

2012B TRUST INDENTURE

between

ALASKA STUDENT LOAN CORPORATION

and

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

Securing

Education Loan Revenue Bonds

Dated as of September 1, 2012

Table of Contents

Page

**ARTICLE I
SHORT TITLE, DEFINITIONS, AND INTERPRETATION**

Section 1.1 Short Title4
Section 1.2 Definitions.....4
Section 1.3 Interpretation.....14
Section 1.4 References to Credit Provider.....15

**ARTICLE II
TERMS OF BONDS**

Section 2.1 Authorized Amount of Bonds.....16
Section 2.2 Limited Obligations16
Section 2.3 Authentication.....16
Section 2.4 Terms and Payment of the Bonds16
Section 2.5 Form of Bonds17
Section 2.6 Conditions Precedent to Delivery of Bonds.....17
Section 2.7 Book-Entry System.....18

**ARTICLE III
GENERAL TERMS AND PROVISIONS OF BONDS**

Section 3.1 Negotiability, Registry and Exchange21
Section 3.2 Transfer of Bonds21
Section 3.3 Regulations With Respect to Exchanges and Transfers21
Section 3.4 Bonds Mutilated, Destroyed, Stolen or Lost.....22
Section 3.5 Cancellation and Destruction of Bonds22
Section 3.6 Execution and Authentication.....22
Section 3.7 Redemption.....23
Section 3.8 Purchase in Lieu of Redemption.....24

**ARTICLE IV
APPLICATION OF PROCEEDS AND OTHER AMOUNTS**

Section 4.1 Application of Proceeds.....25
Section 4.2 Additional Deposits or Transfers.....25

**ARTICLE V
PLEDGE OF INDENTURE; ACCOUNTS**

Section 5.1 Pledge and Security Interest.....26
Section 5.2 Accounts26

Section 5.3	Revenue Account; Payment Account	27
Section 5.4	Loan Account.....	31
Section 5.5	Reserve Account	32
Section 5.6	Rebate and Excess Interest Account.....	32
Section 5.7	Department of Education Payment Account.....	35
Section 5.8	Investment of Certain Funds.....	35
Section 5.9	Deposits.....	36
Section 5.10	Provisions Relating to Credit Enhancement	37

ARTICLE VI
PARTICULAR COVENANTS

Section 6.1	Payment of Bonds.....	38
Section 6.2	Extension of Payment of Bonds.....	38
Section 6.3	Offices for Servicing Bonds.....	38
Section 6.4	Power to Issue Bonds and Pledge Revenues, Funds and Other Property	38
Section 6.5	Further Assurance	39
Section 6.6	Tax Covenants	39
Section 6.7	Accounts and Reports	39
Section 6.8	Education Loan Program	40
Section 6.9	Personnel and Servicing of Program.....	43
Section 6.10	Issuance of Additional Obligations.....	43
Section 6.11	Compliance With Conditions Precedent.....	43
Section 6.12	General.....	43
Section 6.13	Waiver of Laws.....	43
Section 6.14	Notices to Rating Agency and Credit Provider.....	44
Section 6.15	Covenant to Maintain Reserve Account	45

ARTICLE VII
SUPPLEMENTAL INDENTURES

Section 7.1	Supplemental Indentures Effective Without Consent of Owners	46
Section 7.2	Supplemental Indentures Effective Only Upon Consent of Owners	48
Section 7.3	General Provisions.....	48
Section 7.4	Mailing of Notice of Amendment.....	48
Section 7.5	Powers of Amendment.....	48
Section 7.6	Consent of Owners.....	49
Section 7.7	Modifications by Unanimous Consent.....	50
Section 7.8	Exclusion of Bonds.....	50
Section 7.9	Notation on Bonds	50

ARTICLE VIII
DEFAULTS, ACCELERATIONS AND REMEDIES

Section 8.1	Events of Default	51
Section 8.2	Acceleration	52

Section 8.3	Other Remedies.....	52
Section 8.4	Priority of Payments After Default.....	53
Section 8.5	Termination of Proceedings.....	55
Section 8.6	Direction of Proceedings.....	55
Section 8.7	Limitation on Rights of Owners.....	55
Section 8.8	Possession of Bonds by Trustee Not Required.....	56
Section 8.9	Remedies Not Exclusive.....	57
Section 8.10	Waiver of Default.....	57
Section 8.11	Notice of Event of Default.....	57
Section 8.12	Consent or Direction of Credit Provider.....	57

ARTICLE IX
CONCERNING THE TRUSTEE

Section 9.1	Appointment and Acceptance of Duties of Trustee.....	59
Section 9.2	Duties and Responsibilities of Trustee.....	59
Section 9.3	Certain Rights of the Trustee.....	60
Section 9.4	Trustee Not Responsible for Recitals.....	63
Section 9.5	Compensation and Expenses of the Trustee.....	63
Section 9.6	Resignation of Trustee.....	64
Section 9.7	Removal of Trustee.....	64
Section 9.8	Appointment of Successor Trustee.....	64
Section 9.9	Transfer of Rights and Property to Successor Trustee.....	65
Section 9.10	Merger or Consolidation.....	65
Section 9.11	Adoption of Authentication.....	65
Section 9.12	Evidence of Signatures of Owners and Ownership of Bonds.....	66
Section 9.13	Preservation and Inspection of Documents.....	66

ARTICLE X
DEFEASANCE; MISCELLANEOUS PROVISIONS

Section 10.1	Defeasance.....	67
Section 10.2	Limited Liability; No Recourse.....	68
Section 10.3	Severability.....	69
Section 10.4	Date for Action or Payment.....	69
Section 10.5	Notices.....	69
Section 10.6	Successors and Assigns; Parties in Interest.....	70
Section 10.7	Pledge and Agreement of the State.....	71
Section 10.8	Laws Governing.....	71
Section 10.9	Effective Date; Counterparts.....	71

SCHEDULE I	Representations Regarding Eligible Loans.....	I-1
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TRUST INDENTURE

This 2012B Trust Indenture, dated, executed and delivered as of September 1, 2012 (hereinafter sometimes referred to as this "Trust Indenture" and, as supplemented and amended, as the "Indenture"), by and between the Alaska Student Loan Corporation, a public corporation and government instrumentality created and existing under the laws of the State of Alaska (the "Corporation"), and U.S. Bank National Association, a national banking association organized and existing under the laws of the United States of America (the "Trustee"),

WITNESSETH:

WHEREAS, the Corporation is authorized by the Act (as herein defined) to issue its debt for the purpose of providing funds to (i) acquire Eligible Loans (as hereinafter defined) under its education loan program and (ii) refund its outstanding debt; and

WHEREAS, in order to provide funds for such purposes the Corporation desires to provide for the issuance and sale of its revenue bonds; and

WHEREAS, the Bonds (as hereinafter defined) issued hereunder and, except as otherwise provided in a Supplemental Indenture (as hereinafter defined), all Financial Products (as hereinafter defined), are secured as hereinafter provided, but solely by the pledge of the Pledged Assets (as hereinafter defined) pursuant hereto as part of the Corporation's education loan program; provided that the rights of Owners of certain classes of Bonds to such security shall be superior to the rights of the Owners of other classes of Bonds;

WHEREAS, the execution and delivery of this Trust Indenture have been in all respects duly and validly authorized by resolutions duly adopted by the Corporation; and

WHEREAS, upon execution and delivery of a Supplemental Indenture with respect to a series of Bonds, all acts, proceedings and things necessary and required by law to make said Bonds, when executed by the Corporation and authenticated by the Trustee, the valid and binding legal obligations of the Corporation and to constitute and make this Trust Indenture a valid and effective Indenture, have been done, taken and performed and the issuance, execution and delivery of said Bonds and the execution, acknowledgement and delivery of this Trust Indenture have in all respects been duly authorized by the Corporation;

NOW, THEREFORE, THIS TRUST INDENTURE WITNESSETH THAT

The Corporation, in consideration of the premises and of the mutual covenants herein contained, and of the purchase and acceptance of the Bonds by the owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the Bonds are to be and may be issued, authenticated and delivered, secured and accepted by all persons who shall from time to time be or become the owners thereof, and in order to

secure equally and ratably on a parity basis one with the other (except as hereinafter provided) (1) the payment of the principal of and the interest and premium, if any, on the Bonds at any time issued and Outstanding under the Indenture according to their tenor and effect, and (2) the performance and observance of all of the covenants and conditions in said Bonds and herein contained, has executed and delivered this Trust Indenture and does hereby bargain, assign, pledge and grant a first priority security interest in the following to the Trustee, and its successors in trust and assigns forever for the benefit of the owners of the Bonds and for the benefit of (i) any Credit Provider, if so provided as set forth herein, and (ii) the provider of any Financial Product, if so provided in such Financial Product, the following (the "Pledged Assets"):

GRANTING CLAUSES

Division 1

The Loans (as hereinafter defined) and notes evidencing the same and any related servicing agreements;

Division 2

All moneys and securities from time to time held by the Trustee under the terms of the Indenture (excluding the Rebate and Excess Interest Account, the Department of Education Payment Account and any other account specifically excluded by the terms hereof, including the terms of any Supplemental Indenture) and any and all other real or personal property of every name and nature, from time to time hereafter conveyed, mortgaged, pledged, assigned or transferred by delivery or by writing of any kind, as and for additional security hereunder, by the Corporation or by anyone on its behalf or with its written consent to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof; and

Division 3

All Revenues (as defined hereinafter);

TO HAVE AND TO HOLD the same unto the Trustee and its successor or successors and its or their assigns forever, subject to the provisions hereof permitting the assignment of the Pledged Assets to secure certain other obligations of the Corporation incurred in connection with the Bonds.

IN TRUST NEVERTHELESS, UPON CONDITION that, if the Corporation shall well and truly pay, or cause to be paid, the principal of (and premium, if any) and interest on the Bonds according to the true intent and meaning thereof, or there shall be deposited with the Trustee such amounts in such form in order that none of the Bonds shall remain Outstanding as herein deemed and provided, and shall pay or cause to be paid all amounts payable under any Credit Enhancement or hereunder and all amounts owed to the Trustee in accordance with the terms and provisions hereof, then upon the full and final payment

of all such sums and amounts or upon deposit of the same, this Trust Indenture and the rights, titles, liens, security interests, and assignments herein granted shall cease, determine, and be void and this Trust Indenture shall be released by the Trustee in due form at the expense of the Corporation, except only as herein provided; otherwise this Trust Indenture to be and remain in full force and effect.

ARTICLE I

SHORT TITLE, DEFINITIONS, AND INTERPRETATION

Section 1.1 Short Title. This Trust Indenture, together with any and all Supplemental Indentures, may hereafter be cited by the Corporation and is hereinafter sometimes referred to as the “Indenture.”

Section 1.2 Definitions. In this Trust Indenture, including any Supplemental Indenture, unless the context otherwise requires, the following words and terms shall have the following meanings:

“Account” means any of the trust accounts created and established by the Indenture and, except when the context requires otherwise, the Rebate and Excess Interest Account and the Department of Education Payment Account.

“Accountant” means any independent certified public accountant as may be selected by the Corporation.

“Act” means Sections 14.42.100 through 14.42.990 of the Alaska Statutes, as amended.

“Additional Bonds” means Bonds in addition to any Bonds then Outstanding issued pursuant to a Supplemental Indenture and Article II hereof.

“Aggregate Market Value” means, on any calculation date, the sum of the Value of all Pledged Assets. “Value” means the value of the Pledged Assets calculated by the Corporation as follows:

(i) with respect to any Loan, the unpaid principal amount, accrued interest and accrued special allowance payments, if any, or such other valuation as shall be specified by the Corporation upon receipt by the Trustee of a Credit Confirmation;

(ii) with respect to any funds on deposit in any commercial bank or with respect to any banker’s acceptance or repurchase agreement or investment agreement, or investments described in paragraph (xi) of the definition of Permitted Investments the amount thereof plus accrued interest thereon;

(iii) with respect to any Permitted Investments of an investment company, the bid price of the shares as reported by the investment company;

(iv) with respect to investments the bid and asked prices of which are published on a regular basis in The Wall Street Journal (or, if not there, then in The New York Times), the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination plus accrued interest thereon; and

(v) with respect to any investment not described in clauses (i) through (iv) above, the lower of (a) the bid prices at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Corporation in its absolute discretion) at the time making a market in such investments or (b) the bid price published by a nationally recognized pricing service, plus in each case, accrued interest thereon.

“Asset Requirement” means that the Asset Requirement Ratio is at least equal to 115% or such lower or higher percentage agreed to by the Corporation and any Credit Providers.

“Asset Requirement Ratio” means (i) while State Street Bank and Trust Company is the Credit Provider, the meaning assigned to “Minimum Asset Ratio” in the related Letter of Credit Reimbursement Agreement (ii) while another Credit Enhancement is in place that defines an asset requirement ratio, the meaning assigned therein, and (iii) at all other times, the ratio (expressed as a percentage) of the Aggregate Market Value to the aggregate principal amount of the respective Outstanding Bonds and accrued interest thereon, together with accrued Fees and Expenses.

“Authorized Denomination” shall have the meaning provided in the Supplemental Indenture.

“Authorized Officer” means the Chairman or Executive Officer of the Corporation or, in the case of any act to be performed or duty to be discharged, any other officer, employee or agent of the Corporation then authorized to perform such act or discharge such duty as certified in writing by the Chairman or Executive Officer of the Corporation to the Trustee.

“Beneficial Owner” means, with respect to any Book-Entry Bond, the beneficial owner of such Bond as determined in accordance with the applicable rules of the Securities Depository.

“Bond” means any one of the bonds authenticated and delivered pursuant to a Supplemental Indenture and Article II of this Trust Indenture, including Senior Bonds, Senior Subordinate Bonds, Subordinate Bonds and Junior Subordinate Bonds.

“Bond Counsel” means an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal, state and public agency financing, selected by the Corporation.

“Bond Counsel Opinion” means an opinion addressed to the Corporation and signed by Bond Counsel.

“Book-Entry Bond” means any Bond which is then held in book-entry form as provided herein.

“Business Day” with respect to each series of Bonds shall have the meaning provided in the Supplemental Indenture relating to such Bonds.

“Certificate” means (i) a signed document either attesting to or acknowledging the circumstances, representations or other matters therein stated or set forth or setting forth matters to be determined pursuant to the Indenture or (ii) the report of an Accountant as to audit or other procedures called for by the Indenture.

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations, rulings and court decisions promulgated thereunder and pertaining thereto. Such regulations shall also include any successor provision to any existing regulations thereafter promulgated by the Internal Revenue Service pursuant to Section 141 through 150 of the Code applicable to the Bonds.

“Commission” means the Alaska Commission on Postsecondary Education.

“Corporation” means the Alaska Student Loan Corporation, or any body, agency or instrumentality which shall hereafter succeed to the powers, duties and functions thereof.

“Costs of Issuance” means all items of expense, directly or indirectly payable or reimbursable by or to the Corporation and related to the authorization, sale and issuance of Bonds, including but not limited to printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees, charges and expenses of the Trustee or any Marketing Party, legal fees and charges, fees and disbursements of consultants and professionals, costs of credit ratings, costs of mathematical verification of certain computations, fees and charges for preparation, execution, transportation and safekeeping of Bonds, expenses of the Corporation and any other cost, charge or fee in connection with the issuance of any Bonds.

“Counsel’s Opinion” means an opinion signed by the Alaska Attorney General’s office or an attorney or firm of attorneys of recognized standing in the field of law to which such opinion relates, selected by the Corporation.

“Credit Confirmation” means (i) if any Bonds are supported by Credit Enhancement, the written consent of the provider of each such Credit Enhancement, and (ii) if any Bonds are rated and are not supported by Credit Enhancement, a Rating Confirmation.

“Credit Enhancement” means any bond insurance, letter of credit, surety bond, line of credit, purchase agreement or other credit support or liquidity facility (i) providing for the payment of all principal or purchase price of and interest on any series of Bonds, and (ii) identified as such in a Supplemental Indenture and any extension thereof or substitution therefor, including any combination of any of such instruments.

“Credit Enhancement Fees” means any commitment or facility fees payable by the Corporation to a Credit Provider in consideration for the issuance of a Credit Enhancement by such Credit Provider.

“Credit Provider” means the issuer or other provider of any Credit Enhancement.

“Department of Education Payment Account” means a Department of Education Payment Account held by the Trustee. The Department of Education Payment Account is not part of the Pledged Assets.

“Direction” of the Corporation means a written direction, order, request, requisition or similar instrument signed by an Authorized Officer of the Corporation and permitted by the Indenture; and the term “direct” or any form of such verb means the giving by the Corporation of a Direction.

“Eligible Lender” means an Eligible Lender as defined in the Higher Education Act.

“Eligible Loan” means any loan, including but not limited to Guaranteed Loans, that is authorized by the Act or any other qualifying program that may be established by or for the Commission or the Corporation or an entity controlled by either of them as any such program may be administered from time to time by the Commission or the Corporation or such entity.

“Event of Default” means any of the events specified in Section 8.1 hereof.

“Excess Interest” means, as of the date of computation, the smallest amount that, if treated as a payment for the Loans (i.e., taken into account in calculating yield) paid on that date, would reduce the yield on the Loans financed by a series of Tax-Exempt Bonds to a yield that is not higher than the yield on the Bonds plus the permitted spread under Federal tax law. For purposes of this definition only, yield on the Bonds of any series and yield on the Loans financed by any series of Bonds shall be calculated in accordance with Treas. Reg. §1.148-4 and 1.148-5, respectively, or such other applicable regulations under the Code.

