the Administrator, the Eligible Lender Trustee or the Issuing Authority shall not remove or replace a Servicer or shall not give such a written direction to that effect, but, if directed in writing by the Bond Insurer, shall remove or replace the Servicer as directed in accordance with the provisions of the applicable Servicing Agreement.

SECTION 6.7 Enforcement of Purchase Agreements. The Administrator and the Eligible Lender Trustee, at the Administrator's request, shall cause to be diligently enforced and taken all reasonable steps, actions and proceedings necessary for the enforcement of all terms, covenants and conditions of the Purchase Agreements, including warranties with respect to the Student Loans and with respect to a Financed Federal Student Loan, Guarantees thereof, and including the prompt payment of all amounts due the Servicers and the Administrator thereunder. The Administrator shall at all times, to the extent permitted by law, cause to be defended, enforced, preserved and protected the rights and interests of the State, the Administrator and of the Holders under or with respect to the Purchase Agreements. The Administrator shall not consent or agree to or permit any amendment or modification of any Purchase Agreement which will in any manner materially adversely affect the rights or security of the Holders under this Indenture unless it first obtains the prior written consent of the Bond Insurer if the Municipal Bond Insurance Policy is still in full force and effect. The Administrator shall not enter into any Purchase Agreement that requires the continued purchase of Student Loans under such Agreement from and after (i) the occurrence and continuance of a Material Adverse Change in the Loan Program, unless the Bond Insurer otherwise consents in writing, (ii) the occurrence and continuance of a Recycling Termination Date, unless the Bond Insurer otherwise consents in writing, and (iii) the occurrence and continuance of a Recycling Termination Event, unless the Bond Insurer otherwise consents in writing.

SECTION 6.8 Books of Account; Annual Audit. The Administrator shall cause to be kept and maintained, or cause the Trustee to keep and maintain (and to such extent the Trustee shall keep and maintain), proper books of record and account relating to the Program in which full, true and correct entries will be made of all dealings or transactions of or in relation to the Program, the proceeds of the Bonds, the Revenues and all Funds, Accounts and Subaccounts. Such books of record and account shall be made available for inspection by the Trustee (or the Administrator, as the case may be), the Bond Insurer and by the Issuing Authority or any Holder of more than ten percent (10%) of the aggregate principal amount of Bonds Outstanding, at reasonable hours and under reasonable circumstances. Within one hundred twenty (120) days after the end of each Fiscal Year, the Administrator shall cause such books of record and account to be audited by a firm of independent certified public accountants. A copy of each audit report, annual balance sheet and income and expense statement showing in reasonable detail the financial condition of the Program as of the close of each Fiscal Year, summarizing in reasonable detail the income and expenses for such year, and containing such other reviews or reports as may be required by the Higher Education Act, including a report of the transactions relating to the Funds, Accounts and Subaccounts, shall be filed promptly with the Trustee and the Issuing Authority and shall be available for inspection by any Holder. Any financial statements prepared in connection with the foregoing may be presented on a consolidated or combined basis with other programs of the State, *provided that* such financial statements for the Program are separately identified and only to the extent that such basis of reporting is not inconsistent with that required by this Section 6.8.

SECTION 6.9 Punctual Payment of Bonds. The Issuing Authority shall duly and punctually pay on behalf of the State, or cause the Administrator through the Trustee to pay, the

principal of and interest on each Bond on the dates, at the places and in the manner provided herein and in the Bonds according to the true intent and meaning hereof and thereof, but only from the Pledged Receipts, and the Administrator shall faithfully do and perform and at all times fully observe and keep any and all of its covenants, undertakings, stipulations and provisions contained in the Bonds and this Indenture.

SECTION 6.10 Further Assurances. The Administrator, and the Eligible Lender Trustee and the Issuing Authority at the written request of the Administrator, shall at any and all times, make, do, execute, acknowledge, file, record and deliver all and every such further resolutions, indentures, acts, deeds, conveyances, assignments, transfers, assurances and other documents, including financing statements and continuation statements, as may be necessary or desirable for the better assuring, conveying, granting, assigning, perfecting and confirming of any and all of the Pledged Receipts hereby pledged or charged with or assigned to the payment of the Bonds, or intended so to be, or which the Issuing Authority, the Administrator or the Eligible Lender Trustee may hereafter become bound to pledge or charge or assign.

SECTION 6.11 Protection of Security. The Issuing Authority is duly authorized under the Act to issue the Bonds and to pledge, to grant a lien on and a security interest in, and to assign, the Pledged Receipts in the manner and to the extent provided in this Indenture. The Pledged Receipts are and will be free and clear of any pledge, lien, security interest, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge, lien, security interest and assignment created by this Indenture, except as otherwise expressly provided or permitted herein, and all action on the part of the Issuing Authority and the Eligible Lender Trustee to that end has been duly and validly taken. The Issuing Authority under the Act and the Administrator under its Articles of Incorporation, its Code of Regulations and applicable law are duly authorized to enter into this Indenture. The Bonds are and will be legal, valid and binding special obligations of the State enforceable in accordance with their respective terms and the terms of this Indenture and each Supplemental Indenture. The Issuing Authority, the Administrator and the Eligible Lender Trustee shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of, lien on, security interest in and assignment of the Pledged Receipts, the priority of such pledge, lien, security interest and assignment and all the rights of the Holders and each Exchange Counterparty thereto against all claims and demands of all persons whomsoever. The pledge of, lien on, security interest in and assignment of the Pledged Receipts made hereby includes the pledge of, any lien on, security interest in and assignment of any contract or any evidence of indebtedness or other right of the Issuing Authority, the Administrator or the Eligible Lender Trustee to receive any of the same, whether now existing or hereafter coming into existence or acquired and the proceeds thereof, including, without limitation, all Contracts of Guarantee covering Financed Federal Student Loans, all Purchase Agreements and all Servicing Agreements.

SECTION 6.12 No Encumbrances. The Issuing Authority, the Administrator and the Eligible Lender Trustee shall not create, or permit the creation of, any pledge, lien, charge or encumbrance upon the Pledged Receipts except only as provided in or permitted by this Indenture. The Issuing Authority will not issue any bonds, notes, securities or other evidences of indebtedness, other than the Bonds as permitted by this Indenture, secured by a pledge of the Pledged Receipts creating a lien or charge on the Pledged Receipts equal or superior to the lien of this Indenture, except only as provided in or permitted by this Indenture; *provided, that* nothing in this Indenture shall prevent the Issuing Authority from issuing notes, bonds or other evidences of indebtedness secured by a pledge of the Pledged Receipts subordinate in priority to that of the Bonds, or secured by a pledge of the Pledged Receipts arising on or after such date as the pledge of the Pledged Receipts hereunder shall be discharged and satisfied as provided in this Indenture, or from issuing notes, bonds or other evidences of indebtedness of the State (whether or not under other indentures in order to fund the Program or

other programs of the State) secured by assets and revenues of the State other than the Pledged Receipts.

SECTION 6.13 Compliance with Indenture. The Issuing Authority will not issue, or permit to be issued, any Bonds in any manner other than in accordance with the provisions of this Indenture and will not suffer or permit any Event of Default to occur under this Indenture, but will faithfully observe and perform all the covenants, conditions and requirements hereof. Each of the Issuing Authority, for itself, its successors and assigns, and the Administrator represents, covenants and agrees with the Holders, as a material inducement to the purchase of the Bonds, that so long as any of the Bonds remain Outstanding and the principal thereof or interest thereon is unpaid or unprovided for, each will faithfully perform all of the covenants and agreements contained in this Indenture and the Bonds.

SECTION 6.14 Tax Covenants; Rebate Fund. The Issuing Authority and the Administrator shall not use or permit the use of any proceeds of a series of Bonds or any other funds of the State or the Administrator, directly or indirectly, to purchase any higher yielding investments (as defined in the Internal Revenue Code) or to replace funds which were used directly or indirectly to acquire higher yielding investments, and shall not use or permit the use of any Revenues in any manner, and shall not take or permit to be taken or fail to take any other action or actions, which action or failure to act would cause any Bond to be an "arbitrage bond" within the meaning of Sections 103(b)(2) and 148, or "federally guaranteed" within the meaning of Section 149(b), except as otherwise permitted by Section 149(b)(3)(A)(ii), of the Internal Revenue Code. The Administrator shall require that any obligor on a Student Loan (or any "related person" as defined in Section 144(a)(3) of the Internal Revenue Code) shall not pursuant to an arrangement, formal or informal, purchase Bonds in an amount related to the amount of Student Loans to be acquired from such obligor. All Student Loans shall be purchased at fair market value within the meaning of Treas. Reg. Section 1.148-5(d)(6). In the event that at any time the Issuing Authority or the Administrator is of the opinion that for purposes of this paragraph it is necessary to restrict or limit the yield on or change the investment of any moneys held by the Trustee under this Indenture, the Issuing Authority or the Administrator shall so instruct the Trustee in writing, and the Trustee shall take such action as may be necessary to restrict or limit the yield on or change such investment in accordance with such instructions.

The Issuing Authority and the Administrator shall not use or permit the use of any proceeds of the Bonds or any other funds of the State or the Administrator, directly or indirectly, in any manner, and shall not take or permit to be taken any other action or actions, which would result in any of the Bonds being treated as an obligation not described in Section 103(a) of the Internal Revenue Code by reason of classification of such Bond as a private activity bond which is not a "qualified student loan bond" within the meaning of Sections 103(b) and 144(b)(1)(A) of the Internal Revenue Code.

Not later than the fifteenth (15th) day of the second calendar month after the close of the calendar quarter in which Bonds are issued, the Administrator shall submit or cause to be submitted to the Secretary of the United States Department of the Treasury a statement concerning the Bonds issued during said calendar quarter as required by Section 149(e) of the Internal Revenue Code.

The Issuing Authority shall, prior to delivery of a series of Bonds (i) satisfy the public approval requirement of Section 147(f) of the Internal Revenue Code and (ii) receive an allotment for such series of Bonds of the State's volume cap allocation pursuant to Section 146 of the Internal Revenue Code.

Neither the Issuing Authority nor the Administrator shall finance issuance costs for any series of Bonds from the proceeds of such series of Bonds in excess of two percent (2%) of the face amount of such series of Bonds.

The Issuing Authority or the Administrator shall use at least ninety percent (90%) of the net proceeds of a series of Bonds (the proceeds of such series of Bonds minus amounts therefrom invested in a reasonably required reserve or replacement fund) directly or indirectly to Finance Student Loans to students who are residents of the State or enrolled at an educational institution located in the State and take all such other actions necessary for each of the Bonds of a series to qualify as a "qualified student loan bond" under Section 144(b) of the Internal Revenue Code. If at any time, after exhausting all other options, it is necessary to redeem all or a portion of a series of Bonds with unexpended proceeds thereof, the Issuing Authority and the Administrator shall take all steps necessary to comply with the requirements of Sections 144(b) and 148 of the Internal Revenue Code, as advised by Bond Counsel.

Neither the Issuing Authority nor the Administrator shall use any proceeds of any series of Bonds to finance any of the facilities described in Section 147(e) of the Internal Revenue Code.

The Administrator and Issuing Authority, and as and to the extent directed by the Administrator or the Issuing Authority, the Trustee, shall at all times do and perform all acts and things permitted or required by law and this Indenture which are necessary or desirable in order to assure that interest paid on a series of Bonds (or on any of them) shall be excludable, to the full extent permitted by law, from gross income for federal income tax purposes, and the Issuing Authority and the Administrator shall take no action that would result in such interest not being excluded, to the full extent permitted by law, from gross income for federal income tax purposes.

The Issuing Authority and the Administrator shall supplement or amend this Indenture in accordance with Article IX hereof as and to the extent it may determine, with advice of Bond Counsel, that such supplement or amendment is necessary or desirable in order to assure that interest paid on a series of Bonds (or any of them) shall be excluded, to the full extent permitted by law, from gross income for federal income tax purposes.

Notwithstanding any other provision of this Indenture, at no time during any Bond Year shall the aggregate amount invested hereunder at a yield in excess of the Bond Yield (other than (i) amounts held in the Student Loan Acquisition Fund for a period not exceeding six (6) months from the date of deposit therein, (ii) amounts invested in Student Loans and (iii) payments of principal and interest on a series of Bonds that are held on deposit in the Bond Fund to the extent such amounts are to be used primarily to achieve a proper matching of revenues and debt service within each Bond Year and are depleted at least once a year except for a reasonable carryover amount, for a period not exceeding thirteen (13) months), exceed 150% of the amount of the scheduled debt service on a series of Bonds for such Bond Year.