“Excess Interest Calculation Date” means, with respect to each series of Tax-Exempt Bonds, a date as of which Excess Interest is calculated, which shall be no later than ten years after the date of issuance for a series of Bonds and on the same day of each fifth year thereafter while any of the Bonds of the series is Outstanding, and the day upon which the last Bond of such Series is retired. A Credit Enhancement may require that such calculations be performed more frequently than required herein.

“Favorable Opinion” means a Bond Counsel Opinion to the effect that the action proposed to be taken is authorized or permitted by this Indenture and will not, in and of itself, adversely affect the exclusion from gross income for federal income tax purposes of interest on the Tax-Exempt Bonds which are the subject of such opinion.

“Fees and Expenses” means, collectively, Trustee Fees, Servicing Fees, Credit Enhancement Fees, Remarketing Agent Fees and Program Expenses, without duplication.

“Financial Product” means any agreement with a counterparty providing for an interest rate cap, floor, swap or other similar instrument entered into pursuant to Section 5.3(d) of this Trust Indenture.

“Fiscal Year” means a twelve-month period commencing on the first day of July of any year or any other twelve-month period adopted by the Corporation as its fiscal year for accounting purposes.

“Fitch” means Fitch, Inc., its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Corporation.

“Guaranteed Loan” means any loan authorized pursuant to the Higher Education Act made to a borrower to finance or refinance, or consolidate loans made to finance or refinance, post-secondary education, which is guaranteed by a Guarantor.

“Guarantor” means the Northwest Education Loan Association and its successors, the Secretary, and any other guarantor designated by the Corporation and authorized to act as such under the Higher Education Act.

“Higher Education Act” means Title IV, Part B of the Higher Education Act of 1965, as amended, and the regulations thereunder.

“Indenture” means this Trust Indenture and any amendments or supplements made in accordance with its terms.

“Interest Payment Date” means any date upon which interest on any Bonds is due and payable in accordance with their terms.

“Joint Sharing Agreement” means the Joint Sharing Agreement dated as of September 1, 2012, between the Corporation and the Trustee, as may be supplemented and amended, or any successor agreement thereto.

“Junior Subordinate Bonds” means any Bonds which are secured by a lien on and payable from the Pledged Assets on a basis subordinate to the Senior Bonds, the Senior Subordinate Bonds and the Subordinate Bonds.

“Loan” means any Eligible Loan deposited in or accounted for in the Loan Account or otherwise constituting a part of the Pledged Assets.

“Loan Account” means the Loan Account established pursuant to Section 5.2 hereof.

“Long-Term Rate” means a single rate of interest on any Bond which remains in effect for more than one year.

“Marketing Party” means any authenticating agent, determination agent, purchase agent, remarketing agent, tender agent, underwriter or other similar party relating to the marketing or remarketing of the Bonds, or the determination of the interest rate thereon.

“Moody’s” means Moody’s Investors Service, Inc., its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Corporation.

“Outstanding,” when used with reference to Bonds, means, as of any date, all Bonds theretofore or thereupon being authenticated and delivered under the Indenture (including any Bonds paid with amounts received under a Credit Enhancement) except:

(i) any Bond cancelled by the Trustee or delivered to the Trustee for cancellation at or prior to such date;

(ii) any Bond in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to Section 3.4 hereof or Bonds described in Section 7.8 hereof; and

(iii) any Bond deemed to have been paid as provided in subsection (b) of Section 10.1 hereof.

“Owner” or “owner” or “Holder” or “holder” or “Bondowner” or “Bondholder” or words of similar import, when used with reference to a Bond, means any person who shall be the registered owner of any Bond as shown on the books of the Trustee.

“Participant” means any direct or indirect participant in the book-entry system of a Securities Depository.

“Payment Account” means the Payment Account established pursuant to Section 5.2 hereof.

“Permitted Investments” means and includes, unless otherwise specified in the Supplemental Indenture with respect to a series of Bonds, any of the following obligations, to the extent the same are at the time legal for investment of funds of the Corporation under the laws of the State:

(i) marketable direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America or any agency thereof rated in one of the two highest rating categories by each Rating Agency which rates such obligations, or book-entry interests therein;

(ii) interest-bearing negotiable certificates of deposit, interest-bearing time deposits, interest-bearing savings accounts or money market deposit accounts issued by or held in any commercial bank, savings and loan association or trust company (including the Trustee or a Credit Provider and any of their affiliates) whose unsecured short-term obligations are rated Prime-1 or better by Moody’s or A-1 or better by S&P;

(iii) commercial paper which is rated at the time of purchase in the highest short-term rating category by each Rating Agency (without regard to plus

or minus or other modifiers), and which matures not more than 270 days after the date of purchase;

(iv) repurchase agreements, in a standard form prescribed by The Securities Industry and Financial Markets Association or similar form, contracted with banks (which may include the Trustee) which are members of the Federal Deposit Insurance Corporation, or with government bond dealers reporting to and trading with the Federal Reserve Bank of New York, in each case rated in the highest rating category by each Rating Agency which rates such debt, which agreements are secured by obligations described in item (i) above and have been delivered to each Rating Agency for review;

(v) shares in an investment company (including any such company for which the Trustee or any affiliate receives compensation with respect to such investment) rated in the highest rating category by each Rating Agency which rates such investment company, and registered under the federal Investment Company Act of 1940, whose shares are registered under the federal Securities Act of 1933 and whose only investments are obligations described in items (i), (ii), (iii) and/or (iv) above;

(vi) a collective investment fund of the Trustee created pursuant to Regulation 9 of the Office of the Controller of the Currency which is invested in one or more of the types of obligations described in clause (i) above;

(vii) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local government unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (a) which are rated, based upon an irrevocable escrow account or fund (the "escrow"), in one of the two highest rating categories of each Rating Agency; or (b) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in item (a) above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and which escrow is sufficient, as verified by an independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;

(viii) any investment agreement having a term of not more than 18 months with an entity having outstanding short-term debt rated at least A-1, P-1 or F1+, as applicable, or the equivalent;

(ix) any money market fund, including the Trustee's money market funds and a qualified regulated investment company described in I.R.S. Notice 87-22,

each rated by Moody's and S&P not lower than its highest applicable rating category; and

(x) any other investment allowed by law and approved in writing in advance by a Credit Confirmation. In determining whether any investment is allowed by law, the Trustee shall be entitled to rely upon the written investment instruction of the Corporation stating to the effect that such investment is at the time legal for investment of funds of the Corporation under the laws of the State.

"Pledged Assets" means all the rights and interests described in the granting clauses of this Trust Indenture.

"Principal Office" means, (i) with respect to the Trustee, its office at the address set forth in Section 10.5 or such other office as designated in writing to the Corporation; and (ii) with respect to any Marketing Party, the office thereof designated in writing by such Marketing Party to the Corporation and the Trustee.

"Program Expenses" means all of the Corporation's expenses in carrying out and administering its education loan program under the Indenture, including, without limiting the generality of the foregoing, Servicing Fees, fees and expenses for Credit Enhancement, other expenses relating to the Bonds, salaries, supplies, utilities, mailing, labor, materials, office rent, maintenance, furnishings, equipment, machinery and apparatus, telephone, insurance premiums, legal, accounting, management, consulting and banking services and expenses, marketing and promotional expenses, fees and expenses of any Marketing Party, Costs of Issuance, travel, payments for pension, retirement, health and hospitalization and life and disability insurance benefits, all to the extent properly allocable to the financing under the Indenture. A Credit Enhancement may limit the amounts that can be paid for Program Expenses.

"Rating Agency" or "Rating Agencies" means at any time any of Fitch, Moody's, and S&P to the extent such agency has been requested by the Corporation to issue and continue a rating on any of the Bonds and such agency has issued and continues to maintain a rating on such Bonds at such time; provided that notwithstanding any outstanding rating by any such agency of any Bonds which are subject to purchase at the demand of the owners thereof, if notice is given at least fifteen (15) days in advance of a modification removing such agency as a Rating Agency hereunder, such 15 days includes an opportunity for holders of the Bonds to demand such a purchase and if all demands for purchase of Bonds are honored, such agency will not be deemed to be a "Rating Agency" for purposes of the Indenture thereafter.

"Rating Confirmation" means written confirmation (including a press release or similar announcement) from each Rating Agency that upon the effectiveness of any proposed action, all Outstanding Bonds will continue to be rated at least the same or equivalent ratings (including the same or equivalent numerical or other modifiers within a rating category) by each Rating Agency.

“Rebate and Excess Interest Account” means the Rebate and Excess Interest Account established pursuant to Section 5.2 hereof. The Rebate and Excess Interest Account is not part of the Pledged Assets.

“Rebate Requirement” means the amount of rebatable arbitrage with respect to a series of Tax-Exempt Bonds, determined in accordance with Treas. Reg. §1.148-3.

“Record Date” for any Bonds means, unless otherwise specified in the Supplemental Indenture providing for the issuance of such Bonds, (i) with respect to payments to be made on an Interest Payment Date while such Bonds bear interest at a Variable Rate, the Business Day prior to such Interest Payment Date; (ii) with respect to payments to be made on an Interest Payment Date while such Bonds bear interest at a Long-Term Rate, the 15th day prior to such Interest Payment Date; or (iii) with respect to payments to be made otherwise, or with respect to obtaining consents of Owners, such date as the Trustee shall reasonably determine.

“Remarketing Agent Fees” means the fees and expenses of any remarketing agent then acting under a Supplemental Indenture, as such fees and expenses may be limited in the Supplemental Indenture or Credit Enhancement with respect to a series of Bonds.

“Reserve Account” means the Reserve Account established pursuant to Section 5.2 hereof. The Reserve Account shall constitute a Capital Reserve Fund under Section 14.42.240 of the Alaska Statutes.

“Reserve Account Requirement” means, with respect to any Bonds, such amount (including any surety bond, letter of credit or other instrument) as shall be specified in the Supplemental Indenture authorizing the issuance of such Bonds. The Reserve Account Requirement shall constitute a Capital Reserve Fund Requirement under Section 14.42.240 of the Alaska Statutes.

“Revenue Account” means the Revenue Account established pursuant to Section 5.2 hereof.

“Revenues” means all payments, proceeds, charges and other cash income received by the Corporation from or on account of any Loan, including scheduled, delinquent and advance payments of and any guaranty or insurance proceeds with respect to, interest on any Loan and any special allowance payment received by the Corporation pursuant to the Higher Education Act with respect to any Loan, payouts or prepayments, proceeds attributable to principal from insurance or from the sale, assignment or other disposition of such Loan and any payments representing such principal from the guaranty or insurance of any such Loan, any amounts paid by the Corporation from sources outside of the Indenture to purchase Loans held under the Indenture or to otherwise cover unguaranteed amounts with respect to Loans held under the Indenture and all interest earned or gain realized from the investment of amounts in any Account (other than amounts required to be deposited to or on deposit in the Rebate and Excess Interest Account or the Department of Education Payment Account), and all amounts received pursuant to any Financial Product.

“S&P” means Standard & Poor’s Ratings Services, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Corporation.

“Secretary” means the Secretary of Education, the United States Department of Education, or the successor to the functions of such officer or such office under the Higher Education Act.

“Securities Depository” means The Depository Trust Company and its successors and assigns, or if (i) the then Securities Depository resigns from its functions as depository of the Bonds or (ii) the Corporation discontinues use of the Securities Depository, any other securities depository which agrees to follow the procedures required to be followed by a securities depository in connection with the Bonds and which is selected by the Corporation.

“Senior Bonds” means any Bonds which are secured by a lien on and payable from the Pledged Assets prior to all other Bonds except those issued on a parity as to payments therewith.

“Senior Subordinate Bonds” means any Bonds which are secured by a lien on and payable from the Pledged Assets on a basis subordinate to the Senior Bonds and prior to the Subordinate Bonds and the Junior Subordinate Bonds.

“Servicer” means, (i) the Corporation, (ii) the Commission, (iii) any other professional servicing company approved by the Corporation, with the prior written consent of the Credit Provider, and (iv) any successors or assigns of any of the foregoing.

“Servicing Fees” means the periodic fee due to any Servicer for servicing the Loans, as such fee may be limited in a Supplemental Indenture or Credit Enhancement with respect to a series of Bonds.

“State” means the State of Alaska.

“Subordinate Bonds” means any Bonds which are secured by a lien on and payable from the Pledged Assets on a basis subordinate to the Senior Bonds and the Senior Subordinate Bonds and prior to the Junior Subordinate Bonds.

“Supplemental Indenture” means any indenture supplemental to or amendatory of this Trust Indenture, between the Corporation and the Trustee and effective in accordance with the provisions of Article VII, as any such supplemental indenture may itself be supplemented or amended pursuant to such provisions.

“Taxable Bonds” means Bonds designated as such in the Supplemental Indenture pursuant to which they are issued.

“Tax Certificate” means any tax certificate, agreement or similar document, concerning certain matters pertaining to any Tax-Exempt Bonds, executed by the

Corporation on the date of issuance of such Bonds, as may be more specifically identified in the Supplemental Indenture authorizing the issuance of such Bonds, including any and all exhibits to such document, as the same may be amended from time to time.

“Tax-Exempt Bonds” means any Bonds not designated as Taxable Bonds in the Supplemental Indenture pursuant to which they are issued.

“Trustee” means U.S. Bank National Association and any successor at any time substituted in its place pursuant to the Indenture.

“Trustee Fees” shall mean the fees and expenses of the Trustee for acting as such under the Indenture.

“Variable Rate” means a single rate of interest on any Bond which remains in effect for one year or less.

“Yield Reduction Payment” means the minimum amounts payable to the United States Treasury as defined in Treas. Reg. §1.148-5(c).

Section 1.3 Interpretation. In this Trust Indenture, including any Supplemental Indenture, unless the context otherwise requires:

(a) the terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Trust Indenture or any Supplemental Indenture, refer to this Trust Indenture or such Supplemental Indenture, and the term “heretofore” means before, and the term “hereafter” means after, the date of execution of this Trust Indenture or such Supplemental Indenture;

(b) words of any gender mean and include correlative words of the other genders and words importing the singular number mean and include the plural number and vice versa;

(c) words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, limited liability companies, corporations and other legal entities, including public bodies, as well as natural persons;

(d) any heading preceding the texts of the several Articles and Sections of this Trust Indenture, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Trust Indenture, nor shall they affect its meaning, construction or effect;

(e) the verbs “finance” or “acquire” when used with reference to a Loan shall be construed to include (i) the purchase or other acquisition of such Loan or (ii) the participation by the Corporation, either by itself or with others, in the purchase thereof;

(f) any requirement herein that any Certificate or Direction of the Corporation, or any other notice, request, consent or order, be in writing or be signed shall include such facsimile and other electronic writing and electronic signature as shall be acceptable to the Corporation and the Trustee; and

(g) any references contained herein to Sections or Articles are references to such Sections or Articles of this Trust Indenture, unless otherwise specified.

Section 1.4 References to Credit Provider. All provisions of this Trust Indenture, including any Supplemental Indenture, regarding consents, approvals, directions, waivers, appointments, requests or other actions by any Credit Provider shall be deemed not to require or permit such consents, approvals, directions, waivers, appointments, requests or other actions and shall be read as if such Credit Provider were not mentioned therein (a) at any time when no Credit Enhancement is in effect hereunder; or (b) with respect to any particular Credit Provider, during any period during which such Credit Provider has failed to honor a properly presented and conforming drawing under its Credit Enhancement; provided, however, that the payment of amounts due to any Credit Provider pursuant to the terms hereof shall continue in full force and effect. The foregoing shall not affect any other rights of any Credit Provider, including rights it may be entitled to as the owner of any Bonds hereunder.

All provisions herein relating to the rights of any Credit Provider shall be of no force and effect if its Credit Enhancement is no longer in effect and all amounts owing to such Credit Provider under its agreement to provide credit have been paid. In such event, all references to such Credit Provider shall have no force or effect.

ARTICLE II

TERMS OF BONDS

Section 2.1 Authorized Amount of Bonds. Bonds may be issued under the provisions of the Indenture, but only in accordance with this Article, in amounts which shall not be limited except as specified with respect to any series of Bonds in the Supplemental Indenture providing for the issuance thereof. Additional Bonds may be issued on a parity with Senior Bonds, Senior Subordinate Bonds, Subordinate Bonds or Junior Subordinate Bonds theretofore Outstanding.

Section 2.2 Limited Obligations. The Corporation shall not be obligated to pay the Bonds or the interest thereon or any other obligation incurred by the Corporation hereunder, except from the property and income pledged hereunder, and no recourse shall be had for the payment of the principal thereof or interest thereon against the Corporation or any member thereof or against the property or funds of the Corporation, except to the extent of the property and income pledged expressly thereto. The Bonds shall be special, limited obligations of the Corporation, and the principal or redemption price, if any, thereof and the interest thereon shall be payable solely from the Pledged Assets. The Bonds do not constitute an indebtedness or other liability of the State or any political subdivision of the State other than the Corporation (limited, as provided herein) and neither the faith and credit nor the taxing power of the State or of any political subdivision of the State is directly, indirectly or contingently pledged to the payment of the principal thereof or the interest thereon and the issuance thereof does not directly, indirectly or contingently obligate the State or any political subdivision thereof to apply any money from or levy or pledge any form of taxation whatever to payment of the Bonds.

Section 2.3 Authentication. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under the Indenture unless and until a certificate of authentication, in the form as set forth on the form of the Bonds in the Supplemental Indenture pursuant to which such Bonds are authorized, shall have been executed as provided in Section 3.6(b) hereof.

Section 2.4 Terms and Payment of the Bonds. The Bonds shall be designated "Alaska Student Loan Corporation Education Loan Revenue Bonds," and the Bonds of any series shall bear such series designation and other descriptive words as shall be specified in the Supplemental Indenture providing for the issuance thereof. All Bonds shall be issuable as fully registered securities without coupons, except as provided in a Supplemental Indenture, and shall be in Authorized Denominations. The Bonds of any series shall be dated as of, and bear interest from, the date set forth in the Supplemental Indenture authorizing their issuance. Bonds of any series shall bear interest, mature, be subject to redemption or tender, and have such other terms as shall be set forth in the Supplemental Indenture pursuant to which such Bonds are authorized to be issued.

The Bonds shall be payable in any money of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and

such payments shall be made without exchange or collection charges by the Trustee to the Owners of the Bonds. The principal, purchase price or redemption price of each Bond shall be paid by check to the person in whose name such Bond is registered upon presentation and surrender of such Bond at the designated office of the Trustee. Interest on each Bond shall be payable on each Interest Payment Date to the person in whose name such Bond is registered at the close of business on the applicable Record Date, and shall be paid by check (dated as of the Interest Payment Date) and sent by the Trustee by first class mail, postage prepaid, to the address of such Owner; provided that (i) any interest payable on past due principal of any Bond shall be paid to the person in whose name such Bond is registered on the date when such Bond is surrendered for redemption or payment; (ii) interest on any Bond shall (unless otherwise provided in the Supplemental Indenture pursuant to which such Bonds are issued), at the option of any owner of \$1,000,000 or more aggregate principal amount of Bonds of the same series, maturity and interest rate (as of the Record Date for a particular Interest Payment Date), be payable by wire transfer of immediately available funds to be sent by the Trustee on the Interest Payment Date, upon prior written notice to the Trustee, from any such owner (including in such notice wire instructions for an address within the United States) provided such notice is received by the Trustee not later than 5 days prior to the Record Date with respect to such Interest Payment Date; and (iii) while the Securities Depository is the registered Owner of any Bonds, all payments of principal, premium and interest with respect to such Bonds shall be paid by wire transfer to the Securities Depository or its nominee.

Section 2.5 Form of Bonds. The form of the Bonds, the Trustee's Certificate of Authentication to be endorsed thereon and the Assignment to be set forth thereon shall be substantially in the form as specified by Supplemental Indenture providing for the issuance thereof, with appropriate variations, omissions and insertions as permitted or required by the Indenture. Any portion of the text of any Bond may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bonds. The Bonds of each series shall be numbered and given any such letter prefixes or other marks of identification, and may contain or have endorsed thereon such legends, provisions, specifications or other descriptive words, as may consistently herewith be determined by the officers executing such Bonds, such determination to be evidenced by their execution of the Bonds. Unless otherwise provided in a Supplemental Indenture providing for the issuance of any Bonds, all Bonds shall be issued in book-entry only form and the provisions of Section 2.7 hereof shall apply to such Bonds.

Section 2.6 Conditions Precedent to Delivery of Bonds. The Bonds of any series shall be authenticated by the Trustee and delivered upon the Corporation's order, but only upon the receipt by the Trustee of:

- (a) either or both or a combination of Counsel's Opinion and Bond Counsel Opinion to the effect that (i) the Indenture has been executed and delivered by the Corporation and is valid and binding upon the Corporation (except as may be limited by the operation of bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other similar laws affecting rights and remedies of creditors and to the application of equitable

principles and to the exercise of judicial discretion in appropriate cases); (ii) the Indenture creates the valid pledge which it purports to create of the Revenues and the moneys and securities, on deposit in any of the Accounts established hereunder (except the Rebate and Excess Interest Account, the Department of Education Payment Account and any other account specifically excluded by the terms hereof), and the rights and interests of the Corporation in and to the Loans subject to the application of such amounts to the purposes and on the conditions permitted by the Indenture; and (iii) upon the execution, authentication and delivery thereof, such Bonds constitute the valid and binding obligations of the Corporation;

(b) a Credit Confirmation with respect to the issuance of any Additional Bonds;

(c) a written order as to the delivery of such Bonds, signed by an Authorized Officer of the Corporation;

(d) the amount of the proceeds of such Bonds to be deposited with the Trustee pursuant to Section 4.1 hereof; and

(e) if applicable, such further documents as are required with regard to the issuance of Additional Bonds and any other documents and moneys as are required by the provisions of Article VII hereof or any Supplemental Indenture entered into pursuant to Article VII hereof.

No Additional Bonds shall be issued which are payable from drawings on any Credit Enhancement which provides credit and/or liquidity support for another series of Bonds Outstanding. The Owners of a series of Bonds shall not have any rights under a Credit Enhancement issued for the benefit of the Owners of any other series of Bonds. Any Additional Bonds shall have a series designation different from any other Bonds Outstanding.

Section 2.7 Book-Entry System. Unless otherwise provided in the Supplemental Indenture providing for the issuance of any Bonds, all Bonds shall be delivered initially in the form of a single certificated fully registered Bond for each maturity of each series of the Bonds; and upon such delivery, the ownership of each such Bond shall be registered in the name of a Securities Depository or its nominee and, if so registered, shall thereafter be governed by this Section.

(a) With respect to any Bonds registered in the name of the Securities Depository or its nominee, the Corporation and the Trustee shall have no responsibility or obligation to any person on behalf of which a Participant holds an interest in such Bonds. Without limiting the immediately preceding sentence, the Corporation and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Securities Depository or any Participant, (ii) the accuracy of the records of the Securities Depository or any Participant with respect to any ownership interest in such Bonds, (iii) the delivery

to any Participant or any other person, other than an Owner of Bonds, of any notice with respect to such Bonds, including any notice of redemption, or (iv) the payment to any Participant or any other person, other than an Owner of Bonds, of any amount with respect to the principal of, premium, if any, interest on, or purchase price of such Bonds. The Corporation and the Trustee may treat and consider the person in whose name each Bond is registered in the registration books as the holder and absolute owner of such Bond for the purpose of payment of principal, premium, if any, the purchase price and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever; provided, however, that notwithstanding the provisions hereinabove, the Trustee shall accept any notice of election to tender Bonds from any Beneficial Owner of any Bond, or any nominee thereof, but shall make payment of the purchase price only to the Owner thereof. The Trustee shall pay all principal or any purchase price of and premium, if any, and interest on the Bonds only to or upon the order of the respective Owners, as shown in the registration books, as provided in Section 2.4 hereof, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Corporation's obligations with respect to payment of principal or redemption price or purchase price of and interest on such Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the registration books, shall receive a certificated Bond evidencing the obligation of the Corporation to make payments of principal, premium, purchase price and interest pursuant to the Indenture.

(b) The delivery to the Securities Depository of any letter of representation by the Corporation, the Trustee and any other applicable party shall not in any way limit the provisions of subsection (a) of this Section or in any other way impose upon the Corporation or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Owners, as shown on the registration books. The Trustee shall take all action necessary for all representations in any such representation letter with respect to the Trustee to at all times be complied with.

(c) The Securities Depository may determine to discontinue providing its services with respect to any series of Bonds at any time by giving written notice to the Corporation and the Trustee and discharging its responsibilities with respect thereto under applicable law. The Corporation, without the consent of any person, may terminate the services of the Securities Depository with respect to any series of Bonds, and shall do so if any tender agent with respect to such series or the Trustee ceases to be a Participant and is not replaced by a tender agent or Trustee which is a Participant. Upon the discontinuance or termination of the services of the Securities Depository with respect to any series of Bonds pursuant to the foregoing sentences, unless a substitute Securities Depository is appointed to undertake the functions of the predecessor Securities Depository hereunder, the Corporation is obligated to deliver certificated Bonds to the Beneficial Owners of such Bonds, as described herein, and such Bonds shall no longer be restricted to

being registered in the registration books in the name of the Securities Depository or its nominee, but may be registered in whatever name or names the Owners transferring or exchanging Bonds shall designate to the Trustee in writing, in accordance with the provisions of the Indenture.

(d) Notwithstanding any other provisions of the Indenture to the contrary, as long as any Bond is registered in the name of the Securities Depository or its nominee, all payments with respect to the principal or purchase price of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner agreed upon by the Trustee and the Securities Depository. Owners of Bonds shall have no lien on or security interest in any rebate or refund paid by the Securities Depository to the Trustee which arises from the payment by the Trustee of principal of or interest on any Bonds in immediately available funds to the Securities Depository.

(e) Notwithstanding any other provision of the Indenture to the contrary, so long as any Bond is held in book-entry form, such Bond need not be delivered in connection with any optional tender of such Bond, and all references to physical delivery of Bonds in any provision for optional tender shall be ineffective. In such case, payment of the purchase price in connection with such tender shall be made only to the Owner of such Bond on the date designated for such payment, without further action by the Beneficial Owner (or nominee thereof) who delivered the applicable notice of election to tender Bonds, and, notwithstanding any other provisions of the Indenture, transfer of beneficial ownership shall be made in accordance with the procedures of the Securities Depository.

ARTICLE III

GENERAL TERMS AND PROVISIONS OF BONDS

Section 3.1 Negotiability, Registry and Exchange. All the Bonds issued under the Indenture shall be negotiable, subject to the provisions for registration, transfer and exchange contained in the Indenture and in the Bonds. So long as any of the Bonds shall remain Outstanding or are otherwise not paid, the Corporation shall maintain and keep, at the Principal Office of the Trustee, books for the registration, transfer and exchange of Bonds. Upon presentation thereof for such purpose at said office, the Trustee shall register or cause to be registered in such books, and permit to be transferred thereon, any Bonds entitled to registration or transfer, under such reasonable regulations as it or the Trustee may prescribe. So long as any of the Bonds remain Outstanding, the Trustee shall make all necessary provisions to permit the exchange of Bonds at the Principal Office of the Trustee.

Bonds, at the option of the owner thereof and upon payment by such owner of any charges which the Corporation or the Trustee may make as provided in Sections 3.3 and 3.4 hereof, may be exchanged for an equal aggregate principal amount of Bonds of any of the Authorized Denominations of the same series and maturity upon surrender thereof at the Principal Office of the Trustee with a written instrument of transfer satisfactory to the Trustee duly executed by the owner or such owner's duly authorized attorney.

Section 3.2 Transfer of Bonds. (a) Each Bond shall be transferable only upon the books of the Corporation, which shall be kept for such purpose at the Principal Office of the Trustee, in person by the Owner thereof or by such Owner's attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the Owner or such Owner's duly authorized attorney. Upon the transfer of any such fully registered Bond, the Corporation shall issue in the name of the transferee a new fully registered Bond or Bonds of the same series, interest rate and maturity.

(b) The Corporation and the Trustee may deem and treat the person in whose name any Bond shall be registered upon the books of the Corporation as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such Owner or upon such Owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Corporation nor the Trustee shall be affected by any notice to the contrary.

Section 3.3 Regulations With Respect to Exchanges and Transfers. In all cases in which the privilege of exchanging or transferring Bonds is exercised, the Corporation shall execute, and the Trustee shall authenticate and deliver, Bonds in Authorized Denominations in accordance with the provisions of the Indenture. For every such exchange or transfer of Bonds, whether temporary or definitive, the Corporation or the

Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which charges shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer of Bonds.

The Corporation will not be obligated to (i) register the transfer of or exchange any Bond of a series during a period beginning on the date Bonds of the series are selected for redemption and ending on the day of the mailing of a notice of redemption of Bonds selected for redemption; (ii) register the transfer of or exchange any Bond selected for redemption in whole or in part, except the unredeemed portion of a Bond being redeemed in part; or (iii) make any such exchange or transfer of any Bond during the period beginning on the Record Date for an Interest Payment Date and ending on the Interest Payment Date.

Section 3.4 Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Corporation shall execute, and the Trustee shall authenticate, a new Bond of like series, interest rate, maturity, principal amount and other terms as the Bond so mutilated, destroyed, stolen or lost. In the case of a mutilated Bond, such new Bond shall be delivered only upon surrender and cancellation of such mutilated Bond. In the case of a Bond issued in substitution for a Bond that has been destroyed, stolen or lost, such new Bond shall be delivered only upon the filing of evidence with the Trustee satisfactory to establish to the Corporation and the Trustee that such Bond has been destroyed, stolen or lost and to prove the ownership thereof and upon furnishing the Corporation and the Trustee with indemnity satisfactory to them. The person requesting the authentication and delivery of a new Bond pursuant to this Section shall comply with such other reasonable requirements as the Corporation and the Trustee may prescribe and pay such expenses as the Corporation and the Trustee may incur in connection therewith. All Bonds surrendered to the Trustee shall be cancelled by it. Evidence of such cancellation shall be given to the Corporation upon request.

Section 3.5 Cancellation and Destruction of Bonds. All Bonds paid at maturity or redemption shall be delivered to the Trustee when such payment is made, and such Bonds, together with all Bonds purchased by the Trustee for cancellation hereunder, shall thereupon be promptly cancelled. Bonds so cancelled shall be treated by the Trustee in accordance with its document retention policies. Notwithstanding the foregoing, documents relating to Credit Enhancement may provide that Bonds paid with amounts derived from such Credit Enhancement shall not be cancelled but shall remain Outstanding as Bonds held by or pledged to the applicable Credit Provider.

Section 3.6 Execution and Authentication. (a) After their authorization, Bonds may be executed by or on behalf of the Corporation and delivered to the Trustee for authentication. The Bonds shall be executed in the name and on behalf of the Corporation by the manual or facsimile signature of the Chairman or Executive Officer or any other Authorized Officer of the Corporation, attested by the manual or facsimile signature of another Authorized Officer, or in such other manner as may be required by resolution of the Corporation. In case any one or more of the officers or employees who shall have signed any of the Bonds shall cease to be such officer or employee before the

Bonds so signed shall have been actually delivered, such Bonds may, nevertheless, be delivered as herein provided, and may be issued as if the person who signed such Bonds had not ceased to hold such office or be so employed. Any Bond may be signed on behalf of the Corporation by such persons as at the actual time of the execution of such Bond shall be duly authorized or hold the proper office in or employment by the Corporation, although at the date of the Bonds such persons may not have been so authorized or have held such office or employment.

(b) The Bonds shall bear thereon a certificate of authentication executed manually by an authorized signatory of the Trustee or, if one be so authorized by a Supplemental Indenture, a co-authenticating agent. It shall not be necessary that the same signatory of the Trustee or any co-authenticating agent sign the certificate of authentication on all of the Bonds issued hereunder. No Bond shall be entitled to any right or benefit under the Indenture or shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee or such agent. Such certificate of the Trustee or such agent upon any Bond executed on behalf of the Corporation shall be conclusive evidence that the Bond was so authenticated and delivered under the Indenture and that the owner thereof is entitled to the benefits hereof.

Section 3.7 Redemption. The Bonds shall be subject to redemption prior to maturity in whole or in part, as set forth in the Supplemental Indenture pursuant to which such Bonds are authorized.

Notice of redemption of any Bonds, unless otherwise specified in Section 2.7 hereof or by Supplemental Indenture, shall be given by the Trustee, at the Direction of the Corporation (except with respect to Bonds to be redeemed from scheduled sinking fund payments), by mailing a copy of the notice by first class mail to each owner of such Bonds at the address of such owner as shown on the registration books of the Trustee, not less than fifteen (15) days prior to the date set for such redemption, or such other period as may be required for any Bonds pursuant to the Supplemental Indenture providing for the issuance thereof. Such notice of redemption shall state the redemption date, the redemption price, the principal amount and the series and numbers of the Bonds called for redemption, the place of presentation of the Bonds called for redemption and that interest on the Bonds, or the portion thereof so called for redemption, shall cease to accrue on the redemption date. Any such notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether or not received by any owner of Bonds, and failure to give any such notice or any defect therein with respect to any Bond shall not affect the validity of the proceedings with respect to any other Bond.

Any Direction from the Corporation to the Trustee to redeem Bonds (i) shall be given at least five (5) Business Days before the Trustee is required to give notice to the owners of the Bonds pursuant to the preceding paragraph, or such lesser period as to which the Trustee shall consent, and (ii) in the case of a redemption of less than all of the Bonds or a redemption of Bonds of a specific series or maturity as required by the Indenture, shall include directions with respect to the series and maturity of any Bonds to

be so redeemed and the timing of such redemption. Whenever provision is made in this Trust Indenture for the redemption of Bonds and less than all Outstanding Bonds of any maturity are called for redemption, the Trustee shall select Bonds of such maturity for redemption by lot. For the purposes of such selection, Bonds shall be in Authorized Denomination as provided in the Supplemental Indenture.

On or prior to the date fixed for redemption, funds shall be deposited with the Trustee to pay, and the Trustee is hereby authorized and directed to apply such funds to the payment of, the Bonds called, together with accrued interest and premium, if any, thereon to the redemption date. Upon the giving of notice and the deposit of funds for redemption, interest on the Bonds thus called shall no longer accrue after the date fixed for redemption. No payment shall be made by the Trustee upon any Bond called for redemption until such Bond shall have been delivered for payment or cancellation or the Trustee shall have received the items required by Section 3.4 hereof with respect to any mutilated, lost, stolen or destroyed Bond.