Commencing within thirty (30) days after the beginning of each Bond Year, and within thirty (30) days of any redemption of obligations resulting in a reduction of annual debt service, the Administrator shall examine all investments hereunder, other than investments in Student Loans (the "nonpurpose investments") and if the Administrator finds that the aggregate amount invested hereunder in nonpurpose investments at a yield in excess of the Bond Yield exceeds 150% of the scheduled debt service on a series of Bonds for such Bond Year, the Administrator shall direct the Trustee in writing to reduce the investments hereunder by the amount necessary to maintain the aggregate amount of nonpurpose investments hereunder within 150% of the amount of the scheduled debt service on a series of Bonds for such Bond Year. The aggregate amount of nonpurpose investments shall not include amounts invested for an initial temporary period or a temporary period related to debt service pursuant to Section 148(d)(3)(C) of the Internal

Revenue Code. Such reduction may be accomplished either by a transfer and deposit of such excess amounts into the Bond Fund, to be used within the Bond Year for the payment of current debt service on a series of Bonds, or by the purchase, for maintenance on deposit in the same fund, of obligations described in Section 103(a) of the Code, or of any other investment at a fair market price, with a yield not in excess of the Bond Yield. However, the Administrator need not direct the Trustee to sell or dispose of any nonpurpose investment at the above-specified time if such sale or disposition would result in a loss which exceeds the amount which would be required to be paid to the United States of America as a rebate (ignoring amounts previously paid) if a payment were then due at the time of such sale or disposition, but shall so sell or dispose within thirty (30) days after the beginning of the next Bond Year if such sale or disposition can then be accomplished without such a loss.

There has been created by the Issuing Authority in the General Bond Order and ordered maintained, as a separate deposit account in the custody of the Trustee, a trust fund to be designated as the Rebate Fund, and within the Rebate Fund there shall be created in each Series Bond Order and order maintained for each series of Bonds a Series Rebate Account. The Rebate Fund is not subject to the lien or encumbrance of either the Trustee or the Holders or any Exchange Counterparty, but is held in trust, for the benefit of the United States of America and is subject to the claim of no other person, including that of the Holders or any Exchange Counterparty. At the end of each Bond Year, the Administrator shall compute the amount of the Net Rebate Liability for such Bond Year then concluded and shall notify the Trustee in writing of such Net Rebate Liability, if any. The Trustee shall withdraw from the related Series Student Loan Interest Account, and if necessary from any other Funds or related Accounts (or Subaccounts thereof) held by it hereunder (unless the Issuing Authority shall pay), the amount of the Net Rebate Liability so computed and discounted at the Bond Yield to the date of said withdrawal and deposit the same into the related Series Rebate Account of the Rebate Fund within thirty (30) days after the end of each Bond Year. The Administrator shall instruct the Trustee, no later than sixty (60) days after each fifth (5th) Bond Year, to remit to the United States Treasury, unless a series of Bonds have been paid in full prior to any such date, and in such manner as may be required or permitted by Section 148 of the Internal Revenue Code, or regulations promulgated thereunder, at least ninety percent (90%) of the amount then constituting the Net Rebate Liability, or such other amount as may then be due to the United States of America under Section 148 of the Internal Revenue Code. Within sixty (60) days after the full and final payment of a series of Bonds the Administrator shall compute and shall give written notice to the Trustee of, and the Trustee, as directed by the Administrator, shall remit to the United States Treasury in such manner as may be required or permitted by said law, the entire aggregate amount of such Net Rebate Liability not theretofore paid to the United States Treasury, or such other amount as may then be due to the United States under Section 148 of the Internal Revenue Code. Said payments shall be made to the Internal Revenue Service at the address specified under the then current Treasury Regulations, accompanied by such reporting form or other documentation, if any, as is required in such Regulations. The Administrator shall retain records of all such calculations and rebate payments required by this Section for a period ending six (6) years after the final payment of a series of Bonds, all pursuant to Section 148 of the Internal Revenue Code.

If at any time and from time to time the Administrator determines that it is necessary to restrict or limit the yield on the investment of moneys held by the Trustee hereunder in order to prevent a series of Bonds from becoming "arbitrage bonds" within the meaning of Sections 103(b)(2) and 148 of the Internal Revenue Code, the Administrator shall so instruct the Trustee in writing, and the Trustee shall and hereby agrees to take such action or actions as may be necessary to restrict or limit the yield on such investments as set forth in, and in accordance with, such instructions.

For the purpose of determining whether any proceeds of a series of Bonds are invested in "higher yielding investments" or at a "yield in excess of the Bond Yield," the Administrator may take into account the effect of any "yield reduction payments" under Section

1.148-5(c) of the Treasury Regulations promulgated under Section 148 of the Internal Revenue Code.

Notwithstanding the foregoing, the Trustee shall not be required to take any action which in its judgment diminishes the security of the Bondholders or an Exchange Counterparty if the Trustee obtains an opinion of Bond Counsel to the effect that the failure to take such action would not jeopardize the exclusion of interest on a series of Bonds from gross income for federal income tax purposes.

In performing its duties and obligations under this Section 6.14, the Trustee may employ such experts, accountants or legal counsel, with the consent of the Administrator, which consent shall not be unreasonably withheld, as the Trustee shall deem appropriate, and the Administrator shall pay the reasonable fees and expenses of the Trustee and such other persons in connection with this Section. The Trustee may conclusively rely on the opinions given it by such experts, accountants and legal counsel in performing its duties and obligations under this Section, and shall not be required to confirm, audit, or verify any calculations and findings supplied by such experts, accountants or legal counsel, absent manifest error.

SECTION 6.15 Limitation on Certain Program Operating Expenses. The Administrator shall not permit the Program Operating Expenses described in items (iii) and (iv) of the definition thereof to exceed the amount set forth in the currently effective Certificate and Agreement, unless (i) the Administrator shall have delivered to the Bond Insurer a form of modified Certificate and Agreement and such supporting data as the Bond Insurer may reasonably request, including, but not limited to, a revised Cash Flow Statement, if so requested, giving effect to such revised Program Operating Expenses; (ii) the Bond Insurer shall have approved such modified Certificate and Agreement and as evidence of such approval shall have executed an original counterpart of such Agreement; and (iii) such Certificate and Agreement shall have been executed by the Issuing Authority and attested to by the Trustee. Thereafter, the Program Operating Expenses described in items (iii) and (iv) of the definition thereof shall not exceed those projected in the modified Certificate and Agreement until a further modified Certificate and Agreement is delivered and approved as aforesaid.

SECTION 6.16 Notice of Additional Guarantors or Servicers. The Administrator shall give notice to the Bond Insurer of the proposed appointment of (i) any Guarantor in addition to GLHEGC, MGSLP and USAF and (ii) any Servicer in addition to GLELSI, Sallie Mae and SAFM and shall not effect such appointment without the written consent of the Bond Insurer.

ARTICLE VII

Concerning the Trustee

SECTION 7.1 Appointment of, Acceptance by, and Duties of Trustee; Qualification; Resignation; Removal; Successor

(a) Appointment, Acceptance and Duties. The Issuing Authority has, in the General Bond Order, appointed Firstar Bank, National Association, predecessor to U.S. Bank National Association, to act as the initial Trustee, and, as such, an Authenticating Agent hereunder. U.S. Bank National Association, hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following terms and conditions, to all of which the Holders agree, such agreement to be evidenced with respect to the Holders by their acceptance of the Bonds:

(i) Except during the continuance of an Event of Default of which the Trustee has been notified or has been deemed to have notice pursuant to Section 7.3(f) hereof,

(A) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(B) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provisions hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty of reasonable care to examine the same to determine whether or not they conform as to form with the requirements of this Indenture and whether or not they contain the statements required under this Indenture.

(ii) In case an Event of Default has occurred and is continuing (of which Trustee has been notified, or is deemed to have notice in Section 7.3(f) hereof), the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his/her own affairs.

(iii) No provisions of this Indenture shall be construed to relieve the Trustee from liability for its own grossly negligent action, its own grossly negligent failure to act, or its own willful misconduct, except that

(A) this subsection shall not be construed to affect the limitation of the Trustee's duties and obligations provided in subparagraph (i)(A) of this Section or the Trustee's right to rely on the truth of statements and the correctness of opinions as provided in subparagraph (i)(B) of this Section;

(B) the Trustee shall not be liable for any error of judgment made in good faith by any one of its officers, unless it shall be established that the Trustee was grossly negligent in ascertaining the pertinent facts;

(C) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority in principal amount the Bonds then Outstanding relating to the time,

method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture; and

(D) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it (with the exception of any action required to be taken under Section 8.8 hereof).

(iv) Before taking any action hereunder requested by any Holder, the Trustee may require that it be furnished an indemnity bond or other indemnity satisfactory to it in its sole discretion by the Holder for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which results from the negligence or misconduct of the Trustee, by reason of any action so taken by the Trustee;

(v) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section 7.1.

(b) Qualification. The Trustee, including any successor Trustee shall at all times be a trust company or bank having the powers of a trust company within the state in which it is located. The Trustee shall have a combined capital stock, surplus and undivided profits of not less than One Hundred Million Dollars ($100,000,000) (except that U.S. Bank National Association shall not be required to have a combined capital stock, surplus and undivided profits of not less than One Hundred Million Dollars ($100,000,000). The Trustee shall meet all the requirements of law for the performance of the duties of the Trustee specified herein, shall at all times maintain a rating from any one of the Rating Agencies in one of their three highest categories (except that U.S. Bank National Association shall not be required to maintain such rating).

(c) Resignation. The Trustee and any successor to the Trustee may resign and be discharged from the trusts created by this Indenture by giving to the Issuing Authority, the Administrator and the Bond Insurer notice in writing which notice shall specify the date on which such resignation is to take effect and which date shall not be sooner than sixty (60) days after the date of giving such notice. Such resignation shall take effect on the day specified in such notice, if a successor Trustee shall have been appointed pursuant to Section 7.1(e) hereof and is qualified to be the Trustee under the requirements of this Indenture. If no successor Trustee has been appointed by the date specified or within a period of sixty (60) days from the receipt of the notice by the Issuing Authority, whichever period is the longer, the resigning Trustee may request a court of competent jurisdiction to (i) require the Issuing Authority to appoint a successor, as provided in Section 7.1(e) hereof, within three (3) days of the receipt of citation or notice by the court, or (ii) appoint a Trustee having the qualifications provided in Section 7.1(e) hereof. In no event may the resignation of the Trustee be effective until a qualified successor Trustee shall have been selected and appointed.

(d) Removal. In case at any time any of the following shall occur: (i) the Trustee shall cease to be eligible in accordance with the provisions hereof and shall thereafter fail to resign after written request therefor has been given to the Trustee by the Issuing Authority or the Administrator, with the consent of the Issuing Authority, or by any Holder; (ii) the Trustee shall become incapable of acting, or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of reorganization, conservation or liquidation; or (iii) the Trustee shall fail to perform any of its duties hereunder; then, in any such

case the Issuing Authority or the Administrator, with the consent of the Issuing Authority, or upon the request of the Bond Insurer, may remove the Trustee by an instrument in writing, or any such Holder may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, remove the Trustee.

The Trustee may be removed at any time with or without cause by the written direction or upon affirmative vote of the Holders of a majority in aggregate principal amount of the Bonds then Outstanding or their attorneys-in-fact duly authorized.

Notwithstanding anything to the contrary in this Section 7.1, the Issuing Authority in such Authority's sole discretion may remove the Trustee at any time, except during the existence of an Event of Default, upon the giving of sixty (60) days prior written notice to the Trustee and filing with the Trustee a instrument appointing a successor Trustee signed by the Issuing Authority and accepted by the successor Trustee.

(e) Successor. In the event of resignation, removal, ineligibility, disability or refusal to act of the Trustee, a successor, acceptable to the Bond Insurer, may be appointed by the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding by an instrument or concurrent instruments in writing signed by such Holders or their attorneys-in-fact duly authorized; *provided, nevertheless, that* in case at any time there shall be a vacancy in the office of the Trustee hereunder, the Issuing Authority, with the prior written consent of the Administrator, by an instrument in writing shall appoint a successor acceptable to the Bond Insurer to fill such vacancy until a new Trustee shall be appointed by the Holders of the Bonds as above authorized; and any such successor Trustee appointed by the Issuing Authority shall be superseded, immediately and without further act, by the new Trustee appointed by the Holders of the Bonds. No resignation or removal of the Trustee shall be effective until a successor Trustee, acceptable to the Bond Insurer, has been appointed and has qualified under this Section 7.1 and the Trustee has been paid all money then due it under this Indenture.

Any successor Trustee shall meet the qualifications of this Section 7.1 and shall be acceptable to the Bond Insurer. Such successor Trustee shall execute, acknowledge and deliver to its predecessor, the Issuing Authority and to the Administrator an instrument in writing accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all the rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named as Trustee, but such predecessor shall, nevertheless, on the written request of the Issuing Authority, the Administrator or such successor execute and deliver an instrument transferring to such successor Trustee all rights, powers, trusts, duties and obligations of such predecessor in trust hereunder and shall deliver all Balances (including lawful money of the United States, Investment Securities, Financed Student Loans and all evidences of indebtedness, securities and certificates relating thereto) held by it to such successor Trustee, together with an accounting of balances held by the predecessor Trustee hereunder. The successor Trustee shall have no responsibility for the acts of the predecessor Trustee. Upon acceptance of appointment by the successor Trustee as provided in this Section 7.1, the Administrator shall give written notice to each Holder within ten (10) days thereafter.

Any corporation or association into which the Trustee may be merged or with which it may be consolidated, or any corporation or association resulting from any merger or consolidation to which the Trustee shall be a party, or any corporation or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business, shall be the successor Trustee under this Indenture without the execution or filing of any paper or any further

act on the part of the parties hereto, anything herein to the contrary notwithstanding, *provided that* such corporation or association meets the qualifications of this Section 7.1.