Notwithstanding anything to the contrary in this Section, any notice of redemption, other than mandatory sinking fund redemption, may state that it is conditional and may be rescinded by notice given by the Trustee, in the same manner that notices of redemption are given, at any time before the date fixed for redemption. Any notice of redemption given by the Trustee without Direction from the Corporation, other than notice of mandatory sinking fund redemption, shall contain such statement. Upon receipt by the Trustee of a Direction from the Corporation to rescind any such conditional notice of redemption, accompanied by a Credit Confirmation, in sufficient time for the Trustee to give notice of rescission to the Bondholders at least two Business Days before the redemption date, the Trustee shall give such notice of rescission in the same manner that notice of the redemption was given. In addition, with the Credit Provider's consent, such notice of redemption may state that it is conditioned upon the deposit of money sufficient to effect such redemption on or before the date the Bonds are to be redeemed and that such notice shall be of no force and effect in the event that moneys for such redemption are not so deposited by such time.

Section 3.8 Purchase in Lieu of Redemption. Prior to the mailing by the Trustee of a notice of redemption with respect to Bonds of any particular series, tenor and maturity, the Corporation may direct the Trustee to purchase, and upon receipt of a Direction of the Corporation to such effect the Trustee shall purchase, such Bonds, at a price (including any brokerage and other costs) not to exceed the principal amount thereof plus accrued interest, in lieu of redemption; provided, however, that the Trustee shall not be obligated to honor a Direction of the Corporation that directs the purchase of Bonds for future delivery on or after a date that is five (5) Business Days prior to the last date, if any, on which notice of redemption with respect to such Bonds is required to be mailed in accordance with the provisions of the Indenture that directs the purchase of Bonds for future delivery. Except as otherwise may be specified in such Direction, the Trustee shall make such purchases of Bonds in such manner as the Trustee shall determine. The Corporation is expressly authorized to tender, and to direct the Trustee to purchase from the Corporation, any Bonds in lieu of redemption. The Trustee shall not be required to advance any of its own money to make any such purchase or purchases.

ARTICLE IV

APPLICATION OF PROCEEDS AND OTHER AMOUNTS

Section 4.1 Application of Proceeds. The proceeds of sale of any Bonds shall, as soon as practicable upon the delivery of such Bonds by the Trustee pursuant to Section 2.6 hereof, be applied as set forth in the Supplemental Indenture pursuant to which such Bonds are authorized.

Section 4.2 Additional Deposits or Transfers. If for any reason the Corporation deposits with or assigns to the Trustee additional assets to be held as part of the Pledged Assets, such assets shall be deposited to or held for the account of such Accounts or subaccounts as prescribed by Supplemental Indenture or Direction of the Corporation and shall thereafter be applied or released pursuant to Direction of the Corporation, subject to the satisfaction of any conditions contained therein, or as specified in the Supplemental Indenture or Direction of the Corporation pursuant to which such assets were deposited.

ARTICLE V

PLEDGE OF INDENTURE; ACCOUNTS

Section 5.1 Pledge and Security Interest. (a) To the fullest extent provided by applicable laws, the Pledged Assets shall immediately be subject to the lien of this Trust Indenture without any physical delivery, filing or recording thereof or further act, and such lien shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise, irrespective of whether such parties have notice hereof.

(b) This Trust Indenture creates a valid and binding pledge and assignment of security interest in all of the Pledged Assets pledged under the Trust Indenture in favor of the Trustee as security for payment of the Bonds, enforceable by the Trustee in accordance with the terms hereof.

(c) Under the laws of the State, such pledge and assignment and security interest is automatically perfected by Alaska Statutes 14.42.250 and is and shall have priority as against all parties having claims of any kind in tort, contract, or otherwise hereafter imposed on the Pledged Assets.

Section 5.2 Accounts. (a) The Corporation hereby establishes and creates the following trust accounts:

- (1) Revenue Account;
- (2) Payment Account;
- (3) Loan Account; and
- (4) Reserve Account.

The Trustee is hereby authorized for the purpose of facilitating administration of the Pledged Assets to create subaccounts in any of the various Accounts established hereunder as may be directed by the Corporation or otherwise provided by Supplemental Indenture.

The Corporation hereby also establishes and creates special accounts to be held by the Trustee and to be called the Rebate and Excess Interest Account and the Department of Education Payment Account, which Accounts are not included within the Pledged Assets.

(b) All such Accounts shall be held and maintained by the Trustee and shall be identified by the Corporation and the Trustee according to the designations herein provided in such manner as to distinguish such Accounts from the accounts established by the Corporation for any of its other obligations. All moneys or securities held by the Trustee pursuant to the Indenture shall be held in trust as provided herein, and applied only in accordance with the provisions of the Indenture.

Section 5.3 Revenue Account; Payment Account. (a) The Corporation shall cause all Revenues to be deposited promptly with the Trustee in the Revenue Account. There shall be deposited in the Revenue Account any amount required to be deposited therein pursuant to the Indenture and any other amounts (including counterparty exchange payments received pursuant to subsection (d) of this Section) available therefor and determined by the Corporation to be deposited therein from time to time.

(b) The Trustee shall pay out of the Revenue Account all moneys then deposited therein, as follows on the first Business Day of each March, June, September, and December, commencing December, 2012, and in the following order of priority:

(i) FIRST: Into the Department of Education Payment Account an amount as directed by the Corporation which, when added to amounts then on deposit in such Account and available for such purpose, is sufficient to provide for the reconciliation of Special Allowance Payments under the Higher Education Act allocable solely to the Loans included in the Pledged Assets among the Corporation, trust estates of the Corporation under the Joint Sharing Agreement and the United States Department of Education, or to make any other payments due and payable to the United States Department of Education related to the Loans (including, without limitation, consolidation loan rebate fees).

(ii) SECOND: Into the Rebate and Excess Interest Account an amount to be calculated by or on behalf of the Corporation (as set forth in a Direction of the Corporation delivered to the Trustee) which, when added to the amount already within the Rebate and Excess Interest Account to pay the Rebate Requirement, will equal (i) the amount required to be on deposit therein in order to meet the Rebate Requirement plus (ii) an amount to be calculated by or on behalf of the Corporation (as set forth in a Direction of the Corporation delivered to the Trustee) which, when added to the amount already in the Rebate and Excess Interest Account to pay the Excess Interest, equals the Excess Interest on any date of calculation.

(iii) THIRD: To the Trustee and the Servicers (other than the Commission or the Corporation) amounts sufficient to pay Trustee Fees and Servicing Fees in connection with the Loans, respectively, which are then payable to the Trustee or such Servicers or which are estimated to become so payable during the next three-month period, as set forth in a Certificate of an Authorized Officer of the Corporation delivered to the Trustee.

(iv) FOURTH: To the Remarketing Agents and Credit Providers and others, amounts sufficient to pay Remarketing Agent Fees and Credit Enhancement Fees and such other fees, respectively, (with other fees payable as permitted in a Credit Confirmation with respect

thereto in connection with the Bonds) which are then payable or which are estimated to become payable during the next three-month period, as set forth in a Certificate of an Authorized Officer of the Corporation delivered to the Trustee.

(v) FIFTH: Into the Payment Account (i) if such quarterly transfer date is also an Interest Payment Date or a date on which principal is due on the Senior Bonds (at maturity or mandatory sinking fund redemption or term out of Senior Bonds held by Credit Providers), the amount, if any, which when added to the amount already within such Account will be sufficient to pay interest and principal on the Senior Bonds due on such Interest Payment Date or principal payment date, as applicable, and (ii) if such quarterly transfer date is not also an Interest Payment Date or date on which principal is due on the Senior Bonds (at maturity or mandatory sinking fund redemption or term out of Senior Bonds held by Credit Providers), an amount equal to one-half of the interest due on the Senior Bonds on the next Interest Payment Date and if principal on the Senior Bonds is due within the next twelve months at maturity or mandatory sinking fund redemption or term out of Senior Bonds held by Credit Providers, one-fourth of the principal so to become due.

(vi) SIXTH: Into the Payment Account (i) if such quarterly transfer date is also an Interest Payment Date or a date on which principal is due on the Senior Subordinate Bonds (at maturity or mandatory sinking fund redemption or term out of Senior Subordinate Bonds held by Credit Providers), the amount, if any, which when added to the amount already within such Account will be sufficient to pay interest and principal on the Senior Subordinate Bonds due on such Interest Payment Date or principal payment date, as applicable, and (ii) if such quarterly transfer date is not also an Interest Payment Date or date on which principal is due on the Senior Subordinate Bonds (at maturity or mandatory sinking fund redemption or term out of Senior Subordinate Bonds held by Credit Providers), an amount equal to one-half of the interest due on the Senior Subordinate Bonds on the next Interest Payment Date and if principal on the Senior Subordinate Bonds is due within the next twelve months at maturity or mandatory sinking fund redemption or term out of Senior Subordinate Bonds held by Credit Providers, one-fourth of the principal so to become due.

(vii) SEVENTH: Into the Payment Account (i) if such quarterly transfer date is also an Interest Payment Date or a date on which principal is due on the Subordinate Bonds (at maturity or mandatory sinking fund redemption or term out of Subordinate Bonds held by Credit Providers), the amount, if any, which when added to the amount already within such Account will be sufficient to pay interest and principal on the Subordinate Bonds due on such Interest Payment Date or principal payment date, as

applicable, and (ii) if such quarterly transfer date is not also an Interest Payment Date or date on which principal is due on the Subordinate Bonds (at maturity or mandatory sinking fund redemption or term out of Subordinate Bonds held by Credit Providers), an amount equal to one-half of the interest due on the Subordinate Bonds on the next Interest Payment Date and if principal on the Subordinate Bonds is due within the next twelve months at maturity or mandatory sinking fund redemption or term out of Subordinate Bonds held by Credit Providers, one-fourth of the principal so to become due.

(viii) EIGHTH: Into the Payment Account (i) if such quarterly transfer date is also an Interest Payment Date or a date on which principal is due on the Junior Subordinate Bonds (at maturity or mandatory sinking fund redemption or term out of Junior Subordinate Bonds held by Credit Providers), the amount, if any, which when added to the amount already within such Account will be sufficient to pay interest and principal on the Junior Subordinate Bonds due on such Interest Payment Date or principal payment date, as applicable, and (ii) if such quarterly transfer date is not also an Interest Payment Date or date on which principal is due on the Junior Subordinate Bonds (at maturity or mandatory sinking fund redemption or term out of Junior Subordinate Bonds held by Credit Providers), an amount equal to one-half of the interest due on the Junior Subordinate Bonds on the next Interest Payment Date and if principal on the Junior Subordinate Bonds is due within the next twelve months at maturity or mandatory sinking fund redemption or term out of Junior Subordinate Bonds held by Credit Providers, one-fourth of the principal so to become due.

(ix) NINTH: Into the Reserve Account any amount necessary to increase the amount on deposit therein to the Reserve Account Requirement.

(x) TENTH: As directed by the Corporation and subject to the limits set forth in any Supplemental Indenture or any Credit Enhancement, the amount, if any, necessary to pay(A) first any other amounts due to Credit Providers and (B) to the extent the Asset Requirement would be satisfied after giving effect to such payment, then estimated Program Expenses (including Servicing Fees when the Commission or the Corporation is a Servicer and Remarketing Agent fees not paid pursuant to (iv) above), other than as provided for in clauses (i) through (iv) above, then unpaid and in the case of Program Expenses the Corporation shall be entitled to draw annually on the first Business Day in September of each year, commencing September 1, 2013, amounts sufficient to pay such Program Expenses for the next twelve-month period, as determined by the Corporation (as set forth in a Certificate of an Authorized Officer of the Corporation delivered to the Trustee), plus the amount, if any, necessary to reimburse the Corporation for Program Expenses incurred since the

delivery of the Bonds and not previously paid or reimbursed from amounts transferred from the Revenue Account or, in the case of Costs of Issuance, from the Loan Account.

(xi) ELEVENTH: Except as limited by any Supplemental Indenture or Credit Enhancement, upon receipt by the Trustee of a Direction of the Corporation, into the Loan Account all remaining amounts in the Revenue Account after giving effect to the above transfers, provided that no such deposit shall be made after any date specified in a Supplemental Indenture as the last date for such transfer, as such date may be extended pursuant to any subsequent Supplemental Indenture.

(xii) TWELFTH: Except as limited by any Supplemental Indenture or Credit Enhancement, when the Asset Requirement is satisfied, any amounts in excess of the amounts needed to satisfy the Asset Requirement may be transferred to the Corporation, at the Direction of the Corporation, free and clear of the lien or the pledge of the Indenture.

(xiii) THIRTEENTH: Into the Payment Account the amount, if any, which when added to the amount already within such account will be sufficient to pay the redemption price of any Bonds which have been called for redemption prior to maturity.

(c) Notwithstanding the provisions of subsection (a) of this Section, and upon receipt by the Trustee of a Credit Confirmation with respect thereto, no payments shall be required to be made into the Revenue Account for so long as the aggregate amount on deposit therein, together with amounts on deposit in the Loan Account (exclusive of Eligible Loans therein), shall be sufficient to pay all Outstanding Bonds in accordance with their terms (and at an assumed maximum possible interest rate to the maturity of any Bonds which bear interest at a Variable Rate) and all other items to be paid from the Revenue Account, and any Revenues thereafter received by the Corporation may be applied to any purpose of the Corporation free and clear of the lien or the pledge of the Indenture.

(d) The Corporation may enter into any Financial Product, provided that prior to entering into such Financial Product (i) the Trustee shall have received a Credit Confirmation with respect to entering into such Financial Product and (ii) the Corporation shall deliver to the Trustee a Direction with respect to the Account or Accounts into which amounts received pursuant to such Financial Product are to be deposited, accompanied by a Bond Counsel Opinion to the effect that entering into the Financial Product and compliance therewith shall not affect the exclusion from gross income of interest on any Tax-Exempt Bonds for federal income tax purposes; and any other provision of this Section 5.3 or Section 5.4 hereof notwithstanding, in such event the Trustee shall pay to the counterparty of any such Financial Product such amount as shall be due from the Corporation or the Trustee thereunder, as specified in such Direction, in such order of priority with respect to clauses (v) through (xiii) of subsection (b) above as

may be specified in such Direction. In addition, the obligation to pay any such counterparty may be secured by the Pledged Assets. Net payments due to the Corporation under any such agreement will be considered Revenues, and net payments due from the Corporation under any such agreement (other than termination payments) will, if so specified by the Corporation, be payable with the same priority of claim as Senior Bonds, Senior Subordinate Bonds, Subordinate Bonds or Junior Subordinate Bonds, as applicable. Termination payments may be made from amounts which may be released from the lien of the Indenture under (b)(xii)above.

(e) Credit Enhancement may be provided for any series of Bonds, in accordance with the provisions of the Supplemental Indenture providing for the issuance of such Bonds. In such event, the Trustee shall pay to the related Credit Provider, as reimbursement for any amounts paid pursuant to such Credit Enhancement together with interest thereon, such amount as shall be due from the Corporation or the Trustee thereunder, in such order of priority with respect to clauses (v) through (viii) of subsection (b) above as may be specified in such Supplemental Indenture. In addition, the obligation to pay any such reimbursement amounts plus interest and to pay any fees or other amounts due with respect to such Credit Enhancement may be secured by the Pledged Assets as provided in such Supplemental Indenture.

(f) Amounts on deposit in the Payment Account shall be applied to pay debt service on Bonds in the order of clauses (v) through (viii) of subsection (b) above (regardless of the date or order of the deposit of such amounts into the Payment Account pursuant to such subsection (b) above), to pay the redemption price of any Bonds which have been called for redemption provided in clause (xiii) of subsection (b) above, or to reimburse a Credit Provider for such payments as provided in subsection (e) above.

Section 5.4 Loan Account. (a) There shall be deposited in the Loan Account proceeds of Bonds in accordance with a Direction by the Corporation, any other amounts which are required to be deposited therein pursuant to the Indenture, and any other amount, as specified in a Direction by the Corporation, available therefor and determined by the Corporation to be deposited therein and not inconsistent with the Indenture. The Trustee shall, as directed by the Corporation, (i) pay out of the Loan Account any Costs of Issuance, and (ii) transfer from the Loan Account to the Payment Account on each Interest Payment Date or other redemption date the amounts required for the payment of the principal, if any, or interest or premium, if any, due on the Outstanding Bonds on such date not provided for pursuant to Section 5.3(b)(v),(vi), (vii), or (viii)hereof.

(b) In addition to the uses described in (a) above, and to the extent not provided for pursuant to Section 5.3 hereof, amounts in the Loan Account shall be expended (i) to make any payments required pursuant to Section 5.3(b)(ii) hereof; (ii) to finance the acquisition of Eligible Loans as provided in Section 6.8 hereof, including costs of such acquisition; (iii) to pay Fees and Expenses not otherwise

provided for; (iv) to pay when due the principal of and interest and premium, if any, on any Bonds, whether at maturity or earlier redemption, or to reimburse any Credit Provider which has provided funds to make such payments, as provided in Section 5.3(b) hereof and (v) to refund any bonds or other obligations of the Corporation. The price paid for any Eligible Loan shall include interest accrued thereon and may include any other amounts permitted by applicable laws. All Eligible Loans financed by application of amounts in the Loan Account shall be held by a Servicer (including the Corporation), as bailee for the Trustee, and credited as an asset of the Loan Account.

(c) The Trustee shall pay out and permit the withdrawal of amounts on deposit in the Loan Account at any time for the purpose of making payments pursuant to clause (b)(i), (ii) or (iii) of this Section, but only upon receipt of:

(i) a Direction setting forth the amount to be paid, the person or persons to whom such payment is to be made (which may be or include the Corporation) and, in reasonable detail, the purpose or purposes of such withdrawal; and

(ii) a Certificate of an Authorized Officer identifying such Direction and stating that the amount to be withdrawn from the Loan Account pursuant to such requisition is a proper charge thereon and, if such Direction is made to finance Eligible Loans, (A) that such Eligible Loans comply with the covenants and requirements of Article VI hereof; (B) that the charge to the Loan Account of financing such Eligible Loans does not exceed (x) the purchase price permitted by applicable law and regulations then in effect or (y) any limitation in clause (b) of this Section; and (C) that the Corporation has received the promissory note with respect to each such Eligible Loan so financed or, in the case of a master promissory note, a true and correct copy thereof.

Section 5.5 Reserve Account. Amounts on deposit in the Reserve Account shall be used by the Trustee to pay debt service on the Bonds when due to the extent amounts available therefor pursuant to Section 5.3(b)(v),(vi), (vii), or (viii) hereof or amounts on deposit in the Loan Account are insufficient. Amounts on deposit in the Reserve Account in excess of the Reserve Account Requirement shall be transferred by the Trustee quarterly on the first Business Day of each March, June, September and December to the Revenue Account. The Corporation may direct the Trustee to apply amounts on deposit in the Reserve Account to the purchase or redemption of Bonds if, upon giving effect to such purchase or redemption, the amount on deposit in the Reserve Account shall be not less than the Reserve Account Requirement. Any Supplemental Indenture providing for the issuance of Bonds may provide that the Reserve Account Requirement set forth therein may be satisfied by a surety bond, letter of credit or other instrument.

Section 5.6 Rebate and Excess Interest Account. (a) The Rebate and Excess Interest Account shall be maintained by the Trustee as an account separate from

any other account established and maintained hereunder. Within the Rebate and Excess Interest Account, the Trustee shall maintain such subaccounts as shall be set forth in a Direction of the Corporation in order to comply with the terms and requirements of the Tax Certificate, and shall include a subaccount for Rebate Requirement and a subaccount for Excess Interest. Subject to the provisions of paragraphs (b) and (e) below, all money at any time deposited in the Rebate and Excess Interest Account shall be held by the Trustee in trust, to the extent required to satisfy the Rebate Requirement and the Corporation's obligations with respect to Excess Interest, and the Corporation or the owner of any Bonds shall not have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate and Excess Interest Account shall be governed by this Section and by Section 6.6 hereof and by the Tax Certificate (which is incorporated herein by reference). The Trustee shall be deemed conclusively to have complied with this Section 5.6 and with such provisions of the Tax Certificate if it follows the Directions of the Corporation, including supplying all necessary written information in the manner provided in the Tax Certificate, and shall have no liability or responsibility for compliance if it so acts (except as may be specifically set forth in the Tax Certificate) or to enforce compliance by the Corporation with the terms of the Tax Certificate.

(b) Upon the Direction of the Corporation, the Trustee shall either deposit in the Rebate and Excess Interest Account funds provided for under this Indenture or received from the Corporation, or shall withdraw funds from the Rebate and Excess Interest Account for payment upon the order of the Corporation, so that the balance of the amount on deposit thereto shall be equal to the Rebate Requirement and Excess Interest. Computations of the Rebate Requirement and Excess Interest shall be furnished by or on behalf of the Corporation in accordance with the Tax Certificate. Excess amounts on deposit in the Rebate and Excess Interest Account shall be deposited to the Revenue Account.

(c) The Trustee shall have no obligation to pay any amounts required to be rebated or paid pursuant to this Section, other than from moneys held in the Rebate and Excess Interest Account and other Accounts created under the Indenture or from other moneys provided to it by the Corporation. The Trustee shall have no responsibility to independently make any calculations or determinations or to review any rebate analyst's determinations, calculations, certifications or directions.

(d) Notwithstanding any other provisions of this Trust Indenture, including in particular Section 10.1 hereof, the obligation to remit the Rebate Requirement to the United States of America and to comply with all other requirements of this Section, Section 6.6 hereof and the Tax Certificate shall survive the defeasance or payment in full of the Bonds.

(e) No later than sixty days after each Excess Interest Calculation Date, the Corporation shall determine, or cause to be determined, the Excess Interest as of the preceding Excess Interest Calculation Date and shall deliver

such calculation to the Trustee and the Credit Provider, along with a statement of a party or parties competent to make such determination.

The first time such calculation shows the existence of Excess Interest, the Corporation shall direct the Trustee to establish a subaccount in the Rebate and Excess Interest Account and to transfer an amount equal to such Excess Interest from the following accounts, in the following order of priority: (i) Revenue Account and (ii) Loan Account. Thereafter, within sixty days after each Excess Interest Calculation Date, the Corporation shall take the following actions:

(i) If the amount on deposit in the related subaccount of the Rebate and Excess Interest Account is less than the Excess Interest as of the preceding Excess Interest Calculation Date, the Corporation will notify the Trustee, who will transfer sufficient funds to the related subaccount of the Rebate and Excess Interest Account so that the amount on deposit is equal to Excess Interest from the following Accounts in the following order of priority: Revenue Account and Loan Account.

(ii) If the amount on deposit in the related subaccount of the Rebate and Excess Interest Account is greater than the Excess Interest, the Corporation shall instruct the Trustee to transfer to the Revenue Account money sufficient to cause the amount on deposit in the related subaccount of the Rebate and Excess Interest Account to be equal to the Excess Interest as of such Excess Interest Calculation Date.

(iii) Unless the Corporation obtains a Bond Counsel Opinion to the effect that such payments are not required in order to preserve the exclusion from gross income of interest on the Tax-Exempt Bonds for federal income tax purposes, the Corporation covenants to direct the Trustee to withdraw from the Rebate and Excess Interest Account and remit to the United States Treasury, Yield Reduction Payments in such manner and amounts and on such dates as may be required or permitted by Section 148 of the Code and Section 1.148-5(c) of the Treasury Regulations issued thereunder.

(iv) Additionally, the Corporation may, upon receipt of a Credit Confirmation, direct the Trustee to transfer a specified amount from the Rebate and Excess Interest Account to the Revenue Account at any time, upon providing the Trustee with a Direction of the Corporation directing the Trustee to forgive indebtedness on all or a portion of the Loans specified in such Direction in an amount equal to the amount to be transferred and the implementation of such Direction by the Trustee.

(f) Records of the determinations with respect to the above covenants and the Rebate and Excess Interest Account shall be retained by the Corporation until six years after the end of the tax year following retirement of the related series of the Tax-Exempt Bonds.

The Corporation's payment of Rebate Requirement and Yield Reduction Payments to the United States is for the purpose of preserving the exclusion from gross income for federal income tax purposes of interest on the Tax-Exempt Bonds.

The Corporation shall exercise reasonable diligence to assure that no error in the calculations required by this Section is made and, if such an error is made, to discover and promptly to correct such error within a reasonable amount of time thereafter, including the payment to the United States of any delinquent amounts owed to it, interest thereon, and any assessed penalty.

Amounts in the Rebate and Excess Interest Account shall only be used for the purposes specified in this Section, and shall not be available for any other purpose, including, but not limited to, payment of debt service on the Bonds or reimbursement of any Credit Enhancement.

(g) The moneys in the Rebate and Excess Interest Account shall be invested in Permitted Investments and any earnings on or income from such investments shall be retained therein; provided that the Corporation may direct the Trustees to transfer amounts in excess of that required to be on deposit therein to the Revenue Account at any time.

Section 5.7 Department of Education Payment Account. Amounts on deposit in the Department of Education Payment Account shall be used by the Trustee, at the Corporation's direction, to provide for the reconciliation of Special Allowance Payments under the Higher Education Act among the Corporation, trust estates of the Corporation under the Joint Sharing Agreement and the United States Department of Education, or to make any other payments due and payable to the United States Department of Education related to the Loans (including, without limitation, consolidation loan rebate fees), provided that amounts withdrawn from the Revenue Account and deposited to the Department of Education Payment Account and not needed for such payments shall be returned to the Revenue Account as directed by the Corporation.

Section 5.8 Investment of Certain Funds. (a) Subject to the provisions of Section 6.6 hereof, and pursuant to Direction by the Corporation to invest or deposit funds hereunder in Permitted Investments, moneys in any Account shall be continuously invested and reinvested or deposited and redeposited by the Trustee. The Corporation shall direct the Trustee by Direction (or, if time does not permit, by oral direction of an Authorized Officer, promptly confirmed in writing) to invest and reinvest the moneys in any Account in Permitted Investments so that the maturity date or date of redemption at not less than par at the option of the owner thereof shall be no later than the date as of which moneys are needed to be expended. In the absence of Direction from the Corporation, the Trustee shall make reasonable effort to invest the otherwise uninvested moneys in available overnight investments permissible under the Indenture and previously directed in writing by an Authorized Officer of the Corporation for such purposes. The Trustee shall not be responsible for determining the legality of any investment or for any loss on investments provided the Trustee shall have followed the Directions of the Corporation and the provisions of the Indenture. The Permitted

Investments purchased shall be held by the Trustee in trust for the benefit of the Owners and shall be deemed at all times to be part of the appropriate Account, except as provided in subsection (b) hereof, and the Trustee shall keep the Corporation advised as to the details of all such investments.

(b) Permitted Investments purchased as an investment of moneys in any Account held by the Trustee under the provisions of the Indenture shall be deemed at all times to be a part of such Account but, except with respect to the Rebate and Excess Interest Account and the Department of Education Payment Account, the income or earnings and gains realized in excess of losses suffered by an Account due to the investment thereof shall be deposited in the Revenue Account or shall be credited as Revenues to the Revenue Account from time to time and reinvested; provided, however, that the income or earnings and gains realized in excess of losses in the Reserve Account will only be transferred to the Revenue Account if the balance in the Reserve Account is greater than or equal to the Reserve Account Requirement.

(c) The Trustee, pursuant to a Direction of the Corporation, shall sell at the best price reasonably obtainable, or present for redemption or exchange, or make a withdrawal under, any Permitted Investment purchased by it pursuant to the Indenture in accordance with its terms whenever it shall be necessary in order to provide moneys to meet any payment. Any Permitted Investment may be credited on a pro rata basis to more than one Account and need not be sold in order to provide for the transfer of amounts from one Account to another. The Trustee shall advise the Corporation in writing, on or before the tenth day of each calendar month, of all investments held for the credit of each Account in its custody under the provisions of the Indenture as of the end of the preceding month. The Corporation acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Corporation the right to receive brokerage confirmations of security transactions as they occur, the Corporation specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Corporation periodic cash transaction statements, which include the detail for all investment transactions made by the Trustee hereunder.

Section 5.9 Deposits. (a) In order to permit such amounts to be available for use at the time when needed, any amounts held under the Indenture by the Trustee as such may, if and as directed by the Corporation, be deposited in the commercial banking department of the Trustee, which may honor checks and drafts on such deposit with the same force and effect as if it were not the Trustee. The Trustee shall allow and credit on such amounts such interest, if any, as it customarily allows upon similar funds of similar size and under similar conditions or as required by law.

(b) All amounts deposited by the Trustee pursuant to subsection (a) shall be continuously and fully secured (i) by lodging with the Trustee as custodian and as fiduciary for the owners of the Bonds, as collateral security, Permitted Investments having a market value (exclusive of accrued interest) not

less than the amount of such deposit, or (ii) if applicable State or federal law requires, in such other manner as may then be so required.

Section 5.10 Provisions Relating to Credit Enhancement. (a) The Trustee shall hold and maintain each Credit Enhancement for the benefit of the applicable Bondholders until such Credit Enhancement terminates or expires in accordance with its terms. The Trustee shall (subject to the provisions of the Indenture and the applicable Credit Enhancement) diligently enforce all terms, covenants and conditions of each Credit Enhancement for the benefit of the applicable Bondholders. If at any time during the term of any Credit Enhancement any successor Trustee shall be appointed and qualified under the Indenture, the resigning or removed Trustee shall request that the Credit Provider transfer the Credit Enhancement to the successor Trustee, to the extent such action is necessary, and shall comply with the applicable provisions of the Credit Enhancement. If the resigning or removed Trustee fails to make this request, the successor Trustee shall do so before accepting appointment. On the date of termination of any Credit Enhancement, the Trustee shall immediately surrender such Credit Enhancement to the applicable Credit Provider unless such Credit Provider has failed to honor a properly presented and conforming drawing thereunder. The Trustee, for the benefit of the Holders of Bonds, shall (subject to the provisions of the Indenture and the applicable Credit Enhancement) diligently enforce and take all reasonable steps, actions and proceedings necessary for the enforcement of all terms, covenants and provisions of each Credit Enhancement as contemplated herein and therein. The Trustee shall not consent to any amendment or modification of any Credit Enhancement which would materially adversely affect the rights or interests of the Holders of any Bonds of any series without either (i) a Rating Confirmation or (ii) the prior written consent of the Holders of all of the Bonds of such series.

(b) The Trustee shall request payments under each Credit Enhancement, in accordance with and to the extent, if any, required by the terms thereof, in the amounts and at such time as may be necessary to make full and timely payments of the principal of and interest on the applicable series of Bonds or to pay the purchase price of Bonds tendered for purchase and not remarketed.

ARTICLE VI

PARTICULAR COVENANTS

The Corporation covenants and agrees with the Trustee, and the owners of the Bonds as follows.

Section 6.1 Payment of Bonds. The Corporation shall duly and punctually pay or cause to be paid, solely from Pledged Assets or Credit Enhancement, the principal of every Bond and the interest thereon at the dates and places and in the manner stated in the Bonds according to the true intent and meaning thereof.

Section 6.2 Extension of Payment of Bonds. The Corporation shall not directly or indirectly extend or consent to the extension of the maturity of any of the Bonds or claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement. In the event that the maturity of any of the Bonds or the time for payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled to the benefits of the Indenture or to any payment out of (i) the Accounts established pursuant to the Indenture, including the investments, if any, thereof, or (ii) any assets or revenues pledged hereunder, prior to the payment of the principal of all Bonds the maturity of which has not been extended and the payment of such portion of the accrued interest on the Bonds as is not represented by such extended claims for interest. Nothing herein shall be deemed to limit the right of the Corporation to issue refunding bonds, and such issuance shall not be deemed to constitute an extension of the maturity of the Bonds being refunded.

Section 6.3 Offices for Servicing Bonds. The Corporation shall at all times maintain an office or agency where Bonds may be presented for registration, transfer or exchange. The Corporation hereby appoints the Trustee as its agent to maintain such office or agency for the registration, transfer or exchange of Bonds, and such office shall be the Trustee's Principal Office.

Section 6.4 Power to Issue Bonds and Pledge Revenues, Funds and Other Property. The Corporation is duly authorized under all applicable laws to authorize and issue the Bonds and to enter into, execute and deliver this Trust Indenture and to pledge the assets and revenues purported to be pledged hereby in the manner and to the extent herein provided. The assets and revenues so pledged are and will be free and clear of any pledge, lien, charge or encumbrance thereon, except for the pledge created hereby, and all corporate or other action on the part of the Corporation to that end has been and will be duly and validly taken. The Bonds and the provisions of the Indenture are and will be valid and legally enforceable obligations of the Corporation in accordance with their terms and the terms of the Indenture. The Corporation shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Pledged Assets, including all Revenues and other assets and revenues, including rights pledged under the Indenture, and all the rights of the owners of the Bonds under the Indenture against all claims and demands of all persons whomsoever.

Section 6.5 Further Assurance. At any and all times the Corporation shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolution, act, deed, conveyance, assignment, transfer and assurance as may be necessary or desirable for the better assuring, conveying, granting, pledging, assigning and confirming all and singular the rights, revenues and assets hereby pledged or assigned, or intended so to be, or which the Corporation may become bound to pledge or assign. Other than the security interest granted to the Trustee pursuant to this Trust Indenture, the Corporation has not pledged, assigned, sold, or granted a security interest in or otherwise conveyed any of the Pledged Assets, and has not authorized the filing of and is not aware of any financing statements against the Corporation that include a description of the Pledged Assets and is not aware of any judgment or tax lien filings against the Corporation. The provisions of this Section shall survive so long as any of the Bonds are secured by a pledge of the Pledged Assets.

Section 6.6 Tax Covenants. The Corporation covenants that it will not take any action, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstance within its control to arise or continue, if any such action or inaction would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Tax-Exempt Bonds under Section 103 of the Code and the regulations thereunder. In furtherance of the foregoing covenants, the Corporation covenants to comply with the Tax Certificate. Notwithstanding any other provision of this Trust Indenture to the contrary, including in particular Section 10.1 hereof, the covenants contained in this Section 6.6 shall survive the defeasance or payment in full of the Bonds.

Section 6.7 Accounts and Reports. (a) The Corporation shall keep, or cause to be kept, proper books of record and account in which complete and accurate entries shall be made of all of its transactions relating to the Loans and all Accounts established in the Indenture, which shall at all reasonable times be subject to the inspection of the Trustee, any Credit Provider and the owners of an aggregate of not less than 5% in principal amount of Bonds then Outstanding or their representatives duly authorized in writing.