The Holders agree to the appointment of the Trustee under this Indenture and the performance by the Trustee of the trusts imposed upon the Trustee, but only upon the terms and conditions set forth in this Indenture, such agreement of the Holders being evidenced with respect to the Holders by their acceptance of the Bonds.

SECTION 7.2 Appointment of Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including in particular the law of the State) denying or restricting the right of banking corporations or associations to transact business as the Trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture or any Financed Student Loan or related agreement, and in particular in case of the enforcement thereof on default, or in case of a conflict of interest, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate or co-Trustee. The following provisions of this Section are intended to accomplish these ends.

The Trustee may appoint a co-Trustee under this Section 7.2 with the consent of the Issuing Authority and the Administrator. In the event that the Trustee so appoints an individual or institution as a separate or co-Trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest, pledge and security interest expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-Trustee but only to the extent necessary to enable such separate or co-Trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-Trustee shall run to and be enforceable by either of them.

Should any instrument in writing from the Issuing Authority, the Administrator or the Eligible Lender Trustee be required by the separate or co-Trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or its such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuing Authority, the Administrator or the Eligible Lender Trustee. In case any separate or co-Trustee, or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate or co-Trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new Trustee or a successor to such separate or co-Trustee.

SECTION 7.3 Certain Rights and Obligations of the Trustee.

(a) The Trustee (i) may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees appointed by the Trustee in the exercise of reasonable care, (ii) shall be entitled to the advice of counsel concerning all matters of trusts hereof and duties hereunder, and (iii) may pay reasonable compensation in all cases to all of those attorneys, agents, receivers and employees reasonably employed by it in connection with the trusts hereof. The Trustee may act upon the opinion or advice of an attorney (who may be the attorney or attorneys for the Issuing Authority or the Administrator) approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action taken or omitted to be taken in good faith in reliance upon that opinion or advice. In addition, the Trustee shall not be

answerable for the default or misconduct of any such attorney, agent or employee selected by it with reasonable care.

(b) Except as provided herein, the Trustee shall have no responsibility or duty with respect to the application of any moneys paid to the Administrator or to the Servicers.

(c) Except for its certificate of authentication on the Bonds and pursuant to Section 7.1(a)(i)(A), the Trustee shall not be responsible for or have any liability for:

(i) any act of the Issuing Authority, the Administrator or the Eligible Lender Trustee;

(ii) any recital in this Indenture or in the Bonds;

(iii) the validity, priority, recording, rerecording, filing or refiling of this Indenture or any Supplemental Indenture issued hereunder or of any other document in connection herewith;

(iv) any instrument or document of further assurance or collateral assignment;

(v) any financing statements, amendments thereto, or continuation statements;

(vi) the validity of the execution by the Issuing Authority or the Administrator of this Indenture, any Supplemental Indenture or instruments or documents of further assurance;

(vii) the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby; and

(viii) the maintenance of the security hereof.

(d) The Trustee shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, appraisal, opinion, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Any action taken by the Trustee pursuant to this Indenture upon the request of any Person who is a Holder at the time of making the request or giving the authority or consent shall be conclusive and binding upon all future Holders of the same Bond and of Bonds issued in exchange therefor or in place thereof.

(e) Whenever in the administration hereof the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering, or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed), in the absence of bad faith on its part, may, but shall not be obligated to, rely upon a certificate signed by the Issuing Authority or an Authorized Officer of the Administrator. Prior to the occurrence of a default or Event of Default hereunder of which the Trustee has been notified, as provided in paragraph (f) of this Section, or of which by that paragraph the Trustee is deemed to have notice, the Trustee may accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient; *provided, that* the Trustee in its discretion may require and obtain any further evidence which it deems to be necessary or advisable; and, *provided further, that* the Trustee shall not be bound to secure any further evidence.

(f) The Trustee shall not be required to take notice, and shall not be deemed to have notice, of any default or Event of Default hereunder, except an Event of Default described in paragraph (1) of Section 8.1 hereof, unless the Trustee shall be notified specifically of the default or Event of Default in a written instrument or document delivered to it by the Issuing Authority, the Administrator or the Holders of at least 10 percent (10%) of the aggregate principal amount of the Bonds then Outstanding or if the Trustee has actual notice of such default or Event of Default. In the absence of delivery of a notice satisfying those requirements, the Trustee, in the absence of actual knowledge by a responsible officer of its corporate trust department of the existence of an Event of Default, may assume conclusively that there is no default or Event of Default, except as noted above.

(g) At any reasonable time, the Issuing Authority or the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives (i) may inspect and copy fully all books, papers and records of the Administrator pertaining to the Bonds, and (ii) may take any memoranda from and in regard thereto as the Trustee may desire.

(h) The Trustee shall not be required to give any bond or surety with respect to the execution of these trusts and powers or otherwise.

(i) Notwithstanding anything contained elsewhere in this Indenture, the Trustee may demand any showings, certificates, reports, opinions, appraisals and other information, and any corporate action and evidence thereof, in addition to that required by the terms hereof, as a condition to the authentication of any Bonds or the taking of any action whatsoever within the purview of this Indenture, if the Trustee deems it to be desirable for the purpose of establishing the right of the Issuing Authority to the authentication of any Bonds or the right of any person to the taking of any other action by the Trustee; *provided that* the Trustee shall not be required to make that demand and shall be protected by the provisions hereof if such demand is not made.

(j) Unless otherwise provided herein, all moneys received by the Trustee under this Indenture shall be held in trust for the purpose for which those moneys were received, until those moneys are used, applied or invested as provided herein; *provided, however, that* those moneys need to be segregated from other moneys, except to the extent required by this Indenture or by law. The Trustee shall not have any liability for interest on any moneys received hereunder, except to the extent expressly provided herein or agreed in writing with the Issuing Authority and the Administrator.

(k) Any opinions, certificates and other instruments and documents for which provision is made in this Indenture may be accepted by the Trustee, in the absence of bad faith on its part, as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for its actions taken hereunder. In all cases the Trustee shall be entitled to rely conclusively upon the notice of the rate of interest on the Bonds announced by the Auction Agent pursuant to the applicable provisions of Annex A-2001, and any applicable subsections thereunder, or by any Remarketing Agent or other Person having a duty to furnish a rate of interest on any Bonds under this Indenture.

(l) Notwithstanding any other provision of this Indenture, in determining whether the rights of the Holders will be adversely affected by any action taken pursuant to the terms and provisions of this Indenture, the Trustee shall consider the effect on the Holders as if there were no Municipal Bond Insurance Policy.

SECTION 7.4 Evidence of Compliance with Conditions Precedent; Examination of Evidence; Evidence of Rights of Holders. The Administrator will furnish, or will cause to be furnished, to the Trustee any evidence of compliance with the conditions precedent, if any,

provided in this Indenture (including any covenants compliance with which constitutes a condition precedent) which relate to any action to be taken by the Trustee at the request or upon the application of the Issuing Authority or the Administrator. The Trustee shall examine such evidence and any evidence furnished to it pursuant to any other provisions of this Indenture to determine whether or not such evidence conforms to the requirements of this Indenture.

Any request, consent or other instrument required by this Indenture to be signed and executed by Holders may be in any number of concurrent writings of substantially similar tenor and may be signed or executed by such Holders in person or by agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, or of the ownership of Bonds, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee, the Issuing Authority and the Administrator if made in the following manner:

(a) The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such request, consent or other instrument or writing acknowledged to him the execution thereof.

(b) The ownership of Bonds shall be proved by the registry maintained by the Trustee pursuant to Section 2.6 hereof. The fact and the date of execution of any request, consent or other instrument and the amount and distinguishing numbers of Bonds held by the person so executing such request, consent or other instrument may also be proved in any other manner which the Trustee may deem sufficient. The Trustee may nevertheless, in its discretion, require further proof in cases where it may deem further proof desirable.

Any request, consent or vote of the Holder of any Bond shall bind every future Holder of the same Bond and the Holder of any Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee, the Issuing Authority or the Administrator in pursuance of such request, consent or vote.

In determining whether the Holders of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned by the Issuing Authority, the Administrator or by any other direct or indirect obligor on the Bonds, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Administrator or any other direct or indirect obligor on the Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination, *provided that*, for the purpose of determining whether the Trustee shall be protected in relying on any such demand, request, direction, consent or waiver, only Bonds which the Trustee knows to be so owned shall be disregarded. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this paragraph if the pledgees shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Administrator or any other direct or indirect obligor on the Bonds. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall provide full protection to the Trustee.

SECTION 7.5 Proofs of Claims and Other Papers and Documents. The Trustee may file such proofs of claims and other papers or documents as may be necessary or advisable in order to have claims of the Trustee and of the Holders of the Bonds allowed in any judicial proceedings relative to the Bonds and the security therefor.

SECTION 7.6 Dealing with the Administrator. The Trustee and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds, and may join in any action which any Holder of an Bond may be entitled to take, with like effect as if the Trustee were not the Trustee under this Indenture. The Trustee may in good faith hold any other form of indebtedness of the Administrator, own, accept or negotiate any drafts, bills of exchange, acceptances or obligations of the State, the Issuing Authority, the Administrator, and make disbursements for the State, the Issuing Authority or the Administrator and enter into any commercial or business arrangement therewith, including, without limitation, acting as Servicer and/or Seller of Financed Student Loans under the Program. The Trustee may act as depository for, and permit any of its officers or directors to act as a member of, or act in any other capacity in respect to, any committee formed to protect the rights of the Holders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or of this Indenture. Notwithstanding the foregoing, the Trustee shall not be responsible for servicing any Financed Student Loans unless the Trustee, acting at its sole discretion, elects to enter into a Servicing Agreement with the Administrator.

SECTION 7.7 Fees and Reimbursements of Trustee. The Issuing Authority shall promptly pay, or cause the Administrator to promptly pay, to the Trustee from time to time, but solely from the Pledged Receipts, customary compensation for all services rendered by it hereunder, and also all its reasonable expenses, charges, and other disbursements and those of its attorneys, agents, and employees incurred in and about the administration and execution of the trusts hereby created. For purposes hereof, fees for ordinary services provided for by its applicable standard fee schedules with respect to such services, in the absence of a written agreement between the Administrator and the Trustee with respect to its compensation for ordinary services rendered hereunder, shall be deemed to be customary. As security for such payment, each of the Issuing Authority and the Eligible Lender Trustee in the granting clauses hereof has pledged, and granted unto the Trustee a security interest in, the Pledged Receipts, prior to any rights of the Holders; *provided, however, that* so long as no Event of Default under Section 8.1(1) hereof exists, such pledge and security interest shall secure payment of the fees and expenses of the Trustee incurred hereunder in an amount not to exceed in any one calendar year $100,000; provided further, however, that if an Event of Default under Section 8.1(1) exists, such pledge and security interest shall secure payment of the fees and expenses of the Trustee incurred hereunder without limitation as to amount so long as such Event of Default continues to exist.

SECTION 7.8 Fees and Reimbursements of Eligible Lender Trustee. The Issuing Authority shall promptly pay, or cause the Administrator to promptly pay, to the Eligible Lender Trustee from time to time customary compensation for all services rendered by it under this Indenture and each Supplemental Indenture hereto and under the Eligible Lender Trust Agreement, and also all of its respective reasonable expenses, charges and other disbursements and those of its attorneys, agents and employees incurred relating to the administration and execution of the trusts created by this Indenture and further trusts created by any Supplemental Indenture. For purposes hereof, fees for ordinary services provided for by its standard fee schedules with respect to such services, in the absence of a written agreement between the Issuing Authority, or the Administrator on behalf of the Issuing Authority, and the Eligible Lender Trustee or with respect to its compensation for ordinary services rendered hereunder and under the Eligible Lender Trust Agreement shall be deemed to be customary. As security for such payment, the Eligible Lender Trustee and the Administrator in the granting clauses hereof has pledged and granted unto the Trustee for the fees and expenses of the Eligible Lender Trustee hereunder and under any Supplemental Indenture and under the Eligible Lender Trust Agreement a security interest in the Pledged Receipts hereunder, prior to any rights of the Holders of Bonds or; provided, however, so long as no Event of Default hereunder exists, such pledge and security interest shall secure payment of such fees and expenses of the Eligible Lender Trustee incurred with respect to this Indenture and any Supplemental Indenture hereto in

an amount not to exceed in any one calendar year $100,000; *provided further, however, that* if an Event of Default hereunder exists, such pledge and security interest shall secure payment of such fees and expenses, without limitation as to amount, of the Eligible Lender Trustee so long as such Event of Default continues to exist.

SECTION 7.9 Covenants of Trustee Pursuant to Higher Education Act. The Trustee hereby represents, covenants and agrees as follows:

1. The Trustee is an eligible lender under the Higher Education Act and so long as any of the Bonds remain Outstanding and any Financed Federal Student Loans are held by the Trustee under this Indenture, the Trustee will remain an eligible lender.

2. The Trustee will not exercise any of the rights, duties or privileges under this Indenture (particularly those enumerated in Article V, Article VII or Article VIII hereof) in such manner as would cause any Financed Federal Student Loans to be sold, transferred, assigned or pledged as security to any person or entity other than an eligible lender so long as the Higher Education Act prohibits such sale, transfer, assignment or pledge.