(b) The Corporation shall annually, within 180 days after the close of each Fiscal Year, file with the Trustee and either with each Rating Agency or, if any Bonds which are rated are supported by Credit Enhancement, with each Credit Provider:

(i) a copy of the financial statements for such Fiscal Year, setting forth in reasonable detail (A) the statement of financial position for the Corporation at the end of such Fiscal Year; (B) a statement of activity of the Corporation during such Fiscal Year; and (C) a statement of cash flows of the Corporation as of the end of such Fiscal Year;

(ii) an Accountant's Certificate stating that the financial statements submitted pursuant to (i) above have been examined and present fairly the financial position of the Corporation at the end of the

Fiscal Year and that the results of its operations and the cash flows for the period examined are in conformity with generally accepted accounting principles; and

(iii) a Certificate of the Corporation as to any Events of Default under the Indenture; and

(iv) an unaudited statement of financial position of the Indenture.

The Trustee shall have no duty to review or analyze the financial statements filed by the Corporation with the Trustee, and shall hold such financial statements solely as a repository for the benefit of the Bondholders. The Trustee shall not be deemed to have notice of any information contained in such financial statements or any event of default which may be disclosed therein in any manner, except pursuant to the Certificate of the Corporation submitted under (iii) above.

Section 6.8 Education Loan Program. (a) The Corporation shall from time to time, with all practical dispatch and in a sound and economical manner consistent in all respects with the provisions of this Trust Indenture, including without limitation Section 5.4(b) and Section 5.4(c), (i) use and apply proceeds of the Bonds and moneys in the Loan Account, to finance Eligible Loans pursuant to the Indenture or to pay other obligations of the Corporation required to be paid under the Indenture, (ii) do all such acts and things as shall be necessary to receive and collect Revenues (including special allowance payments) sufficient to pay the Bonds and the expenses of the Corporation's education loan program, and (iii) diligently enforce and take all steps, actions and proceedings reasonably necessary in the judgment of the Corporation to protect its rights with respect to Loans, to maintain any insurance thereon and to enforce all terms, covenants and conditions of the Loans.

(b) No amount in the Loan Account shall be expended or applied for the purpose of financing a Guaranteed Loan, and no Guaranteed Loan shall be financed, unless (except to the extent that a variance from such requirements is required by an agency or instrumentality of the United States of America insuring or guaranteeing the payment of a Guaranteed Loan) the Corporation has determined:

(i) that the payment of the principal of and interest on any Guaranteed Loan is guaranteed by a Guarantor to the extent applicable as to such Loan as provided by federal law, and that the United States Secretary of Education is required, by the Higher Education Act at the time of the financing to reimburse the Guarantor to the extent permitted by federal law for any amount expended by the Guarantor in discharge of its insurance obligation on such Guaranteed Loan;

(ii) that the stated interest rate borne by a Guaranteed Loan and payable on such Guaranteed Loan at the time of its acquisition will not be

less than the maximum rate permitted under applicable law at the time the particular Loan was made (subject to permitted borrower benefits); and

(iii) that as of the date of acquisition of such Guaranteed Loan each of the representations in Schedule I hereto is true.

The foregoing clauses (i) and (ii) notwithstanding, (a) Guaranteed Loans (i) insured by a Guarantor under the Higher Education Act to less than the percentage provided for in applicable law as of the date of this Trust Indenture (including reductions provided for in such applicable law) of the claim relating thereto or (ii) having a return thereon less than the return as may be provided for in applicable law as of the date of this Trust Indenture shall not be financed unless prior thereto the Trustee shall have received a Credit Confirmation with respect to the financing of any such Guaranteed Loans; and (b) Guaranteed Loans insured by a Guarantor which the Trustee or the Corporation knows to be insolvent shall not be financed.

(c) (i) The Trustee shall, at the Direction of the Corporation, at any time sell, assign, transfer or otherwise dispose of a Loan in the manner specified in such Direction, and the Trustee shall execute and deliver such documents as shall be necessary to effect such sale, assignment, transfer or other disposition if such sale, assignment, transfer or disposition (A) is made for the purpose of consolidating the Loans incurred by any borrower, and if such sale assignment, transfer or disposition is made at a price at least equal to the principal amount of the Loan (plus accrued interest), (B) is made to realize on any insurance or guaranty of any Loan in default, (C) is made to another program, indenture or other obligation of the Corporation at a price not less than par plus accrued interest plus unamortized premium, if any, or origination costs, if any, (D) is necessary to permit the payment of Bonds when due, or (E) under any other circumstances not set forth in clauses (A) through (D) above if the Trustee shall have received a Credit Confirmation. Dispositions described in clause (C) through (D) above shall be subject to a Credit Confirmation.

(ii) The Corporation may, subject to any limits in a Supplemental Indenture and upon receipt of a Credit Confirmation, direct the Trustee to transfer Loans in the Loan Account to any other account of the Corporation, free and clear of the lien of the Indenture, provided that simultaneously with such transfer the Corporation shall cause there to be delivered to the credit of the Loan Account or the Revenue Account (as directed by the Corporation in the case of (A) below) free of all other liens and encumbrances other than the lien of the Indenture, either or both of (A) cash in an amount equal to the principal of and accrued borrower interest on the transferred Loans plus, if the total cash in the Loan Account on any Interest Payment Date resulting from such transfers aggregates \$100,000 or more, any additional amount which is necessary to enable the sum of such cash to produce Revenues in an amount at least equal to the Revenues that would have been produced by the transferred Loans (net of any expenses related to such transferred Loans) until such cash is applied

to acquire Eligible Loans or to redeem Bonds; or (B) Eligible Loans with substantially the same principal amount and an average expected remaining term no later than the maturity of the Bonds to be paid from such Loans and which either (1) in the reasonable determination of the Corporation (as certified to by an Authorized Officer of the Corporation), would not have the effect of violating any of the terms hereof, or (2) are accompanied by a Credit Confirmation.

(d) The Corporation will use its best efforts to evaluate the reinvestment of amounts transferred to the Loan Account from principal and interest receipts with respect to Loans to ensure that it will continue to be able to fulfill its debt service requirements hereunder.

(e) The Corporation is an Eligible Lender. So long as the Higher Education Act requires an Eligible Lender to be the owner or holder of Guaranteed Loans, (i) the Corporation will either be an Eligible Lender or will utilize an Eligible Lender as its trustee to acquire Guaranteed Loans; and (ii) it will not dispose of or transfer any Guaranteed Loans or any security interest in any such Guaranteed Loans to any party who is not an Eligible Lender; provided, however, that nothing above shall prevent the Corporation from delivering the Guaranteed Loans to a Servicer or a Guarantor for purposes of remediation, collection or similar purposes.

(f) The Corporation will, from and after it shall have either entered into, or succeeded to the rights and interests of any Eligible Lender under any guarantee agreement covering any Guaranteed Loans, maintain the same and diligently enforce its rights thereunder; and not consent to or permit any rescission of or consent to any amendment thereto or otherwise take any action under or in connection therewith which in any manner would adversely affect the rights of the Owners or of any Credit Provider. The Corporation will enforce its rights under the agreements with the Secretary and each Guarantor pertaining to the Guaranteed Loans and 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 therewith which in any manner will adversely affect the rights of the Owners or any Credit Provider.

(g) The Corporation, through the Servicers, shall diligently collect all principal and interest payments on all Loans, and all interest benefit payments, insurance and default claims and special allowance payments which relate to such Loans. The Corporation shall cause the Servicers to assign and file all claims for payment on defaulted Eligible Loans prior to the filing deadline for such claims under the Higher Education Act. The Corporation will comply with the Higher Education Act and regulations thereunder which apply to its education loan program and to all Eligible Loans. Notwithstanding the foregoing, the Corporation may forgive a Loan and cease collection and servicing efforts if the Corporation determines that (i) such forgiveness is necessary to comply with Federal tax law or (ii) the probable costs of collection and servicing approximate

or exceed the expected proceeds of collection. The Corporation may also offer such borrower benefits as are in place at the time of execution of this Trust Indenture or approved by a Credit Confirmation and may reduce or restrict any then existing borrower benefits without the need for a Credit Confirmation.

(h) Not less frequently than monthly, the Corporation shall make available to the applicable Servicer each promissory note received by the Corporation.

Section 6.9 Personnel and Servicing of Program. (a) The Corporation shall at all times appoint, retain and employ competent personnel for the purpose of carrying out its education loan program and shall establish and enforce reasonable rules, regulations, tests and standards governing the employment of such personnel at reasonable compensation, salaries, fees and charges. All persons employed by the Corporation shall be qualified for their respective positions.

(b) The Corporation shall duly and properly service all Loans and enforce the payment and collection of all payments of principal and interest or shall cause such servicing to be done by a Servicer evidencing, in the judgment of the Corporation, the capability and experience necessary to adequately service Loans.

Section 6.10 Issuance of Additional Obligations. (a) The Corporation shall not hereafter create or permit the creation of or issue any other obligations or create any additional indebtedness which will be secured by a superior or equal charge and lien on the Pledged Assets, except that Additional Bonds may be issued under the Indenture.

(b) The Corporation hereby expressly reserves the right to adopt one or more additional general resolutions or execute one or more additional trust indentures for its purposes, including the purposes of the Corporation's education loan program, and reserves the right to issue other obligations for such purposes payable from sources other than the Pledged Assets.

Section 6.11 Compliance With Conditions Precedent. Upon the date of issuance of any of the Bonds, all conditions, acts and things required by law or by this Trust Indenture to exist, to have happened or to have been performed precedent to or in the issuance of such Bonds shall exist, have happened and have been performed, or will have happened or been performed, and such Bonds, together with all other indebtedness of the Corporation, shall be within every debt and other limit prescribed by law.

Section 6.12 General. The Corporation shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Corporation under the provisions of the Indenture in accordance with the terms of such provisions.

Section 6.13 Waiver of Laws. To the extent permitted by law, the Corporation shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of any stay or extension of law now or at any time hereafter in force

which may affect the covenants and agreements contained in the Indenture or in the Bonds, and all benefits or advantages of any such law or laws are hereby expressly waived by the Corporation.

Section 6.14 Notices to Rating Agency and Credit Provider. The Trustee shall give reasonable written notice to each Rating Agency and to each Credit Provider of each of the following:

- (a) any proposed action hereunder which requires a Credit Confirmation and of which the Corporation has advised the Trustee in writing;
- (b) any change in the trustee or any change in or additional tender agent, remarketing agent, Guarantor or Servicer of which the Trustee has been advised in writing;
- (c) any redemption (other than mandatory sinking fund redemption), mandatory tender or acceleration of the Bonds;
- (d) this Trust Indenture is amended or supplemented in any way;
- (e) the occurrence of any change in the interest rate mode of any Bonds;
- (f) the expiration, extension, termination or substitution of any Credit Enhancement; or
- (g) the defeasance of any of the Bonds.

Failure to provide any such notice to any Rating Agency or Credit Provider or any defect therein will not affect the validity of any action with respect to which notice is to be given or the effectiveness of any such action.

Any such notices and other communications to any Rating Agency shall be sent to the address provided by the applicable Rating Agency. As of the date of execution hereof the addresses, if applicable, for each rating agency are as follows:

Fitch: Fitch, Inc.
One State Street Plaza
New York, New York 10004
Attention: Asset-Backed Surveillance Group

Moody's: Moody's Investors Service
99 Church Street
New York, New York 10007
Attention: Structured Finance Department

S&P: Standard & Poor's
55 Water Street
New York, New York 10041-0003
Attention: Asset-backed Department

For any Bonds secured by a Credit Enhancement, a copy shall also be provided to S&P at:

Standard & Poor's Rating Services,
Structured Finance Group LOC Department
55 Water Street, 41st Floor
New York, New York 10041
nyloc@standardandpoors.com

Any such notices or other communications to any Credit Provider shall be sent to the address provided by such Credit Provider.

Section 6.15 Covenant to Maintain Reserve Account. The Corporation at all times shall maintain the Reserve Account created and established by Section 5.2 hereof and maintain in the Reserve Account an amount equal to the Reserve Account Requirement and do and perform or cause to be done and performed each and every act and thing with respect to the Reserve Account provided to be done or performed by or on behalf of the Corporation or the Trustee under the terms and provisions of this Trust Indenture or of the Act. In order to assure the maintenance of the Reserve Account in an amount equal to the Reserve Account Requirement, as set forth in Section 14.42.240, Alaska Statutes, and in compliance with the requirements of Section 14.42.240, Alaska Statutes, the Corporation shall cause the Chairman of the Board of Directors of the Corporation annually, on or before January 15 of each year, to certify in writing to the Governor of the State and the Chairmen of the House and Senate Finance Committees the amount, if any, required to restore the Reserve Account to the Reserve Account Requirement. A copy of such certificate shall be promptly delivered to the Trustee and the Credit Provider. All moneys received by the Corporation from the State in accordance with the provisions of the Act pursuant to any such certification shall be paid to the Trustee for deposit and credit to the Reserve Account.

ARTICLE VII

SUPPLEMENTAL INDENTURES

Section 7.1 Supplemental Indentures Effective Without Consent of Owners.
The Corporation and the Trustee, without the consent of or notice to any of the Owners, may enter into an agreement or agreements supplemental to this Trust Indenture, or to any Supplemental Indenture, for any one or more of the following purposes:

- (a) to provide limitations and restrictions in addition to the limitations and restrictions contained in the Indenture on the authentication and delivery of Bonds or the issuance of other evidences of indebtedness, or to add other limitations and restrictions to be observed by the Corporation which are not contrary to or inconsistent with the Indenture as then in effect;
- (b) to add to the covenants and agreements of the Corporation in the Indenture other covenants and agreements to be observed by the Corporation which are not contrary to or inconsistent with the Indenture as then in effect;
- (c) to make such amendments to the Indenture as are required to permit the Trustee and the Corporation fully to comply with the Higher Education Act or as required in order for the Indenture, as amended by such Supplemental Indenture, not to be contrary to the terms of the Higher Education Act.
- (d) to surrender any right, power or privilege reserved to or conferred upon the Corporation by the terms of the Indenture, but only if the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Corporation contained in the Indenture;
- (e) to confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, the Indenture, the pledge of the Pledged Assets, including Revenues or of any other revenues or assets;
- (f) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Indenture;
- (g) to insert such provisions clarifying matters or questions arising under the Indenture as are necessary or desirable and are not contrary to or inconsistent with the Indenture as then in effect;
- (h) to provide for additional duties of the Trustee in connection with the Loans or for the appointment of a successor Trustee;
- (i) to provide for the issuance of any series of Bonds, and in connection therewith to provide for rights, preferences, privileges, terms and conditions applicable only to such series of Bonds, including without limitation

any amendments desirable to provide for the issuance of such series of Bonds as commercial paper or in some other form;

(j) to modify, alter, amend or supplement this Trust Indenture, including any Supplemental Indenture, in any manner which does not alter the interest rate, maturity, or security for any Bonds, so long as the Trustee receives a Credit Confirmation with respect thereto;

(k) to modify, alter, amend or supplement this Trust Indenture, including any Supplemental Indenture, in any other manner determined by the Trustee not to be materially adverse to the interests of the owners of any Bonds who have not consented thereto, provided that in making any such determination the Trustee shall be entitled to conclusively rely on a Counsel's Opinion;

(l) to satisfy the requirements of a Rating Agency in order to obtain, maintain or improve the rating on any Bonds;

(m) to provide for the orderly sale or remarketing of Bonds;

(n) to modify, alter, amend or supplement this Trust Indenture, including any Supplemental Indenture, in any other respect, including amendments which would otherwise be described in Section 7.5 hereof, (i) as of any date required for mandatory tender of Bonds for purchase, to the extent such change affects only Bonds which are subject to such mandatory tender on such date; or (ii) if notice of the proposed Supplemental Indenture is given to Owners (in the same manner as notices of redemption are given) at least thirty (30) days before the effective date thereof, and the owners have the right to demand purchase of their Bonds on or before such effective date; and any such owners of Bonds being required to tender such Bonds for purchase or having the right to demand purchase thereof shall, as of such effective date, be deemed to have consented to such Supplemental Indenture for purposes of determining the percentage of Owners who have consented to any Supplemental Indenture and for all other purposes hereof if all such tenders or demands for purchase are timely honored; and if less than all of the Owners are required to tender their Bonds for purchase or have such right to demand purchase, any such Supplemental Indenture may be made applicable only to such Owners and their successors, or

(o) to modify the maximum rate with respect to any series of Bonds, in the manner and to the extent permitted in the Supplemental Indenture with respect to such Bonds.

In addition, any and all provisions of this Trust Indenture, including any Supplemental Indenture, relating to procedures for determining any Variable Rate, may be amended from time to time to conform to market or industry practice solely upon the written consent of the Corporation and the Trustee, receipt of a Credit Confirmation and upon written notice of such amendment to the applicable Marketing Parties and to the affected Bondholders, and no prior written consent of any such Bondholder shall be

required in connection with the execution of such amendment. In determining whether any supplement or amendment relating to procedures for determining any Variable Rate conforms to market or industry practice, the Trustee may conclusively rely upon a Counsel's Opinion, Certificate of the Corporation, or Certificate of the applicable Marketing Parties as to the effect of any such supplement or amendment.