3. The Trustee will comply with the Higher Education Act, and will execute such Supplemental Indentures in accordance with Section 9.1(6) hereof as may from time to time be required in order for this Indenture, as amended by any such Supplemental Indenture, to be operative in a manner consistent with amendments made to the Higher Education Act.

4. Prior to the Financing of any Student Loan, the Trustee shall have received the certificates and other documents required by Section 5.3 hereof.

The Trustee and the Administrator hereby acknowledge their understanding that the Trustee has special contractual obligations to the Secretary of Education which must be maintained and preserved in order for the Trustee to remain an eligible lender under the Higher Education Act, and the Trustee specifically recognizes its obligations thereunder and in particular such obligations during the administration of the trust created hereby.

SECTION 7.10 Statements by Trustee of Funds and Accounts and Other Matters. Within twenty (20) days following the end of each calendar month, the Trustee shall furnish to the Administrator a statement setting forth (to the extent applicable) with respect to such calendar month (a) the Balances held by the Trustee at the end of such month to the credit of each Fund, Account and Subaccount, (b) the principal amount of Bonds Outstanding at the end of such calendar month and the principal amount thereof redeemed or paid by the Trustee during such calendar month and (c) any other information which the Administrator may reasonably request and which is customarily provided by trustees under trusts similar hereto.

SECTION 7.11 Additional Authenticating Agent. The Trustee may at any time, subject to the approval of the Issuing Authority or the Administrator, appoint an authenticating agent which shall be authorized to act on the Trustee's behalf and subject to its direction in the authentication and delivery of Bonds in connection with transfers, exchanges and partial redemptions of Bonds as fully to all intents and purposes as though the agent had been expressly authorized to authenticate and deliver Bonds hereunder. Any authenticating agent appointed hereunder shall be a commercial bank, trust company or other financial institution, in each case whose debt securities are rated Baa3/P-3 or higher by Moody's and BBB-/A-3 or higher by Fitch. For all purposes of this Indenture, the authentication and delivery of Bonds by

the agent appointed pursuant to this Indenture shall be deemed to be the authentication and delivery of such Bonds by the Trustee.

SECTION 7.12 Notice to Rating Agencies. The Trustee shall give written notice to any Rating Agency that then maintains a rating on the Bonds: (a) if a successor Trustee is appointed hereunder; (b) if this Indenture is amended or supplemented; (c) if a series of Bonds is converted to a Fixed Rate; (d) if all Bonds are no longer Outstanding or are defeased; (e) if any material changes are made in this Indenture; (f) if there is a change in or an addition to Servicers or Guarantors; or (g) if an Event of Default has occurred and is continuing.

SECTION 7.13 Trustee Not Liable for Acts of the Administrator; No Representations by Trustee. The Trustee shall not be responsible or have any liability for any act of the Administrator. The Trustee shall not be responsible in any manner whatsoever for the correctness of the recitals, statements and representations of the Administrator in this Indenture and any and all Supplemental Indentures or in the Bonds, all of which are made by the Administrator solely. Except with regard to the execution of the certificate of authentication set forth on each Bond and as to the authority and eligibility of the Trustee hereunder and due execution by the Trustee hereof, the Trustee makes no representation as to the validity of this Indenture or of the Bonds issued hereunder, and the Trustee shall incur no liability or responsibility in respect of any such matters.

SECTION 7.14 Trustee Not Responsible for Market Agent, Auction Agent and Broker-Dealers. The Trustee shall not be liable or responsible for the actions of or the failure to act by the Market Agent, the Auction Agent or any Broker-Dealer under this Indenture or under any Market Agent Agreement, the Auction Agent Agreement or any Broker-Dealer Agreement. The Trustee may conclusively rely upon any information required to be furnished by the Market Agent, the Auction Agent or any Broker-Dealer without undertaking any independent review or investigation of the truth or accuracy of such information.

SECTION 7.15 Indemnification of the Trustee and the Eligible Lender Trustee. The Trustee shall be under no obligation or duty to perform any act at the request of any Holder or to institute or defend any suit in respect thereof unless properly indemnified to its satisfaction as provided in Section 7.1(a) hereof, except as otherwise provided in said Section 7.1(a). The Trustee shall not be required to take notice, or be deemed to have knowledge, of any default or Event of Default hereunder and may conclusively assume that there has been no such default or Event of Default (other than an Event of Default described in Section 8.1(1) hereof) unless it shall have actual notice thereof or unless and until it shall have been specifically notified in writing of such default or Event of Default by (a) a Holder, (b) the Issuing Authority, or (c) the Administrator. The Issuing Authority, to the extent permitted by law, and Administrator each agrees to indemnify, but solely from the sources hereinafter set forth, (y) the Trustee for, and to hold it harmless against, any loss, liability, or expenses incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder and (z) the Eligible Lender Trustee for, and to hold it harmless against, any loss, liability or expenses incurred without negligence or bad faith on its part, arising out of or in connection with (i) the acceptance or administration of the trust or trusts under the Eligible Lender Trust Agreement or (ii) the exercise of performance of any of its powers or duties under this Indenture, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any or its powers or duties under the Eligible Lender Trust Agreement or hereunder; *provided, however, that* any such indemnification shall be payable solely out of the Pledged Receipts and shall not be payable out of any other moneys of the State or any moneys of the Administrator.

All expenses and obligations incurred by the Issuing Authority or the Administrator by reason of the indemnification provided for in this Section 7.15 shall be payable solely from, as appropriate, the Pledged Receipts, including, without limitation, a Series Excess Surplus Account in accordance with the provision of Section 5.6.4 hereof.

SECTION 7.16 Intervention by the Trustee. The Trustee may intervene on behalf of the Holders, and shall intervene if requested to do so in writing by the Holders of at least twenty-five percent (25%) of the aggregate principal amount of the Bonds then Outstanding, in any judicial proceeding with respect to this Indenture to which the Issuing Authority or the Administrator is a part and which in the opinion of the Trustee and its counsel has a substantial bearing on the interest of the Holders of the Bonds. The rights and obligations of the Trustee under this Section are subject to the approval of that intervention by a court of competent jurisdiction. The Trustee may, but is not required to, require that an indemnity bond satisfactory to it be provided to it in accordance with Section 7.1(a) and 7.15 hereof before it takes action under this Section.

SECTION 7.17 Survival of Certain Provisions of this Indenture. The provisions of Sections 7.1(a), 7.3, 7.4, 7.7, 7.8, 7.9 and 7.15 of this Article VII shall survive the release, discharge and satisfaction of this Indenture.

ARTICLE VIII

Defaults and Remedies

SECTION 8.1 Events of Default. The following shall constitute "Events of Default":

1. Failure in the due and punctual payment of (i) the principal of or interest on any Senior Bond when the same shall become due and payable, either at maturity or upon redemption or otherwise, or (ii) any Issuing Authority Exchange Payment when the same shall become due and payable;

2. If no Senior Bonds are Outstanding, failure in the due and punctual payment of the principal of or interest on any Subordinated Bond when the same shall become due and payable, either at maturity or upon redemption or otherwise;

3. Failure by the Issuing Authority or the Administrator in the observance and performance of any other of the covenants, conditions and agreements of the Issuing Authority or the Administrator contained in this Indenture and the continuation of such failure for a period of thirty (30) days after written notice thereof from the Trustee or from the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding;

4. The entry of a final judgment against the Issuing Authority which judgment constitutes or could result in a lien or charge upon the Revenues or the Pledged Receipts equal or superior to the lien granted hereunder, or which materially and adversely affects the ownership, control or operation of the Program, if such judgment shall not be discharged within sixty (60) days from the entry thereof, or if an appeal shall not be taken therefrom, or from the order, decree or process upon which or pursuant to which such judgment was granted or entered, in such manner as to conclusively set aside the execution or levy under such judgment, order, decree or process, or the enforcement thereof; and

5. The designation by an Exchange Counterparty of an early termination date under the applicable Senior Exchange Agreement if such designation results in a liability greater than the greater of (a) the amount specified in such Senior Exchange Agreement or (b) the Net Asset Balance.

Upon the occurrence of an Event of Default,

(a) in the case of an Event of Default described in clauses (1) and (2) above, so long as such Event of Default shall not have been remedied, unless the principal of all of the Bonds shall have already become due and payable, the Trustee may, with the consent of the Bond Insurer, and shall, at the direction of the Bond Insurer or upon written request of the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding or upon the designation by an Exchange Counterparty of an Early Termination Date, in each case with the consent of the Bond Insurer, by written notice to the Issuing Authority and the Administrator, declare the principal of all the Bonds then Outstanding and the interest accrued thereon to be due and payable immediately, and upon any such declaration the same shall, without further action, become and be immediately due and payable, anything contained in this Indenture or in any of the Bonds to the contrary notwithstanding; or

(b) in the case of an Event of Default described in clauses (3) and (4) above, so long as such Event of Default shall not have been remedied, unless the principal of all of the Bonds shall have already become due and payable, the Trustee may, with the written consent of the

Bond Insurer, and upon written request of the Holders of not less than one hundred percent (100%) in the case of an Event of Default under clause (3) and twenty-five percent (25%) in the case of an Event of Default under clause (4) in aggregate principal amount of the Bonds then Outstanding and with the written consent of the Bond Insurer, the Trustee shall, by written notice to the Issuing Authority and the Administrator, declare the principal of all the Bonds then Outstanding and the interest accrued thereon to be due and payable immediately, and upon any such declaration the same shall become and be immediately due and payable, anything contained in this Indenture or in any of the Bonds to the contrary notwithstanding (subject to the paragraph immediately following paragraph (c) below of this Section 8.1); or

(c) in the case of an occurrence of an Event of Default described in clause (5) above, so long as such Event of Default shall not have been remedied, unless the principal of all of the Bonds shall have already become due and payable (i) the Trustee may, with the written consent of the Bond Insurer, but shall not be obligated to, and (ii) upon written request of the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding and with the written consent of the Bond Insurer, the Trustee shall, by written notice to the Issuing Authority and the Administrator, declare the principal of all the then Outstanding Bonds and all interest accrued thereon to be due and payable immediately.

The right of the Trustee to make any such declaration as aforesaid, however, is subject to the condition that if, at any time after such declaration, but before any judgment or decree for the payment of moneys due shall have been obtained or entered unless the same has been discharged, all overdue installments of interest upon the Bonds, together with the reasonable and proper charges, expenses and liabilities of the Trustee, any Exchange Counterparty and the Holders and their respective agents and attorneys and all other sums then payable by the Issuing Authority under this Indenture (except the principal of and interest accrued since the next preceding Interest Payment Date on the Bonds due and payable solely by virtue of such declaration) shall either be paid by or for the account of the Issuing Authority or provision satisfactory to the Trustee shall be made for such payment, and all defaults under the Bonds or under this Indenture (other than the payment of principal and interest due and payable solely by reason of such declaration) shall be cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, then and in every such case, the Holders of a majority in principal amount of the Bonds then Outstanding, by written notice to the Issuing Authority, the Administrator and the Trustee, may rescind such declaration with respect to the Bonds and annul such Event of Default with respect to the Bonds, or, if the Trustee shall have acted with respect to the Bonds without a direction from the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds Outstanding at the time of such request and if there shall not have been theretofore delivered to the Trustee written direction to the contrary by the Holders of in excess of fifty percent (50%) in aggregate principal amount of the Bonds then Outstanding, then the Trustee may, by written notice to the Issuing Authority and the Administrator, annul such declaration and any such default with respect to the Bonds and its consequences shall be annulled; *provided that* no such rescission and annulment shall extend to or affect any subsequent Event of Default or impair or exhaust any right or power consequent thereon.

If the Trustee is required to declare the principal of all of the Bonds then Outstanding and the interest accrued thereon to be due and payable immediately upon the designation by an Exchange Counterparty of an early termination date, the date of such declaration of acceleration shall be such early termination date. Upon any declaration of acceleration of the Bonds hereunder, the Trustee shall give notice of such declaration and its consequences to Holders and to any Exchange Counterparty in the manner set forth in Section 4.1 hereof with respect to notice of redemption of Bonds, to the extent the provisions of such sections may reasonably be made applicable. Notice of such acceleration having been given as aforesaid, anything contained in this Indenture or in the Bonds to the contrary

notwithstanding, interest shall cease to accrue on the Bonds from and after the date set forth in such notice (which shall be not more than five (5) days from the date of such declaration).

Notwithstanding the foregoing, with respect to any Event of Default described in clause (2), so long as the Municipal Bond Insurance Policy is in effect and the Bond Insurer is not in default thereunder, the Trustee shall not make any declaration of acceleration of the principal of the Bonds or of Early Termination pursuant to this Section 8.1 unless there are sufficient moneys in the Funds and Accounts pledged hereunder (i) to make payment of the Outstanding principal of and interest and any redemption premium on the Bonds or the Bond Insurer has agreed to deposit funds with the Trustee on the date of such acceleration so that such payment can be made and (ii) to make any Early Termination Payment that thereby becomes due and payable.

Any right of an Exchange Counterparty (whether as to request, consent or otherwise) under this Section 8.1 shall be exercisable by the Exchange Counterparty only if the Exchange Counterparty is not in default of its obligations under its respective Senior Exchange Agreement, all obligations of the parties under such Senior Exchange Agreement have not been satisfied and such Senior Exchange Agreement has not been terminated.