Section 7.2 Supplemental Indentures Effective Only Upon Consent of Owners. At any time or from time to time, a Supplemental Indenture may be entered into by the Corporation and the Trustee subject to consent by Owners in accordance with and subject to the provisions of Section 7.5 hereof. Any such Supplemental Indenture shall become fully effective in accordance with its terms only upon the execution thereof and upon compliance with the provisions of this Article VII. Nothing herein shall be construed to limit any requirement in any other document to which the Corporation is a party which requires the consent of any other party to any Supplemental Indenture.

Section 7.3 General Provisions. (a) The Indenture shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article. Nothing contained in this Article shall affect or limit the right or obligation to adopt, make, do, execute, acknowledge or deliver any resolution, act or other instrument pursuant to the provisions of Section 6.5 hereof or the right or obligation of the Corporation to execute and deliver to the Trustee any instrument which is to be delivered to the Trustee pursuant to the Indenture.

(b) Any Supplemental Indenture permitted or authorized by this Article VII (other than any Supplemental Indenture executed at the time of execution hereof) shall become effective only (i) on the conditions, to the extent and at the time provided in this Article; and (ii) upon receipt by the Trustee of (A) a Counsel's Opinion or Bond Counsel Opinion, or both, to the effect that such Supplemental Indenture has been duly and lawfully entered into in accordance with the provisions of this Trust Indenture, is authorized or permitted by this Trust Indenture, and is valid and binding upon the Corporation;(B) a Bond Counsel Opinion to the effect that such Supplemental Indenture will not adversely affect the exclusion of interest on any Tax-Exempt Bonds affected by such Supplemental Indenture from gross income for federal income tax purposes and (C) a Credit Confirmation.

(c) No Supplemental Indenture shall change or modify any of the rights or obligations of the Trustee without its written assent thereto.

Section 7.4 Mailing of Notice of Amendment. Any provision in this Article for the mailing of a notice or other paper to Owners shall be fully complied with if it is mailed postage prepaid to each Owner of Bonds then Outstanding at such Owner's address, if any, appearing upon the registration books of the Trustee.

Section 7.5 Powers of Amendment. Any modification of or amendment to the Indenture and the rights and obligations of the Corporation and of the Owners of the Bonds hereunder, in any particular, may be made by a Supplemental Indenture, but only,

in the event such Supplemental Indenture shall be entered into pursuant to Section 7.2 hereof, with the written consent of the owners of at least a majority in principal amount of the Bonds Outstanding (including at least a majority in principal amount of the Owners (i) of all Outstanding Senior Bonds, or (ii) of all Outstanding Senior Subordinate Bonds if no Senior Bonds are then Outstanding, or (iii) of all Outstanding Subordinate Bonds if no Senior Bonds or Senior Subordinate Bonds are then Outstanding) at the time such consent is given, as provided in Section 7.6 hereof. If any such modification or amendment will not take effect so long as any particular Bonds remain Outstanding, however, the consent of the owners of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. No such modification or amendment shall permit a change in the terms of maturity of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount thereof or in the rate of interest thereon, other than any maximum rate, without the consent of the owner of such Bond (the consent of the Owner of which is required to effect any such modification or amendment). The Trustee may in its sole discretion determine whether or not in accordance with the foregoing powers of amendment Bonds would be affected by any modification or amendment hereof and any such determination shall be binding and conclusive on the Corporation and all Owners of Bonds. Nothing herein shall be construed to limit any requirement in any other document to which the Corporation is a party which requires the consent of any other party to any modification to or amendment of the Indenture.

Section 7.6 Consent of Owners. (a) The Corporation shall mail to the owners of all Bonds affected thereby a copy of any Supplemental Indenture (or brief summary thereof or reference thereto) making a modification or amendment which is not permitted by the provisions of Section 7.1 hereof, together with a request to such owners for their consent thereto; provided, however, that failure to mail such copy and request shall not affect the validity of the Supplemental Indenture when consented to as provided in this Section. Such notice shall set forth a Record Date as of which the ownership of Bonds shall be determined for purposes of obtaining consents of the owners of such Bonds, which date may be extended from time to time by the Trustee upon Direction of the Corporation. Such Supplemental Indenture shall not be effective unless and until there shall have been filed with the Trustee (i) the written consents of the owners of the proportions of Outstanding Bonds specified in Section 7.5 hereof, and (ii) the items required by Section 7.3(b) hereof.

(b) The consent of an Owner to any modification or amendment shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by Section 9.12 hereof. Any such consent shall be binding on such Owner and on any transferee of such Bonds and may not be revoked. A certificate of the Trustee that it has examined such proof and found it to be in accordance with Section 9.12 hereof shall be conclusive proof that the consents have been given by and are binding on the consenting owners and upon any subsequent owner of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent owner thereof has notice thereof).

Section 7.7 Modifications by Unanimous Consent. The terms and provisions of the Indenture and the rights and obligations of the Corporation and of the owners of the Bonds hereunder may also be modified or amended in any respect upon the entry by the Corporation and the Trustee into a Supplemental Indenture, subject to Section 7.3 hereof, upon the consent of the owners of all the Bonds then Outstanding, such consent to be given as provided in Section 7.6 hereof. No notice to Owners of any such modification or amendment shall be required.

Section 7.8 Exclusion of Bonds. Bonds owned or held by or for the account of the Corporation shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Article, and the Corporation shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Article. At the time of any consent or other action taken under this Article, the Corporation shall furnish the Trustee with a Certificate of an Authorized Officer, upon which the Trustee may rely, describing all Bonds so to be excluded.

Section 7.9 Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as provided in this Article may and, if the Trustee or the Corporation so determines, shall bear a notation by endorsement or otherwise in form approved by the Corporation and the Trustee as to such action, and in that case upon demand of the owner of any Outstanding Bond at such effective date and presentation of such owner's Bond for the purpose at the Principal Office of the Trustee or upon any transfer or exchange of any Bond Outstanding at such effective date, suitable notation shall be made on such Bond or upon any Bond issued upon any such transfer or exchange by the Trustee as to any such action. If the Corporation or the Trustee shall so determine, new Bonds modified to conform to such action in the opinion of the Trustee and the Corporation shall be prepared, executed, authenticated and delivered, and upon demand of the owner of any Bond then Outstanding shall be exchanged, without cost to such owner, upon surrender of such Outstanding Bond.

ARTICLE VIII

DEFAULTS, ACCELERATIONS AND REMEDIES

Section 8.1 Events of Default. (a) Each of the following events is hereby declared an “Event of Default”:

(i) the failure by the Corporation to pay the principal of or any installment of interest on any Bond or the redemption price or purchase price thereof when and as the same shall become due, whether at maturity or otherwise;

(ii) the Corporation shall fail or refuse to comply with the provisions of the Indenture, or shall default in the performance or observance of any of the covenants, agreements or conditions on its part contained herein or in any Supplemental Indenture or the Bonds, and such failure, refusal or default shall continue for a period of thirty (30) days after written notice thereof by the Trustee, by any Credit Provider or by the owners of not less than 25% in principal amount of the Outstanding Bonds (provided that such owners shall include the owners of at least 25% in principal amount of (A) Outstanding Senior Bonds, or (B) Outstanding Senior Subordinate Bonds if no Senior Bonds are then Outstanding, or (C) Outstanding Subordinate Bonds if no Senior Bonds or Senior Subordinate Bonds are then Outstanding); provided that if such failure is such that it cannot be corrected within such 30-day period, it shall not constitute an Event of Default if corrective action reasonably acceptable to each Credit Provider is instituted within such period and diligently pursued until the failure is corrected; and

(iii) at the option of any Credit Provider, with written notice to the Corporation and the Trustee, the occurrence of any event of default by the Corporation under the related Credit Enhancement or agreement relating thereto.

(b) The foregoing notwithstanding, for so long as there shall be Senior Bonds Outstanding failure to pay the principal of or any installment of interest on any Senior Subordinate Bond, Subordinate Bond or Junior Subordinate Bond shall not constitute an Event of Default unless there is a corresponding failure to make timely payment on a Senior Bond; for so long as there shall be Senior Subordinate Bonds Outstanding failure to pay the principal of or any installment of interest on any Subordinate Bond or Junior Subordinate Bond shall not constitute an Event of Default unless there is a corresponding failure to make timely payment on a Senior Subordinate Bond; and for so long as there shall be Subordinate Bonds Outstanding failure to pay the principal of or any installment of interest on any Junior Subordinate Bond shall not constitute an Event of Default unless there is a corresponding failure to make timely payment on a Subordinate Bond.

Section 8.2 Acceleration. Upon the happening of any Event of Default, (i) the Trustee may (with the consent of the Credit Provider), and shall at the written direction of the owners of not less than a majority of the principal amount of the Outstanding Bonds in the case of an Event of Default described in Section 8.1(a)(i) hereof (including a majority in principal amount of (A) Outstanding Senior Bonds, or (B) Outstanding Senior Subordinate Bonds if no Senior Bonds are then Outstanding, or (C) Outstanding Subordinate Bonds if no Senior Bonds or Senior Subordinate Bonds are then Outstanding), and (ii) the Trustee shall, in the case of an Event of Default described in Section 8.1(a)(ii) and Section 8.1(a)(iii) hereof, if directed by the Credit Provider, by notice in writing delivered to the Corporation, declare the entire principal amount of the Bonds secured by the related Credit Facility then outstanding and the interest accrued thereon due and payable, whereupon they shall, without further action, become and be immediately due and payable, anything to the contrary in the Indenture or the Bonds notwithstanding, and the Trustee shall immediately draw on the related Credit Facility, if a Credit Facility is then in effect, and interest thereon shall cease to accrue (except for Bonds held by any Credit Provider) provided moneys are available for the payment of the accelerated amounts on the date for payment (which shall be within 2 Business Days of the date of declaration).

Section 8.3 Other Remedies. (a) Subject to the provisions of Section 2.2 hereof, if any Event of Default specified in paragraph (i) or (iii) of Section 8.1(a) hereof shall have occurred, the Trustee shall proceed, or if any Event of Default specified in paragraph (ii) of Section 8.1(a) shall have occurred, the Trustee may proceed, and, upon the written request of the owners of not less than twenty five percent (25%) in principal amount of the Outstanding Bonds, including the owners of at least 25% in principal amount of (i) Outstanding Senior Bonds, or (ii) Outstanding Senior Subordinate Bonds, if no Senior Bonds are then Outstanding, or (iii) Outstanding Subordinate Bonds, if no Senior Bonds or Senior Subordinate Bonds are then Outstanding, shall proceed, in its own name, subject, in either case, to the indemnification and other provisions of Sections 8.7, 9.2 and 9.3 hereof, to protect and enforce the rights of the Owners by such of the following remedies as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights:

(i) by mandamus or other suit, action or proceeding at law or in equity, to enforce all rights of the Owners, including the right to require the Corporation to receive and collect Revenues adequate to carry out the covenants and agreements as to Loans, and to require the Corporation to carry out any other covenants or agreements with Owners and to perform its duties as prescribed by law;

(ii) by bringing suit upon the Bonds;

(iii) by action or suit in equity, to require the Corporation to account as if it were the trustee of an express trust for the owners of the Bonds;

(iv) by action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the owners of the Bonds;

(v) by selling or otherwise disposing of Loans and Permitted Investments; or

(vi) by any other remedy deemed by the Trustee to be legal and appropriate.

(b) Subject to the provisions of Sections 2.2, 8.7, 9.2 and 9.3 hereof, in the enforcement of any rights and remedies under the Indenture, the Trustee shall be entitled to, and shall sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due and unpaid from the Corporation for principal, interest or otherwise, under any provisions of the Indenture, including any Supplemental Indenture, or of the Bonds, with interest on overdue payments at the rate of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings thereunder, without prejudice to any other right or remedy of the Trustee or of the Owners, and to recover and enforce a judgment or decree against the Corporation for any portion of such amounts remaining unpaid, with interest, costs and expenses (including without limitation pre-trial, trial and appellate attorney fees), and to collect from any moneys available for such purpose, in any manner provided by law, the moneys adjudged or decreed to be payable; provided, however, that any recovery against the Corporation is limited to the Pledged Assets.

Section 8.4 Priority of Payments After Default. (a) In the event that upon the happening and continuance of any Event of Default the funds held by the Trustee are insufficient for the payment of principal and interest then due on the Bonds (other than funds held for the payment of particular Bonds which have theretofore become due at maturity or prior redemption), any other amounts received or collected by the Trustee acting pursuant to this Article, other than the proceeds of any Credit Enhancement or the proceeds of the remarketing of any Bonds (which shall, in each case, be held for the payment of the particular Bonds with respect to which such proceeds were received), after making provision for the payment of any expenses necessary in the opinion of the Trustee to protect the interest of the owners of the Bonds and for the payment of the charges, expenses and liabilities incurred and advances made by the Trustee in the performance of its duties under the Indenture, shall be applied as follows:

(i) Unless the principal of all of the Bonds shall have become or have been declared due and payable:

FIRST: to the payment to the persons entitled thereto of all installments of interest then due, in the order of Senior Bonds first and thereafter Senior Subordinate Bonds, then Subordinate Bonds and finally Junior Subordinate Bonds (or, in each case, to any Credit Provider as reimbursement for amounts paid with respect to such Bonds, in the applicable order of priority), and in order of the

maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference (other than Senior Bonds prior to Senior Subordinate Bonds, Senior Subordinate Bonds prior to Subordinate Bonds and Subordinate Bonds prior to Junior Subordinate Bonds); and

SECOND: to the payment to the persons entitled thereto of the unpaid principal of any Bonds which shall have become due and, if the amounts available shall not be sufficient to pay in full all the Bonds due, then to the payment thereof for Senior Bonds first and thereafter Senior Subordinate Bonds, then Subordinate Bonds and finally Junior Subordinate Bonds (or, in each case, to any Credit Provider as reimbursement for amounts paid with respect to such Bonds or otherwise due and owing to the Credit Provider, as set forth in a certificate of the Credit Provider, in the applicable order of priority), and ratably to the extent necessary, according to the amounts of principal due on such date, to the persons entitled thereto, without any discrimination or preference (other than Senior Bonds prior to Senior Subordinate Bonds, Senior Subordinate Bonds prior to Subordinate Bonds and Subordinate Bonds prior to Junior Subordinate Bonds).

(ii) If the principal of all of the Bonds shall have become or have been declared immediately due and payable, then to the payment of the principal and interest then due and unpaid upon the Bonds for Senior Bonds first and thereafter Senior Subordinate Bonds, then Subordinate Bonds and finally Junior Subordinate Bonds (or, in each case, to any Credit Provider as reimbursement for amounts paid with respect to such Bonds, or otherwise due and owing to such Credit Provider, as set forth in a certificate of the Credit Provider, in the applicable order of priority), and otherwise 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 Senior Bond over any other Senior Bond, or of any Senior Subordinate Bond over any other Senior Subordinate Bond, or of any Subordinate Bond over any other Subordinate Bond, or of any Junior Subordinate Bond over any other Junior Subordinate Bond, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any other discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds.

(b) Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application. The deposit and setting aside of such moneys in trust for the proper purpose shall constitute proper application by the Trustee, and the Trustee shall incur no liability whatsoever to the Corporation, any Owner or any other person for any delay in applying any such moneys, so long as the Trustee acts with reasonable diligence, having due regard for the circumstances and ultimately applies the same in accordance with such provisions of the Indenture as may be applicable at the time of application by

the Trustee. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable and, if applicable, as otherwise provided in Section 8.2 hereof) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date, and for which funds are available for such payment, shall cease to accrue. The Trustee shall give such notice as it may deem appropriate for the fixing of any such date. The Trustee shall not be required to make payment to the owner of any Bond unless such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 8.5 Termination of Proceedings. In case any proceedings taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason and there has not been an acceleration pursuant to Section 8.2 hereof, then in every such case the Corporation, the Trustee and the Owners shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding has been taken; provided the Trustee has received written notice from the Credit Provider that each Credit Enhancement for the Bonds previously in effect is fully reinstated and in full force and effect and the Trustee has received from the Credit Provider a written rescission of the notice of the Event of Defaults, as applicable.

Section 8.6 Direction of Proceedings. Anything in the Indenture to the contrary notwithstanding, upon the occurrence and continuation of an Event of Default, the owners of the majority in principal amount of the Bonds then Outstanding (including a majority of (i) all Outstanding Senior Bonds, or (ii) all Outstanding Senior Subordinate Bonds if no Senior Bonds are then Outstanding, or (iii) all Outstanding Subordinate Bonds if no Senior Bonds or Senior Subordinate Bonds are then Outstanding) shall have the right, by a written instrument or concurrent written instruments executed and delivered to the Trustee, to direct the method of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that (a) such direction shall not be otherwise than in accordance with law or the provisions of the Indenture (in particular, but not exclusively, those contained in Sections 8.7, 9.2 and 9.3 hereof), (b) there shall have been offered to the Trustee security and indemnity satisfactory to the Trustee against the costs, expenses and liabilities to be incurred, and (c) the Trustee shall have the right to decline to follow any direction which, in the opinion of the Trustee, would be unjustly prejudicial to Owners not parties to such direction or would subject the Trustee to liability.