SECTION 8.2 Inspection of Books and Records. The Administrator covenants that if an Event of Default shall have happened and shall not have been remedied, the books of record and account of the Administrator and the Servicers relating to the Program shall at all times, at reasonable hours and under reasonable circumstances, be subject to the inspection and use of the Trustee, the Issuing Authority, the Bond Insurer and any Holder of at least ten percent (10%) of the aggregate principal amount of Bonds then Outstanding and of their respective agents and attorneys.

The Issuing Authority and the Administrator covenant that if an Event of Default shall have happened and shall not have been remedied, the Issuing Authority and the Administrator will continue to account, as a trustee of an express trust, for all moneys, securities and property pledged under this Indenture.

SECTION 8.3 Application of Moneys. In the event that an Event of Default shall have occurred and be continuing and at any time the moneys held by the Trustee shall be insufficient for the payment of the principal of and interest then due on the Bonds or for the payment of any Issuing Authority Exchange Payment, such moneys (other than moneys held for the payment or redemption of particular Bonds, which proceeds and moneys shall be applied solely to the payment of principal and interest to Holders other than the Administrator) and all Revenues received or collected from the Pledged Receipts or otherwise for the benefit or for the account of Holders and/or an Exchange Counterparty by the Trustee shall be applied first to the payment of (i) the costs and expenses of the proceedings resulting in the collection of such moneys, (ii) the expenses, liabilities and advances incurred or made by the Trustee in connection with such proceedings, (iii) the premium due or to become due on the Municipal Bond Insurance Policy, (iv) the other reasonable and proper Administrative Expenses under this Indenture and (v) such other expenses as are necessary in the judgment of the Trustee to prevent loss of Revenues and to protect the interests of the Holders and/or each Exchange Counterparty, and thereafter as follows:

1. Unless the principal of all of the Bonds shall have become or has been declared due and payable,

First, to the payment to the Persons entitled thereto of the principal due and unpaid on the Senior Bonds at the time of such payment without preference or priority of any

Senior Bonds over any other Senior Bonds, ratably, according to the amounts due for principal, to the Persons entitled thereto without any discrimination or preference;

Second, to the payment to the Persons entitled thereto of all installments of interest then due on the Senior Bonds (including any interest on overdue principal at the Interest Rates borne by the respective Senior Bonds) and to each Exchange Counterparty of all Issuing Authority Exchange Payments then due, in the order that such installments of interest and/or Issuing Authority Exchange Payments shall have become due, and, if the amounts available shall not be sufficient to pay in full all installments of interest and/or Issuing Authority Exchange Payments coming due on the same date, then to the payment thereof ratably, according to the amount due thereon, to the Persons entitled thereto, without any discrimination or preference;

Third, to the payment to the Persons entitled thereto of the principal due and unpaid on the Subordinated Bonds at the time of such payment without preference or priority of any Subordinated Bonds over any other Subordinated Bonds, ratably, according to the amounts due for principal, to the Persons entitled thereto without any discrimination or preference; and

Fourth, to the payment to the Persons entitled thereto of all installments of interest then due on the Subordinated Bonds (including any interest on overdue principal at the rate borne by the respective Subordinated Bonds), in the order that such installments of interest shall have become due, and, if the amounts available shall not be sufficient to pay in full all installments of interest coming due on the same date, then to the payment thereof ratably, according to the amount due thereon, to the Persons entitled thereto, without any discrimination or preference.

2. If the principal of all of the Bonds shall have become or have been declared due and payable,

First, to the payment of the principal and interest then due and unpaid on the Senior Bonds and all Issuing Authority Exchange Payments then due, without preference or priority of principal over interest or over any Issuing Authority Exchange Payment, or of interest over principal or over any Issuing Authority Exchange Payment, or of any installment of interest over any other installment of interest, or of any Senior Bond over any other Senior Bond, or of any Issuing Authority Exchange Payment over any other Issuing Authority Exchange Payment or over principal or interest, ratably, according to the amounts due respectively for principal and interest and all Issuing Authority Exchange Payments, to the Persons entitled thereto without any discrimination or preference; and

Second, to the payment of the principal and interest then due and unpaid on the Subordinated Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Subordinated Bond over any other Subordinated Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference.

Whenever moneys are to be applied pursuant to the foregoing paragraphs, such moneys shall be applied at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall exercise such discretion, it shall fix the date upon which application is to be made, and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue on the Bonds. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date and shall not be required to make payment to the Holder of any unpaid Bond unless such Bond is presented for appropriate endorsement.

Whenever moneys are to be applied pursuant to the foregoing paragraphs, irrespective of and whether other remedies authorized shall have been pursued in whole or in part, the Trustee may cause any or all of the Pledged Receipts to be sold. The Trustee may, with or without entry, so sell the Pledged Receipts and all right, title, interest, claim and demand thereto and the right of redemption thereof, in one or more parts, at any such place or places, and at such time or times and upon such notice and terms as the Trustee may deem appropriate and as may be required by law and apply the proceeds thereof in accordance with the provisions of this Section 8.3. Upon such sale the Trustee may make and deliver to the purchaser or purchasers a good and sufficient assignment or conveyance for the same, which sale shall be a perpetual bar both at law and in equity against the Issuing Authority, the Administrator and all Persons claiming such properties. No purchaser at any sale shall be bound to see to the application of the purchase money or to inquire as to the authorization, necessity, expediency or regularity of any such sale. Nevertheless, the Issuing Authority, the Administrator and/or the Eligible Lender Trustee, if so requested by the Trustee, shall ratify and confirm any sale or sales by executing and delivering to the Trustee or to such purchaser or purchasers all such instruments as may be necessary or in the judgment of the Trustee and/or the Eligible Lender Trustee proper for the purpose which may be designated in such request.

The Trustee shall not sell or permit the sale or assignment of any Financed Federal Student Loans or any interest therein (as a part of the Pledged Receipts) to any Person who is not an eligible lender under the Higher Education Act if such Act or the regulations thereunder, or either of them, in force and effect at the time, prohibit the same.

If and whenever all overdue installments of interest on all Bonds, and all overdue Issuing Authority Exchange Payments, together with the reasonable and proper charges, expenses and liabilities of the Trustee, each Exchange Counterparty, the Holders of Bonds, their respective agents and attorneys, and all other sums payable by the Issuing Authority under this Indenture, including the principal of and accrued and unpaid interest on all Bonds and amounts due under each Senior Exchange Agreement which shall then be payable by declaration or otherwise, shall either be paid in full by or for the account of the Issuing Authority or provision satisfactory to the Trustee shall be made for such payment, and all Events of Default under this Indenture or the Bonds shall be made good or secured to the satisfaction of the Trustee and the Bond Insurer or provision deemed by the Trustee and the Bond Insurer to be adequate shall be made therefor, thereupon the Issuing Authority and the Trustee shall be restored, respectively, to their former positions and rights under this Indenture, and all Revenues shall thereafter be applied as provided in Article V hereof. No such resumption of the application of Revenues as provided in Article V hereof shall extend to or affect any subsequent Event of Default under this Indenture or impair any right consequent thereon.

SECTION 8.4 Suits at Law or in Equity; Direction of Action by Holders. If an Event of Default shall happen and shall not have been remedied, then and in every such case, the Trustee, with the written consent of the Bond Insurer, either in its own name or as trustee of an express trust, or as attorney-in-fact for the Holders and/or each such Exchange Counterparty or in any one or more of such capacities by its agents and attorneys, shall be entitled and empowered to proceed forthwith to institute such suits, actions and proceedings at law or in equity for the collection of all sums due in connection with the Bonds and any Issuing Authority Exchange Payment and to protect and enforce its rights and the rights of the Holders and each Exchange Counterparty under this Indenture for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted, or for an accounting as trustee of any express trust, or in the enforcement of any legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights, or to perform any of its duties under this Indenture. The Trustee shall be entitled and empowered either in its own name or as a trustee of an express trust, or as attorney-in-fact for the Holders and/or each such Exchange Counterparty, or in any one or more of such capacities, to file such proof of debt,

claim, petition or other document as may be necessary or advisable in order to have the claims of the Trustee, the Holders and any Exchange Counterparty allowed in any proceeding whether at law or in equity. For this purpose, subject to the provisions of Section 8.10 hereof, the Trustee is hereby irrevocably appointed the true and lawful attorney-in-fact of the respective Holders and any Exchange Counterparty (and the successive Holders by taking and holding the same shall be conclusively deemed to have so appointed the Trustee) with authority to make and file in the respective names of the Holders and any Exchange Counterparty any such proof of debt, amendment of proof of debt, claim, petition or other document in any such proceedings, and to receive payment of any sums becoming distributable on account thereof, and to execute any such other papers and documents and to do and perform any and all acts and things for and on behalf of the Holders and any Exchange Counterparty as may be necessary or advisable in the opinion of the Trustee in order to have the respective claims of the Trustee, the Holders and any Exchange Counterparty allowed in any such proceedings and to receive payment of and on account of such claims.

All rights of action under this Indenture may be enforced by the Trustee without the possession of any of the Bonds or any of the Senior Exchange Agreements or the production thereof in any suit, action or other proceeding.

The Trustee, at the written request of the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding, and upon being furnished with reasonable security and indemnity, shall take such steps and institute such suits, actions or proceedings for the protection and enforcement of the rights of any Exchange Counterparty or the Holders of Bonds, as the case may be, to collect any amount due and owing from the Issuing Authority or by injunction or other appropriate proceeding in law or in equity to obtain other appropriate relief.

In case the Trustee shall have proceeded to enforce any right or remedy under this Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case the Issuing Authority and the Trustee shall be restored to their former positions and rights hereunder with respect to the Pledged Receipts (subject, however, to such determination), and all rights, remedies and powers of the Trustee shall continue as if no such proceedings have been taken.

SECTION 8.5 Suits by Individual Holders or an Exchange Counterparty. Except as otherwise specifically provided in this Section 8.5, no Holder or Exchange Counterparty shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of any provision of, or the execution of any trust or for any remedy under, this Indenture unless (i) such Holder or Exchange Counterparty, as the case may be, previously shall have given to the Trustee notice of the Event of Default on account of which such suit, action or proceeding is to be instituted, (ii) with respect to any Exchange Counterparty, such Exchange Counterparty is not in default of its obligations under its respective Senior Exchange Agreement, all obligations of all the parties under such Agreement have not been satisfied and such Senior Exchange Agreement has not been terminated, (iii) the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding shall have filed a written request with the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued that such suit, action or proceeding be instituted, (iv) the Bond Insurer, so long as the Municipal Bond Insurance Policy is in full force and effect, shall have consented in writing to the written request described in the immediately preceding clause (iii), (v) there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liability to be incurred therein or thereby, (vi) the Trustee for a period of thirty (30) days after the receipt by it of such notice, request and offer of indemnity shall have failed to proceed to exercise such powers or to institute any such action, suit or proceeding, or the Trustee shall at any time after such receipt have stated in writing that it shall not so proceed, and (vii) no

direction inconsistent with such written request shall have been given to the Trustee pursuant to Section 8.4 hereof; it being understood and intended that, except as otherwise above provided, neither an Exchange Counterparty nor one or more Holders shall have any right in any manner whatsoever by its or their action to affect, disturb or prejudice the pledge created by this Indenture, or to enforce any right under this Indenture except in the manner herein provided and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided for the benefit of Holders, the Bond Insurer and each Exchange Counterparty. Nothing in this Indenture shall, however, affect or impair the right of any Holder, if the Bond Insurer consents to such enforcement, to enforce the payment of the principal of and interest on any Bond at and after the maturity thereof at the time, place, from the source and in the manner provided herein.

Notwithstanding any other provision of this Indenture, the right of any Holder of any Bond to receive payment of the principal of and interest on such Bond, on or after the respective due dates expressed in such Bond, or the right of any Exchange Counterparty to receive payment of any Issuing Authority Exchange Payment, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder or Exchange Counterparty, as the case may be, and the Bond Insurer.

SECTION 8.6 Remedies Not Exclusive. No remedy by the terms of this Indenture conferred upon or reserved to the Trustee, the Holders or an Exchange Counterparty is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Indenture or existing at law or in equity or by statute on or after the date of adoption of this Indenture.

SECTION 8.7 Waivers of Default. No delay or omission of the Trustee, any Exchange Counterparty or any Holder to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such Event of Default or to be an acquiescence therein and every power and remedy given by this Article VIII to the Trustee, any Exchange Counterparty or the Holders may be exercised from time to time and as often as may be deemed necessary by the Trustee, any Exchange Counterparty or such Holders. No waiver of any Event of Default hereunder, whether by the Trustee, any Exchange Counterparty or any Holder, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

Prior to a declaration accelerating the maturity of the Bonds as provided in Section 8.1 hereof, the Holders of not less than two-thirds (2/3) in principal amount of the Bonds at the time Outstanding and each Exchange Counterparty (so long as such Exchange Counterparty is not in default of its obligations under its respective Senior Exchange Agreement and such Senior Exchange Agreement has not been terminated), or their attorneys-in-fact duly authorized, with the prior written consent of the Bond Insurer, may on behalf of the Holders of all of the Bonds and each such Exchange Counterparty, respectively, waive any past failure under this Indenture and its consequences with respect to the Bonds, except a failure in payment of the principal of or interest on any of the Bonds. The Trustee shall, upon the written request of an Exchange Counterparty, waive any failure in the payment of an Issuing Authority Exchange Payment to such Exchange Counterparty. No such waiver shall extend to any subsequent or other failure or impair any right consequent thereon.

SECTION 8.8 Notice of Events of Default. The Trustee shall, within thirty (30) days after the Trustee becomes aware of the occurrence of an Event of Default, give notice to each Exchange Counterparty, the Bond Insurer, the Senior Exchange Agreement Insurer [2004] and all Holders by registered mail of all Events of Default known to the Trustee, unless such Event of Default shall have been cured before the giving of such notice.

SECTION 8.9 Survival of Provisions of Article VIII. The provisions of this Article VIII shall survive the release, discharge and satisfaction of this Indenture.

SECTION 8.10 Consent of the Bond Insurer Upon Default.. Anything in this Indenture to contrary notwithstanding, upon the occurrence and continuance of an Event of Default so long as the Municipal Bond Insurance Policy is in effect, the Bond Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the Bondholders or the Trustee for the benefit of the Bondholders under this Indenture, including, without limitation: (i) the right to accelerate the principal of the Bonds as described in this Indenture and (ii) the right to annul any declaration of acceleration, and the Bond Insurer shall also be entitled to approve all waivers of Events of Default.

ARTICLE IX

Amending and Supplementing of Indenture

SECTION 9.1 Amending and Supplementing of Indenture Without Consent of Holders. The Issuing Authority, the Administrator, the Eligible Lender Trustee and the Trustee, with the written consent of the Bond Insurer, from time to time and at any time and without the consent or concurrence of any Holder, may execute a Supplemental Indenture for any one or more of the following purposes:

(1) To make any changes or corrections in this Indenture as are required for the purpose of curing or correcting any ambiguity or defective or inconsistent provision or omission or mistake or manifest error contained in this Indenture or to insert in this Indenture such provisions clarifying matters or questions arising under this Indenture as are necessary or desirable;

(2) To add additional covenants and agreements of the Issuing Authority or the Administrator for the purpose of further securing the payment of the Bonds;

(3) To surrender any right, power or privilege reserved to or conferred upon the Issuing Authority or the Administrator by the terms of this Indenture;

(4) To confirm as further assurance any lien, pledge, security interest, assignment or charge, or the subjection to any lien, pledge, security interest, assignment or charge, created or to be created by the provisions of this Indenture;

(5) To grant to or confer upon the Holders any additional rights, remedies, powers, authority or security that lawfully may be granted to or conferred upon them, or to grant to or to confer upon the Trustee for the benefit of the Holders or an Exchange Counterparty any additional rights, duties, remedies, powers or authority;

(6) To make such amendments to this Indenture as are required or appropriate in order to permit the Trustee fully to comply with the Higher Education Act or as are required or appropriate in order for this Indenture, as amended by such Supplemental Indenture, not to be contrary to the terms of the Higher Education Act;

(7) To make such amendments to this Indenture as may be necessary or convenient to provide for issuance of the Bonds in coupon form or issuance and registration of the Bonds in Book-Entry Form and to provide for other related provisions of the Bonds; *provided, however*, that the Issuing Authority and the Trustee shall have received an opinion of Bond Counsel to the effect that issuance of the Bonds in coupon form or Book-Entry Form, respectively, complies with all applicable laws and, with respect to the Bonds, will not, of itself, cause interest on any of the Bonds to be subject to federal income taxation;

(8) To modify, alter, amend or supplement the provisions set forth herein or in Annex A-2001 relating to the calculation of a Variable Rate or the determination of a Fixed Rate on any Rate Adjustment Date; *provided, however, that* (a) such modification, alteration, amendment or supplement shall otherwise satisfy the conditions of Section 4.3 of Annex A-2001 and (b) notice of such modification, alteration, amendment or supplement shall be given to the Holders of the Bond or Bonds, as applicable, at least thirty (30) days prior to the effective date of such modification, alteration, amendment or supplement; and *provided further, that* a legend shall be typed or printed on each Bond authenticated thereafter to the effect that the Variable Rate or Fixed Rate, as the case may be, has been modified, altered, amended or supplemented as provided in such Supplemental Indenture; and *provided further, that*, in the case of the Bonds,

there has been delivered to the Issuing Authority and the Trustee an opinion of Bond Counsel to the effect that such modification, alteration, amendment or supplement will not, of itself, cause interest on any of the Bonds to be subject to federal income taxation;

(9) To modify, amend or supplement this Indenture or any indenture supplemental hereto in such manner as to permit the qualification hereof or thereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect, and, if the Issuing Authority, the Administrator and the Trustee so determine, to add to this Indenture or any indenture supplemental hereto such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute, and which shall not materially adversely affect the interests of the Holders of the Bonds;

(10) To authorize the establishment of agreements providing for the pledge of funds in excess of the amount required to pay principal of and interest on the Bonds hereunder to other indentures, and for the pledge of such funds under other indentures to this Indenture;

(11) To make any changes or modifications to this Indenture required by a Rating Agency or the Bond Insurer to maintain the outstanding rating on the Bonds; *provided, however, that,* in the case of the Bonds, there has been delivered to the Issuing Authority and the Trustee an opinion of Bond Counsel to the effect that such modification, alteration, amendment or supplement will not, of itself, cause interest on any of the Bonds to be subject to federal income taxation;

(12) To make the terms and provisions of this Indenture, including the lien and security interest granted herein, applicable to a Senior Exchange Agreement entered into after the execution and delivery of this Indenture;

(13) To make such amendments to this Indenture as may be necessary to permit the Administrator to provide for any other program relating to acquiring Student Loans on behalf of the State not presently provided for hereunder; *provided, however, that* no such amendment shall be effective unless the Issuing Authority, the Administrator and the Trustee shall have first received an opinion of Bond Counsel satisfactory to each of them, to the effect that such amendment does not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes;

(14) To provide for the issuance of one or more series of Additional Bonds and/or to make necessary or appropriate amendments or additions to this Indenture in connection with the issuance of such series of Additional Bonds, *provided that* (i) such series of Additional Bonds are issued in accordance with the General Bond Order and this Indenture and (ii) such amendments or supplements will not adversely affect the rating(s) on any series of Outstanding Bonds;

(15) To provide for the issuance of credit enhancement, including, but not limited to, a policy of bond insurance, with respect to any series of Bonds;

(16) To provide for the issuance of a Liquidity Facility while the Bonds bear interest at a Variable Rate other than an Auction Rate; or

(17) To make any other amendment which, in the judgment of the Trustee, is not to the material prejudice of the Trustee, the Holders or any Exchange Counterparty.

The Issuing Authority, the Administrator, the Eligible Lender Trustee and the Trustee, from time to time and at any time without the consent or concurrence of any Holder, may execute a Supplemental Indenture, if the Administrator determines that the provisions of

such Supplemental Indenture are necessary or desirable (i) to maximize Revenues, *provided that* the Trustee shall have first received an opinion of Bond Counsel satisfactory to each of them, to the effect that such amendment does not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes or (ii) based upon an opinion of Bond Counsel, to assure that interest paid on the Bonds (or any of them), or on any Additional Bonds the interest on which is excluded from gross income for federal income tax purposes, shall be, or to continue to be, excluded from gross income for federal income tax purposes.

SECTION 9.2 Amendment of Indenture with Consent of Holders and Exchange Counterparties. The Administrator, the Issuing Authority the Eligible Lender Trustee and the Trustee from time to time and at any time with the prior written consent of the Bond Insurer may execute a Supplemental Indenture, with the prior written consent of the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, this Indenture, or modifying or amending the rights and obligations of the Issuing Authority or the Administrator hereunder, or modifying or amending in any manner the rights of an Exchange Counterparty or the Holders of Bonds then Outstanding; *provided, however, that*, without the specific consent of the Holder of each such Bond which would be affected thereby, no Supplemental Indenture amending or supplementing the provisions hereof shall: (1) change the stated maturity date for the payment of the principal of any Bond or any date for the payment of interest thereon, or reduce the principal amount of any Bond or, except on a Rate Adjustment Date, the Interest Rate thereon; (2) reduce the aforesaid proportion of Bonds the Holders of which are required to consent to any Supplemental Indenture amending or supplementing the provisions of this Indenture; or (3) except as shall be otherwise provided herein, give to any Bond any preference over any other Bonds secured hereby; or (4) except as shall be otherwise provided herein, authorize the creation of any pledge of the Pledged Receipts prior, superior or equal to, or deprive the Holders or any Exchange Counterparty of, the pledge, lien, security interest and assignment created herein for the payment of the Bonds or any Issuing Authority Exchange Payment. Nothing in this paragraph, however, shall be construed as making necessary the approval of the Holders with respect to the execution of any Supplemental Indenture authorized by the provisions of Section 9.1 hereof.

It shall not be necessary that the consents of the Holders approve the particular form of wording of the proposed amendment or supplement or of the Supplemental Indenture effecting such amendment or supplement, but it shall be sufficient if such consents approve the substance of the proposed amendment or supplement.

SECTION 9.3 Effectiveness of Supplemental Indenture. Upon the execution pursuant to this Article IX by the Issuing Authority, the Administrator, the Eligible Lender Trustee and the Trustee of any Supplemental Indenture amending or supplementing the provisions of this Indenture or at such later date as may be specified in such Supplemental Indenture, this Indenture shall be amended or supplemented in accordance with such Supplemental Indenture.

SECTION 9.4 Supplemental Indenture Affecting Trustee. The Trustee shall not be required to execute any Supplemental Indenture changing, amending or modifying any of the rights, duties and obligations of the Trustee.

SECTION 9.5 Supplemental Indentures Affecting Certain Requirements of the Higher Education Act. No Supplemental Indenture amending the provisions of this Indenture which prohibit the transfer of, or the granting of a security interest in, Financed Federal Student Loans (or any security interest therein) to persons other than eligible lenders under the Higher Education Act shall be effective unless the Higher Education Act shall have been amended to permit such a transfer or grant.

ARTICLE X

Defeasance; Moneys Held for Payment of Defeased Bonds

SECTION 10.1 Trust Irrevocable. The trust created by this Indenture shall be irrevocable until the indebtedness secured hereby has been fully paid or provision for the payment thereof has been made as provided in this Article X.

SECTION 10.2 Discharge of Liens and Pledges; Bonds No Longer Outstanding and Deemed to Be Paid. The obligations of the Issuing Authority under this Indenture and the liens, pledges, security interests, charges, trusts, assignments, covenants and agreements of the Issuing Authority, the Administrator and the Eligible Lender Trustee, herein made or provided for, shall be fully discharged and satisfied as to any Bond or Senior Exchange Agreement, as the case may be, and such Bond shall no longer be deemed to be Outstanding hereunder:

(i) when such Bond shall have been canceled;

(ii) as to any Bond not canceled, when payment of the principal of such Bond, plus interest on such principal to the due date thereof (whether such due date is by reason of maturity or upon redemption, or otherwise), either (a) shall have been made or caused to be made in accordance with the terms thereof, or (b) shall have been provided for by an irrevocable deposit with the Trustee or the Authenticating Agent, which is irrevocably appropriated and set aside exclusively for such payment, and which is derived from a source which is not a transfer of property voidable under Sections 544 or 547 of the United States Bankruptcy Code (accompanied by an opinion of nationally recognized bankruptcy counsel to that effect) should the State be a debtor under such Code, of (1) moneys sufficient to make such payment, and/or (2) Investment Securities (which for the purpose of this Article X shall include only those obligations which are described in item (a) of the definition thereof in Section 5.10 hereof and which are not subject to call for redemption prior to maturity), maturing as to principal and interest in such amounts and at such times as will insure the availability of sufficient moneys to make such payment, the sufficiency of said moneys or Investment Securities to be verified in writing by a firm of independent certified public accountants acceptable to the Bond Insurer;

(iii) all Administrative Expenses then owed by the Issuing Authority or the Administrator, including related necessary and proper fees, compensation and expenses of the Trustee or the Authenticating Agent, if any, when they shall have been paid or the payment thereof provided for to the satisfaction of the Trustee; and

(iv) in the case of payment of any Issuing Authority Exchange Payment pursuant to Section 5.11 hereof and the applicable Senior Exchange Agreement, when payment of all Issuing Authority Exchange Payments due and payable to each Exchange Counterparty under its respective Senior Exchange Agreement has been made or duly provided for to the satisfaction of each Exchange Counterparty and each Senior Exchange Agreement has been terminated.

At such time as an Bond shall be deemed to be no longer Outstanding, hereunder, as aforesaid, such Bond shall cease to accrue interest from the due date thereof (whether such due date is by reason of maturity, or upon redemption, or otherwise), or, in the case of any Bond paid after the due date thereof, from the date of such payment or provision for payment as aforesaid, and shall no longer be secured by or entitled to the benefits of this Indenture and the Holder of such Bond thereafter shall be entitled only to payment out of such moneys or Investment Securities.

Notwithstanding the foregoing, in the case of Bonds which are to be redeemed prior to their stated maturities, no deposit under clause (b) of subparagraph (ii) above shall constitute such payment, discharge and satisfaction as aforesaid until proper notice of such redemption shall have been given in accordance with Article IV hereof or provision satisfactory to the Trustee shall have been irrevocably made for the giving of such notice.

Notwithstanding any provision of any other Section of this Indenture which may be contrary to the provisions of this Section, all moneys or Investment Securities set aside and held in trust pursuant to the provisions of this Section for the payment of Bonds (including interest thereon) shall be applied to and used solely for the payment of the particular obligations (including interest thereon) with respect to which such moneys and Investment Securities have been so set aside in trust.

Anything in Article IX hereof to the contrary notwithstanding, if moneys and/or Investment Securities have been deposited or set aside with the Trustee pursuant to this Section for the payment of Bonds and such Bonds shall be deemed to have been paid and to be no longer Outstanding hereunder as provided in this Section, but such Bonds shall not have in fact been actually paid in full, no amendment to the provisions of this Section shall be made without the consent of the Holder of each Bond affected thereby.

The Issuing Authority may at any time cause to be canceled any Bond previously executed and delivered which the Issuing Authority may have acquired in any manner whatsoever, and such Bond upon such surrender for cancellation shall be deemed to be paid and no longer Outstanding hereunder.

In no event shall the Trustee deliver over to Issuing Authority or the Administrator any Financed Federal Student Loans unless Issuing Authority or the Administrator, as the case may be, is at the time an eligible lender under the Higher Education Act, if the Higher Education Act as then in effect then requires the owner or holder of Federal Student Loans to be an eligible lender. If to be the owner or holder of Federal Student Loans, the Issuing Authority or the Administrator is required to be an eligible lender under the Higher Education Act, it shall evidence the fact that it is an eligible lender under the Higher Education Act by a written certificate to that effect delivered to the Trustee.

Notwithstanding anything herein to the contrary, (i) in the event that the principal and/or interest due on any Bonds shall be paid by the Bond Insurer pursuant to the Municipal Bond Insurance Policy, such Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Issuing Authority, and the assignment and pledge of the Pledged Receipts and all covenants, agreements and other obligations of the Issuing Authority to the registered owners shall continue to exist and shall run to the benefit of the Bond Insurer, and the Bond Insurer shall be subrogated to the rights of such registered owners until paid in full and (ii) in the event that an Issuing Authority Exchange Payment under the Senior Exchange Agreement [2004] shall be paid by the Senior Exchange Agreement Insurer [2004], the Senior Exchange Agreement [2004] shall remain outstanding for all purposes, and the Issuing Authority's obligations thereunder shall not be satisfied and not be considered paid by the Issuing Authority, and the assignment and pledge of the Pledged Receipts and all covenants, agreements and other obligations of the Issuing Authority to the Exchange Counterparty [2004] shall continue to exist and shall run to the benefit of the Senior Exchange Agreement Insurer [2004], and the Senior Exchange Agreement Insurer [2004] shall be subrogated to the rights of the Exchange Counterparty [2004] until paid in full.

SECTION 10.3 Bonds Not Presented for Payment When Due; Moneys Held for the Bonds after Due Date Thereof. Subject to the provisions of the next sentence of this Section 10.3, if any Bond shall not be presented for payment when the principal thereof shall

become due, whether at maturity or at the date fixed for the redemption thereof, or otherwise, and if moneys and/or Investment Securities shall at such due date be held by the Trustee, in trust for that purpose sufficient and available to pay the principal of such Bond, together with all interest due on such principal to the due date thereof, or to the date fixed for redemption thereof, as the case may be, all liability of the Issuing Authority for such payment shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee, to hold said moneys and/or Investment Securities without liability to the Holder of such Bond for interest thereon, in trust for the benefit of the Holder of such Bond, who thereafter shall be restricted exclusively to said moneys and/or Investment Securities for any claim of whatever nature on its part on or with respect to said Bond, including for any claim for the payment thereof; *provided, however, that* any such moneys and/or Investment Securities held by the Trustee remaining unclaimed by the Holders of such Bonds for four (4) years after the principal of the respective Bonds with respect to which such moneys and/or Investment Securities have been so set aside has become due and payable (whether at maturity or upon redemption or otherwise) shall be paid to the Issuing Authority free from the trusts created by this Indenture, and all liabilities of the Trustee with respect to such moneys and/or Investment Securities shall cease. In such event such Holders shall thereafter be deemed to be general unsecured creditors of the State for the amounts so paid to the Issuing Authority (without interest thereon), subject to any applicable statute of limitation.

ARTICLE XI

Meetings of Holders

SECTION 11.1 Purposes of Meetings. A meeting of Holders of the Bonds, or of the Holders of any series of Bonds, may be called at any time and from time to time pursuant to the provisions of this Article XI, to the extent relevant to the Holders of all of the Bonds or of the Bonds of that series, as the case may be, to take any action authorized to be taken by or on behalf of the Holders of any specified aggregate principal amount of the Bonds, or of that series, under any provision of this Indenture or authorized or permitted by law.

SECTION 11.2 Call of Meetings; Place of Meetings. The Trustee may, but is not obligated to, call at any time a meeting of Holders pursuant to this Article to be held at any reasonable time and place which the Trustee shall determine. Notice of that meeting, setting forth the time and the place of the meeting and, in general terms, the subject thereof and the action proposed to be taken, shall be mailed not fewer than fifteen (15) or nor more than ninety (90) days prior to the date determined for the meeting. That notice shall be mailed to each Holder at the close of business on the 15th day preceding the mailing of the notice at its address as it appears on the books of registry maintained by the Trustee pursuant to Section 2.6 hereof on that 15th day preceding the mailing. The date of determination of Holders for purposes of the mailing shall constitute the record date for the meeting.

At any time, the Administrator or the Holders of at least twenty-five percent (25%) in aggregate principal amount of the Outstanding Bonds, or if applicable, the affected series of Outstanding Bonds, may request the Trustee in writing to call a meeting of respective Holders. The request shall describe in general terms the subject of the meeting and the action proposed to be taken. If the Trustee shall not have mailed the notice of the meeting within twenty (20) days after receipt of the request, the Administrator or the Holders of Bonds in the amount described above, as the case may be, may determine a reasonable time and place of the meeting and may call the meeting to take any action authorized in this Article, by mailing notice thereof as provided above.

Any meetings of Holders, or the Holders of any series of Outstanding Bonds affected by a particular matter, shall be valid without notice, if

(a) the Holders of all Outstanding Bonds, or if applicable, the affected series of Outstanding Bonds, are present in person or by proxy; or notice is waived before or after the meeting by the Holders of all Outstanding Bonds, or if applicable, the affected series of Outstanding Bonds, who were not so present at the meeting; and

(b) the Administrator and the Trustee are either present by duly authorized representatives or have waived notice, before or after the meeting.

SECTION 11.3 Meetings; Regulations of the Trustee. Notwithstanding any other provisions of this Indenture, the Trustee may make any reasonable regulations which it may deem to be advisable for meetings of Holders, with regard to

(a) proof of the holding of Outstanding Bonds and of the appointment of proxies;

(b) the appointment and duties of inspectors of votes;

(c) recordation of the proceedings of those meetings;

(d) the execution, submission and examination of proxies and other evidence of the right to vote; and

(e) any other matters concerning the conduct, adjournment or reconvening of meetings which it may consider to be necessary or desirable.

The Trustee shall appoint a temporary chair of the meeting by an instrument or document in writing, unless the meeting shall have been called by the Issuing Authority, the Administrator or the Holders, in which case the Issuing Authority, the Administrator or the Holders calling the meeting, as the case may be, shall appoint a temporary chair in like manner. A permanent chair and a permanent secretary of the meeting shall be elected by vote of the Holders of a majority in principal amount of the Outstanding Bonds represented at the meeting and entitled to vote.

SECTION 11.4 Voting; Speaking at Meeting; Record of Meeting. To be entitled to vote at any meeting of Holders, a Person shall

(a) be a Holder of one or more Outstanding Bonds, or if applicable, of the affected series of Outstanding Bonds, as of the record date for the meeting as determined above; or

(b) be a person appointed in writing by an instrument or document as proxy by a Holder, as of the record date for the meeting, of one or more Outstanding Bonds or, if applicable, of the affected series of Outstanding Bonds.

The only Persons who shall be entitled to be present or to speak at any meeting of Holders shall be the Persons entitled to vote at the meeting and their counsel, any representatives of the Administrator, the Issuing Authority and their respective counsels. Each Holder or proxy shall be entitled to one vote for each $5,000 principal amount of Outstanding Bonds held or represented by it; *provided, however, that* no vote shall be cast or counted at any meeting in respect of any Bonds challenged as not Outstanding and ruled by the chair of the meeting to be not Outstanding.

The chair of the meeting shall have no right to vote other than by virtue of Bonds held by him or her or of instruments or documents described above duly designating him or her as the person entitled to vote on behalf of other Holders. Any meeting duly called pursuant to the provisions of this Article XI may be adjourned from time to time, and the meeting may be held as so adjourned without further notice.

The vote upon any resolution submitted to any meeting of Holders shall be by written ballots on which shall be subscribed the signatures of the Holders of Outstanding Bonds, or their representatives by proxy, and the identifying number or numbers of the Outstanding Bonds held or represented by them.

The permanent chair of the meeting shall appoint two inspectors of votes, who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in triplicate of all votes cast at the meeting. A record in triplicate of the proceedings of each meeting of Holders shall be prepared by the secretary of the meeting.

The original reports of the inspectors of votes on any vote by ballot taken at the meeting and the affidavits by one or more individuals having knowledge of the facts, setting forth a copy of the notice of the meeting and showing that the notice was mailed as provided herein, shall be attached to each copy of the record of the meeting prepared by the secretary.

Each copy of the record shall be signed and verified by the affidavits of the permanent chair and the secretary of the meeting. One of the triplicate copies shall be delivered to the Administrator, with a copy to the Issuing Authority, and the other to the Trustee to be preserved by the Trustee. The copy delivered to the Trustee shall have attached thereto the ballots voted at the meeting.

Any record signed and verified as described above shall be conclusive evidence of the matters therein stated.

SECTION 11.5 Miscellaneous. Nothing contained in this Article XI shall be deemed or construed to authorize or permit any hindrance or delay in the exercise of any right, remedy or power conferred upon or reserved to the Trustee or to the Holders under any of the provisions of this Indenture or of any series of Bonds by reason of any call of a meeting of Holders or any right, remedy or power conferred expressly or impliedly hereunder to make a call of a meeting.

ARTICLE XII

Miscellaneous

SECTION 12.1 Benefits of Indenture Limited to Issuing Authority, Administrator, Eligible Lender Trustee, Trustee, the Bond Insurer, Exchange Counterparty and Holders. With the exception of rights or benefits herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to confer upon or give to any Person other than the Issuing Authority, the Administrator, the Eligible Lender Trustee, the Trustee, the Bond Insurer, any Exchange Counterparty and the Holders, any legal or equitable right, remedy or claim under or by reason of or in respect to this Indenture or any covenant, condition, stipulation, promise, agreement or provision contained herein and all of the covenants, conditions, stipulations, promises, agreements and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the Issuing Authority, the Administrator, the Eligible Lender Trustee, the Trustee, the Bond Insurer, any Exchange Counterparty and the Holders from time to time of the Bonds as herein and therein provided.

SECTION 12.2 Bond Insurer as Third Party Beneficiary. To the extent that this Indenture confers upon or gives or grants to the Bond Insurer any right, remedy or claim under or by reason of this Indenture, the Bond Insurer is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

SECTION 12.3 Effect of Legal Holidays. Whenever this Indenture requires any action to be taken on a day which is not a Business Day, such action shall be taken on the next succeeding Business Day with the same force and effect as if taken on such day.

SECTION 12.4 Partial Invalidity. If any one or more of the covenants or agreements or portion thereof provided in this Indenture on the part of the Issuing Authority, the Administrator, the Eligible Lender Trustee or the Trustee to be performed should be determined by a court of competent jurisdiction to be contrary to law, then such covenant or covenants, or such agreement or agreements, or such portions thereof, shall be deemed severable from the remaining covenants and agreements provided in this Indenture and the invalidity thereof shall in no way affect the validity of the other provisions of this Indenture or of the Bonds, and the Holders shall retain all the rights and benefits accorded to them hereunder and under any applicable provisions of law.

SECTION 12.5 Notices. Except as otherwise expressly provided herein, any notice to or demand upon the Issuing Authority may be served or presented, and such demand may be made, at the office of the Issuing Authority in Columbus, Ohio, at 30 East Broad Street, 9th Floor, Columbus, Ohio 43266-0421, Attention: Deputy State Treasurer, telecopier number: (614) 644-7313, or at such other address or number as may have been filed in writing by the Issuing Authority with the Trustee, the Administrator and the Eligible Lender Trustee.

Except as otherwise expressly provided herein, any notice to or demand upon the Trustee may be served or presented, and such demand may be made, at the principal corporate trust office of the Trustee in Cincinnati, Ohio, at 425 Walnut Street, CN-OH-W6CT, Cincinnati, Ohio 45202, Attention: Corporate Trust Services, telecopier number: (513) 632-5511, or at such other address or number as may have been filed in writing by the Trustee with the Issuing Authority, the Administrator and the Eligible Lender Trustee.

Except as otherwise expressly provided herein, any notice to or demand upon the Eligible Lender Trustee may be served or presented, and such demand may be made, at the

principal corporate trust office of the Eligible Lender Trustee in Cincinnati, Ohio, at 425 Walnut Street, CN-OH-W6CT, Cincinnati, Ohio 45202, Attention: Corporate Trust Services, telecopier number: (513) 632-5511, or at such other address or number as may have been filed in writing by the Eligible Lender Trustee with the Administrator, the Issuing Authority and the Trustee.

Except as otherwise expressly provided herein, any notice to or demand upon the Administrator may be served or presented, and such demand may be made, to KnowledgeWorks Foundation, 700 Walnut Street, Suite 600, Cincinnati, Ohio 45202, Attention: President & CEO, telecopier: (513) 929-1122 or to the Administrator at such other address or number as may have been filed in writing by the Administrator with the Trustee, the Issuing Authority and the Eligible Lender Trustee.

Copies of any notices delivered to the Trustee, the Issuing Authority, the Holders (except for any notice of redemption) or the Administrator shall be delivered by the Trustee or the Administrator to each Exchange Counterparty at the address filed in writing by each such Exchange Counterparty with the Trustee. Any notice required to be in writing shall be deemed to be in writing if given by telex, telecopier or other method which produces a written record.

SECTION 12.6 Law and Place of Enforcement of Indenture. This Indenture shall be construed and interpreted in accordance with the laws of the State and all suits and actions arising out of this Indenture shall be instituted in a court of competent jurisdiction in the State.

SECTION 12.7 No Recourse Against Issuing Authority, Deputies of Issuing Authority or Employees of the Issuing Authority, or against the Trustees, Officers or Employees of the Administrator. All representations, covenants and obligations of (i) the Issuing Authority or any deputy thereof or employee thereof or (ii) the trustees, officers or employees of the Administrator shall be treated as representations, covenants and obligations of the Issuing Authority or any deputy thereof or employee thereof, or the Administrator, respectively, not made in such person's individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based on that payment or on this Indenture against any such person or any person executing the Bonds on behalf of the Issuing Authority; but nothing herein contained shall relieve the Issuing Authority, or any deputies or employees thereof, or the trustees, officers or employees of the Administrator from the performance of any official duty provided by law or by this Indenture.

SECTION 12.8 Effect of Article and Section Headings and Table of Contents. The heading or titles of the several Articles and Sections hereof, and any table of contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning or construction, interpretation or effect of this Indenture.

SECTION 12.9 Suspension of Mail. If because of the suspension of delivery of first class mail or, for any other reason, the Trustee shall be unable to mail by the required class of mail any notice, request, complaint, demand or other instrument or document required to be mailed hereby, the Trustee shall give it in any other manner which shall approximate most effectively the mailing thereof in accordance herewith in the judgment of the Trustee. The giving of that notice, request, complaint, demand or other instrument or document in that manner shall be deemed for all purposes of this Indenture to be in compliance with the requirement for the mailing thereof. Except as provided otherwise herein, the mailing of any notice, request, complaint, demand or other instrument or document shall be deemed to be complete upon deposit thereof in the mail, and the giving thereof by any other means of delivery shall be deemed to be complete upon receipt thereof by the delivery service.

SECTION 12.10 Execution of Counterparts. This Indenture may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same document. It shall not be necessary in proving this Indenture to produce or account for more than one of those counterparts.

IN WITNESS WHEREOF, the Treasurer of the State of Ohio, as the Issuing Authority, has signed this Indenture in such capacity; KnowledgeWorks Foundation, as the Administrator, has caused this Indenture to be signed in its name and on its behalf by one of its officers thereunto duly authorized; U.S. Bank National Association, as Eligible Lender Trustee, has caused this Indenture to be signed in its name and on its behalf by one of its officers thereunto duly authorized; and U.S. Bank National Association, to evidence its acceptance of the trusts hereby created, has caused this Indenture to be signed in its name and on its behalf by one of its officers thereunto duly authorized, all as of the date first above written.

Treasurer of State of Ohio, as the Issuing Authority

KNOWLEDGEWORKS FOUNDATION,
as Administrator

By _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION,
as Eligible Lender Trustee

By _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By _____
Title: _____

IN WITNESS WHEREOF, the Treasurer of the State of Ohio, as the Issuing Authority, has signed this Indenture in such capacity; KnowledgeWorks Foundation, as the Administrator, has caused this Indenture to be signed in its name and on its behalf by one of its officers thereunto duly authorized; U.S. Bank National Association, as Eligible Lender Trustee, has caused this Indenture to be signed in its name and on its behalf by one of its officers thereunto duly authorized; and U.S. Bank National Association, to evidence its acceptance of the trusts hereby created, has caused this Indenture to be signed in its name and on its behalf by one of its officers thereunto duly authorized, all as of the date first above written.

_____

Treasurer of State of Ohio, as the Issuing Authority

KNOWLEDGEWORKS FOUNDATION,
as Administrator

By _____
Title: Senior Vice President-Finance and C.F.O.

U.S. BANK NATIONAL ASSOCIATION,
as Eligible Lender Trustee

By _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By _____
Title: _____

IN WITNESS WHEREOF, the Treasurer of the State of Ohio, as the Issuing Authority, has signed this Indenture in such capacity; KnowledgeWorks Foundation, as the Administrator, has caused this Indenture to be signed in its name and on its behalf by one of its officers thereunto duly authorized; U.S. Bank National Association, as Eligible Lender Trustee, has caused this Indenture to be signed in its name and on its behalf by one of its officers thereunto duly authorized; and U.S. Bank National Association, to evidence its acceptance of the trusts hereby created, has caused this Indenture to be signed in its name and on its behalf by one of its officers thereunto duly authorized, all as of the date first above written.

_____

Treasurer of State of Ohio, as the Issuing Authority

KNOWLEDGEWORKS FOUNDATION,
as Administrator

By _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION,
as Eligible Lender Trustee

By _____
Title: Daniel R. Biey
Vice President & Trust Officer

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By _____
Title: Daniel R. Biey
Vice President & Trust Officer

SCHEDULE I - 2001
to
Supplemental Indenture Number Three,
dated as of April 1, 2005,
amending and restating the
Indenture of Trust,
dated as of March 1, 2001,
as amended and supplemented by
Supplemental Indenture Number One,
dated as of December 1, 2002,
by and among
Treasurer of the State of Ohio, as Issuing Authority,
KnowledgeWorks Foundation, as Administrator,
Firstar Bank, National Association,
in its separate capacities of
Eligible Lender Trustee and Trustee
relating to the
Series 2001A Bonds and Series 2001B Bonds

TERMS OF SERIES 2001A BONDS AND SERIES 2001B BONDS

Series 2001A Initial Rate	3.65%
Series 2001B Initial Rate	3.75%
Dated Date	March 2, 2001
Initial Auction Rate Adjustment Date	(i) as to the Series 2001A Bonds, April 9, 2001, and (ii) as to the Series 2001B Bonds, April 9, 2001, provided, however, that if such date is not a Business Day, then the Initial Auction Rate Adjustment Date shall be the next succeeding Business Day.
Initial Auction Rate Determination Date	(i) as to the Series 2001A Bonds, April 6, 2001, and (ii) as to the Series 2001B Bonds, April 6, 2001, provided, however, that if such date is not a Business Day, then the Initial Auction Rate Determination Date shall be the Business Day next preceding the Initial Auction Rate Adjustment Date.
Maturity Date for Series 2001A Bonds and Series 2001B Bonds	March 1, 2036
Numbered	Series 2001A -- A-1; Series 2001B -- B-1

SCHEDULE II - 2001
to
Supplemental Indenture Number Three,
dated as of April 1, 2005,
amending and restating the
Indenture of Trust,
dated as of March 1, 2001,
as amended and supplemented by
Supplemental Indenture Number One,
dated as of December 1, 2002,
by and among
Treasurer of the State of Ohio, as Issuing Authority,
KnowledgeWorks Foundation, as Administrator,
Firstar Bank, National Association,
in its separate capacities of
Eligible Lender Trustee and Trustee
relating to the
Series 2001A Bonds and 2001B Bonds

SCHEDULE REGARDING VARIABLE RATE

	DAILY RATE PERIODS	WEEKLY RATE PERIODS	MONTHLY RATE PERIODS	LONG RATE PERIODS	AUCTION RATE PERIOD
Rate Determination Date	At or prior to 9:30 a.m. on each Business Day or on any other day at the discretion of the Remarketing Agent	First Business Day after Monday of each week	Initially the Business Day immediately preceding the Period Adjustment Date on which a Monthly Rate Period is designated and, thereafter, the last Business Day of each Monthly Rate Period	Any day within 15 days before the Period Adjustment Date and ending on the Period Adjustment Date	The Initial Auction Rate Determination Date and thereafter the Business Day (i) on which the Auction Rate is determined pursuant to the Auction Procedures and (ii) that immediately precedes the first day of each Interest Period (as such may be changed pursuant to Section 2.3.10(b) for ARS Bonds, other than: (a) an Interest Period which commences with a Fixed Rate Conversion Date or a Variable Rate Conversion; (b) each Interest Period commencing

	DAILY RATE PERIODS	WEEKLY RATE PERIODS	MONTHLY RATE PERIODS	LONG RATE PERIODS	AUCTION RATE PERIOD
					after the ownership of the ARS Bonds is no longer maintained in Book-Entry Form; (c) each Interest Period commencing after the occurrence and during the continuance of a Payment Default; or (d) each Interest Period commencing less than two Business Days after the cure or waiver of a Payment Default
Rate Adjustment Date	Rate Determination Date	Wednesday of each week	Initially, a Period Adjustment Date and thereafter the first day of each Monthly Rate Period	The Period Adjustment Date	The Initial Auction Rate Adjustment Date and the same Weekday in every fifth week thereafter as the Weekday of the Initial Auction Rate Adjustment Date, except as otherwise provided in the Indenture and as changed pursuant to an Auction Period Adjustment or an Auction Period Conversion, and if any such Weekday is not a Business Day the next succeeding Business Day
Notice and Demand	Irrevocable Telephonic Notice and Demand to Remarketing Agent no later	Written notice to Remarketing Agent and Trustee on any Business Day at least seven days	Written notice to Remarketing Agent and Trustee on any Business Day at least seven	N/A	N/A

	DAILY RATE PERIODS	WEEKLY RATE PERIODS	MONTHLY RATE PERIODS	LONG RATE PERIODS	AUCTION RATE PERIOD
	than 10:30 a.m., promptly confirmed in writing to Remarketing Agent and Trustee	prior to Final Payment Date	days prior to the Final Payment Date		
Final Payment Date	Not later than 3:00 p.m. on the day of receipt of Notice and Demand, if Bond delivered to Authenticating Agent not later than 10:30 a.m. on Final Payment Date	Not later than 3:00 p.m. on the day set forth in the Notice and Demand, if Bond delivered to Authenticating Agent not later than 11:00 a.m. on the Final Payment Date	Not later than 3:00 p.m. on the next Rate Adjustment Date which is at least seven days following receipt of Notice and Demand, if Bond delivered to Authenticating Agent not later than 11:00 a.m. on the Final Payment Date	N/A	N/A
Record Date	Close of business on the Business Day preceding such Interest Payment Date	The seventh (7th) day preceding such Interest Payment Date.	The fifteenth (15th) day preceding such Interest Payment Date.	The fifteenth (15th) day preceding such Interest Payment Date.	The Business Day immediately preceding each Interest Payment Date.

All times in this Schedule II are New York City times

SCHEDULE I - 2002
to
Supplemental Indenture Number Three,
dated as of April 1, 2005,
amending and restating the
Indenture of Trust,
dated as of March 1, 2001,
as amended and supplemented by
Supplemental Indenture Number One,
dated as of December 1, 2002,
by and among
Treasurer of the State of Ohio, as Issuing Authority,
KnowledgeWorks Foundation, as Administrator,
and U.S. Bank National Association,
in its separate capacities of
Eligible Lender Trustee and Trustee
relating to the
Series 2002A-1/A-2 Bonds and Series 2002B Bonds

TERMS OF SERIES 2002A-1/A-2 BONDS AND SERIES 2002B BONDS

Series 2002A-1 Initial Rate	1.20%
Series 2002A-2 Initial Rate	1.20%
Series 2002B Initial Rate	1.30%
Dated Date	December 23, 2002
Initial Auction Rate Adjustment Date	(i) as to the Series 2002A-1 Senior Bonds, January 16, 2003, (ii) as to the Series 2002A-2 Senior Bonds, January 16, 2003, and (iii) as to the Series 2002B Subordinated Bonds, January 23, 2003, provided, however, that if such date is not a Business Day, then the Initial Auction Rate Adjustment Date shall be the next succeeding Business Day.
Initial Auction Rate Determination Date	(i) as to the Series 2002A-1 Senior Bonds, January 15, 2003, (ii) as to the Series 2002A-2 Senior Bonds, January 15, 2003, and (iii) as to the Series 2002B Bonds, January 22, 2003, provided, however, that if such date is not a Business Day, then the Initial Auction Rate Determination Date shall be the Business Day next preceding the Initial Auction Rate Adjustment Date.
Maturity Date for Series 2002A Senior Bonds and Series 2002B Subordinated Bonds	September 1, 2037
Numbered	(i) Series 2002A-1, "RA1-1"; (ii) Series 2002A-2, "RA2-1"; and (iii) Series 2002B, "RB-1"