Section 8.7 Limitation on Rights of Owners. (a) No Owner of any Bond shall have any right to institute any suit, action, mandamus or other proceeding in equity or at law hereunder, or for the protection or enforcement of any right under the Indenture unless (i) such Owner shall have given to the Trustee written notice of the Event of Default or breach of duty on account of which such suit, action or proceeding is to be taken, and (ii) the Owners of not less than twenty-five percent (25%) in principal amount of the Bonds then Outstanding (including at least twenty-five percent (25%) in principal amount of the Owners (i) of all Outstanding Senior Bonds, or (ii) of all Outstanding Senior Subordinate Bonds if no Senior Bonds are then Outstanding, or (iii) of all

Outstanding Subordinate Bonds if no Senior Bonds or Senior Subordinate Bonds are then Outstanding) shall have made written request of the Trustee, after the right to exercise such powers or rights of action shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers herein granted or granted under the law or to institute such action, suit or proceeding in its name and there shall have been offered to the Trustee security and indemnity satisfactory to the Trustee against the costs, expenses and liabilities to be incurred, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution by the Trustee of its powers under the Indenture or for any other remedy hereunder or by law. It is understood and intended that no one or more owners of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the security of the Indenture, or to enforce any right hereunder or under law with respect to the Bonds or the Indenture, except in the manner provided herein, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner hereunto provided and for the benefit of all owners of the Outstanding Bonds. Nothing contained in this Article shall affect or impair the right of any owner of Bonds to enforce the payment of the principal of and interest on such Bonds, or the obligation of the Corporation (subject to the provisions of Section 2.2 hereof) to pay the principal of and interest on each Bond issued hereunder to the owner thereof at the time and place in said Bond expressed.

(b) Anything to the contrary notwithstanding contained in this Section or any other provision of the Indenture, each Owner of any Bond by such Owner's acceptance thereof shall be deemed to have agreed that any court in its discretion may require, in any suit for the enforcement of any right or remedy under this Trust Indenture or any Supplemental Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the reasonable costs of such suit, and that such court may in its discretion assess reasonable costs of such suit, including reasonable pre-trial, trial and appellate attorneys' fees, against any party litigant in any such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this paragraph shall not apply to any suit instituted by the Trustee, to any suit instituted by any Owner or group of Owners holding at least twenty-five percent (25%) in principal amount of the Bonds Outstanding, or to any suit instituted by any Owner for the enforcement of the payment of any Bond on or after the respective due date thereof expressed in such Bond.

Section 8.8 Possession of Bonds by Trustee Not Required. All rights of action under the Indenture or under any of the Bonds enforceable by the Trustee may be enforced by it without the possession of any of the Bonds or the production thereof at the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the owners of such Bonds, subject to the provisions of the Indenture.

Section 8.9 Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the owners of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 8.10 Waiver of Default. No delay or omission of the Trustee or of any owner of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein and every power and remedy given by the Indenture to the Trustee, and the owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient. Notwithstanding the foregoing, an Event of Default may be waived either by the Trustee, in the Trustee's sole discretion, if the Trustee believes such waiver is in the best interest of the Owners, or by the Owners of at least a majority in principal amount of the Bonds Outstanding; provided that no Event of Default which results in a drawing or other claim by the Trustee under any Credit Enhancement shall be waived unless such Credit Enhancement is first reinstated in full (and the Trustee has written notice thereof from the Credit Provider) and in the case of an Event of Default under Section 8.1(a)(iii) hereof the Trustee has received written notice from the Credit Provider to the effect that the Credit Provider has waived the Event of Default and rescinded the related Notice.

Section 8.11 Notice of Event of Default. As soon as practicable, the Trustee shall give notice to the Owners, the Corporation, each Credit Provider and each Marketing Party of each Event of Default hereunder known to the Trustee after actual knowledge of the occurrence thereof of an officer of its corporate trust department, unless such Event of Default shall have been remedied or cured before the giving of such notice; provided, that, except in the case of default in the payment of the principal of or interest on any of the Bonds, the Trustee shall be protected in withholding such notice to the Owners (but not the others referred to above) if and so long as the board of directors or the responsible officer or officers of the Trustee in good faith determines that the withholding of such notice is in the interest of the Owners. The Trustee shall not be deemed to have actual knowledge of an Event of Default under Section 8.1(a)(ii) hereof unless written notice of such Event of Default shall have been received by an officer of its corporate trust department. Each such notice of an Event of Default shall be given by the Trustee by mailing written notice thereof to all owners of Bonds, as the names and addresses of such owners appear upon the books kept by the Trustee for the registration and transfer of Bonds as kept by the Trustee.

Section 8.12 Consent or Direction of Credit Provider. Nothing herein shall be construed to limit any requirement herein or in any other document to which the Corporation is a party which requires the consent or permits the direction of any Credit Provider to any action taken pursuant to this Article. Payment by any Credit Provider pursuant to its Credit Enhancement shall not be deemed to cure any event of default under the agreement with the Credit Provider.

Each Credit Provider who has not failed to honor a properly presented and conforming drawing on its Credit Enhancement shall be deemed to be the Owner of the Bonds related to such Credit Enhancement for all purposes of directing the remedies to be exercised under this Article.

ARTICLE IX

CONCERNING THE TRUSTEE

Section 9.1 Appointment and Acceptance of Duties of Trustee. U.S. Bank National Association is hereby appointed as Trustee. The Trustee shall signify its acceptance of the duties and obligations of Trustee as a fiduciary for the Owners by executing this Trust Indenture.

Section 9.2 Duties and Responsibilities of Trustee.

(a) Prior to the occurrence of an Event of Default of which it has or is deemed to have notice hereunder, and after the curing or waiver of any Event of Default which may have occurred:

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

(ii) in the absence of gross negligence or bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements expressed therein, upon certificates furnished to the Trustee and conforming to the requirements of the Indenture.

(b) In case an Event of Default of which the Trustee has or is deemed to have notice hereunder has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by the Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use in the conduct of such person's own affairs.

(c) No provision of the 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:

(i) this subsection shall not be construed to limit the effect of subsection (a) of this Section;

(ii) the Trustee is not liable for any error of judgment made in good faith by a responsible officer, unless it is proven that the Trustee was grossly negligent in ascertaining the pertinent facts;

(iii) the Trustee is not liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners under any provision of the Indenture 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 the Indenture; and

(iv) no provision of the 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 has reasonable grounds for believing that the repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it; provided that the Trustee shall not require indemnity before making a draw, claim or other demand under any Credit Enhancement, before making payments to Bondholders, before declaring mandatory tenders or before the redemption or acceleration of Bonds.

(d) Whether or not expressly so provided, every provision of the Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee is subject to the provisions of this Article.

Section 9.3 Certain Rights of the Trustee. Except as otherwise provided in Section 9.2 hereof:

(a) the Trustee may rely and is protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, debenture or other paper or document believed by it in good faith to be genuine and to have been signed or presented by the proper party or parties;

(b) any Certificate, Direction, request, order or demand of the Corporation under the Indenture shall be sufficiently evidenced if executed in the name of the Corporation by an Authorized Officer;

(c) whenever in the administration of the Indenture the Trustee deems it desirable that a matter be proved or established prior to taking suffering or omitting any action hereunder, including payment of moneys out of an Account, the Trustee (unless other evidence thereof is specifically prescribed) may, in the absence of bad faith on its part, rely upon a Certificate or Direction signed by an Authorized Officer of the Corporation;

(d) the Trustee may consult with counsel, who may be counsel to the Corporation, and the written opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith; provided that such opinion is addressed to the Corporation or expressly states that the Corporation may rely thereon;

(e) the Trustee is under no obligation to exercise any of the rights or powers vested in it by the Indenture at the request or direction of any of the Owners unless such Owners have offered to the Trustee security or indemnity satisfactory to the Trustee as to its terms, coverage, duration, amount and otherwise with respect to the costs, expenses and liabilities which may be incurred

by it in compliance with such request or direction, and the provision of such indemnity shall be mandatory for any remedy taken upon direction of the Owners of a majority in aggregate principal amount of the Bonds Outstanding;

(f) the Trustee is not required to make any inquiry or investigation into the facts or matters stated in any Certificate, Direction, resolution, statement, instrument, opinion, report, notice, request, consent, order, approval, bond, debenture or other paper or document but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit and, if the Trustee determines to make such further inquiry or investigation, it is entitled to examine the books, records and premises of the Corporation, in person or by agent or attorney;

(g) the Trustee may execute any of its trusts or powers or perform any duties under the Indenture either directly or by or through agents or attorneys, and the Trustee shall not be answerable or accountable for any default, neglect or misconduct of any such agents or attorneys if reasonable care has been exercised in the appointment thereof, and the Trustee may in all cases pay, subject to reimbursement as provided in Section 9.6 hereof, such reasonable compensation as it deems proper to all such agents and attorneys reasonably employed or retained by it;

(h) the Trustee is not required to take notice or deemed to have notice of any default or Event of Default hereunder, except Events of Default under Section 8.1(a)(i) hereof, unless a responsible officer in the corporate trust department of the Trustee who is assigned to or responsible for administration of the Indenture has actual knowledge thereof or has received notice in writing of such default or Event of Default, and in the absence of any such notice, the Trustee may conclusively assume that no such default or Event of Default exists;

(i) the Trustee is not required to give any bond or surety with respect to the performance of its duties or the exercise of its powers under the Indenture;

(j) in the event the Trustee receives inconsistent or conflicting requests and indemnity from two or more groups of Owners, each representing less than a majority in aggregate principal amount of the Bonds Outstanding, pursuant to the provisions of the Indenture, the Trustee in its sole discretion may determine what action, if any, shall be taken;

(k) the Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under the Indenture shall extend to the Trustee's officers, directors, agents, attorneys and employees and such immunities and protections and right to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the discharge of the Indenture and final payment of the Bonds;

(l) the permissive right of the Trustee to take the actions permitted by the Indenture shall not be construed as an obligation or duty to do so;

(m) except for information provided by the Trustee concerning the Trustee, the Trustee shall have no responsibility for any information in any offering memorandum or other disclosure material distributed with respect to the Bonds, and the Trustee shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds;

(n) the Trustee, in its commercial banking or in any other capacity, may in good faith (i) buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Bondholder may be entitled to take with like effect as if it were not Trustee, (ii) engage in or be interested in any financial or other transaction with the Corporation, as freely as if it were not Trustee, (iii) be a participant in the Corporation's education loan program and sell Eligible Loans to the Corporation, and (iv) be an underwriter in connection with the sale of the Bonds or of any other securities offered or issued by the Corporation. The provision of this subsection shall extend to affiliates of the Trustee;

(o) the Trustee shall not be accountable for the use or application by the Corporation of any of the Bonds or the proceeds thereof, or for the use or application of any money paid over by the Trustee in accordance with the provisions of this Trust Indenture, or for the use and application of any money received by any paying agent;

(p) the Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Indenture arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; wars; terrorism; similar military disturbances; sabotage; epidemic; riots; interruptions; loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances;

(q) notwithstanding anything in this Trust Indenture to the contrary, in no event shall the Trustee be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, lost profits), even if the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action;

(r) the Trustee shall not, under any circumstances, be liable in its individual capacity for the obligations evidenced by the Bonds;

(s) the Trustee shall have no responsibility for complying any provision of the Code or any other federal tax laws or regulations applicable to the Bonds; and

(t) 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 its duties hereunder, or in the exercise of any of its rights or powers, if repayment of such funds or adequate indemnity against such risk or liability is not assured to Trustee's satisfaction.

Section 9.4 Trustee Not Responsible for Recitals. Except for the certificate of authentication on the Bonds and any description or recitation of the corporate existence or powers of the Trustee, the recitals contained in the Indenture and in the Bonds are statements of the Corporation and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the value, condition or sufficiency of any assets pledged or assigned as security for the Bonds, the right, title or interest of the Corporation therein, the security provided thereby or by the Indenture or the tax status of the Bonds. The Trustee is not accountable for the use or application by the Corporation of any of the Bonds or the proceeds of the Bonds, of for the use or application of any moneys paid over by the Trustee in accordance with any provision of the Indenture.

Section 9.5 Compensation and Expenses of the Trustee. The Corporation hereby covenants and agrees, subject to Section 10.2 hereof:

(a) to pay to the Trustee compensation for all services rendered by it hereunder and under the other agreements relating to the Bonds to which the Trustee is a party in accordance with terms agreed to from time to time, and, subsequent to default, in accordance with the Trustee's then current fee schedule for default administration (the entirety of which compensation shall not be limited by any provision of law regarding compensation of a trustee of an express trust);

(b) to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of the Indenture, any other agreement relating to the Bonds to which it is a party or in complying with any request by the Corporation or any Rating Agency with respect to the Bonds, including the reasonable compensation, expenses and disbursements of its agents and counsel, except any such expense, disbursements or advance attributable to the Trustee's negligence or bad faith; and

(c) to indemnify, defend and hold the Trustee, or its directors, employees or agents harmless from and against any loss, liability or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the office of Trustee under the Indenture, including the costs of defending itself, or its directors, employees or agents against any claim or liability in connection with the exercise or performance of

any of its powers or duties hereunder or thereunder, and the provisions of this Section shall survive the Trustee's resignation or removal.

As security for the performance of the obligations of the Corporation under this Section, the Trustee shall have a lien upon all property or funds held or collected by the Trustee pursuant to the Indenture (other than moneys in the Rebate and Excess Interest Account or the Department of Education Payment Account and other than proceeds of any Credit Enhancement or proceeds of the remarketing of any Bonds) for the payment of principal of, redemption premium, if any, and interest on the Bonds. The obligations of the Corporation to make the payments described in this Section shall survive discharge of the Indenture, the resignation or removal of the Trustee and payment in full of the Bonds.

Section 9.6 Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties and obligations created by the Indenture by giving not less than sixty (60) days written notice to the Corporation, each Credit Provider and the Owners, specifying the date when such resignation shall take effect, and such resignation shall take effect upon any day specified in such notice unless (i) a successor shall have been appointed previously, as provided in Section 9.8 hereof, in which event such resignation shall take effect immediately on the acceptance of such successor, or (ii) no such successor shall have been appointed, in which event such resignation shall take effect immediately upon, but not until, the acceptance of a successor.

Section 9.7 Removal of Trustee. The Corporation in its discretion may remove the Trustee at any time, except during the existence of an Event of Default, upon giving sixty (60) days written notice to the Trustee and each Credit Provider and filing with the Trustee an instrument of appointment signed by an Authorized Officer and accepted by such successor Trustee.

Section 9.8 Appointment of Successor Trustee. (a) In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, the Corporation covenants and agrees that (unless an Event of Default shall have occurred and be continuing) it will, upon receipt of the prior written consent of the Credit Provider, thereupon appoint a successor Trustee.

(b) If in a proper case no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within forty-five (45) days after the Trustee shall have given to the Corporation written notice, as provided in Section 9.6 hereof, or after a vacancy in the office of the Trustee shall have occurred by reason of its inability to act, or an Event of Default shall have occurred and be continuing as described in (a) above, the Trustee or the owner of any Bond may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice as such court may deem proper and prescribe, appoint a successor Trustee.

(c) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall be a trust company or bank having the powers of a trust company within or outside the State, having capital, surplus and undivided profits aggregating at least \$75,000,000, if there be such a trust company or bank willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Indenture.

Section 9.9 Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under the Indenture shall execute, acknowledge and deliver to its predecessor Trustee and to the Corporation an instrument accepting such appointment as a fiduciary for the Owners, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if originally named as Trustee, but the Trustee ceasing to act shall transfer each Credit Enhancement to its successor Trustee and shall, on the request of the Corporation or the successor Trustee, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any property held by it under the Indenture, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the Corporation be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments shall, on request and so far as may be authorized by law, be executed, acknowledged and delivered by the Corporation. Upon the effectiveness of the resignation or removal of the Trustee, such Trustee's authority to act pursuant to the Indenture shall terminate and such Trustee shall have no further responsibility or liability whatsoever as Trustee for performance of the Indenture.

Section 9.10 Merger or Consolidation. Any entity into which the Trustee may be merged or converted or with which it may be consolidated or any entity resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a trust company or bank which is qualified to be a successor to the Trustee under Section 9.8 hereof and which shall be authorized by law to perform all the duties imposed upon it by the Indenture, shall be the successor to the Trustee without the execution or filing of any paper or the performance of any further act, anything herein to the contrary notwithstanding.

Section 9.11 Adoption of Authentication. In case any of the Bonds contemplated to be issued under the Indenture shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of any predecessor Trustee so authenticating such Bonds and deliver such Bonds so authenticated, and in case any of the said Bonds shall not have been authenticated, any successor Trustee may authenticate such Bonds in the name of the predecessor Trustee or

in the name of the successor Trustee, and in all such cases such certificate shall have the full force provided anywhere in said Bonds or in the Indenture.

Section 9.12 Evidence of Signatures of Owners and Ownership of Bonds. (a) Any request, consent or other instrument which the Indenture may require or permit to be signed and executed by the Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the holding by any person of the Bonds shall be sufficient for any purpose of the Indenture (except as otherwise herein expressly provided) if made in the following manner, but the Trustee may nevertheless in its sole discretion require further or other proof in cases where it deems the same desirable.

The fact and date of the execution by any Owner or such Owner's attorney of such instrument may be proved by the Certificate, which need not be acknowledged or verified, of an officer of a bank or trust company, financial institution or other member of the National Association of Bonds Dealers, Inc., satisfactory to the Trustee, or a Certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request or other instrument acknowledged at the time of the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer, is the owner of such Bond. The authority of the person or persons executing any such instrument on behalf of a corporate Owner may be established without further proof if such instrument is signed by a person purporting to be the president or vice president of such corporation and such signature is attested by a person purporting to be its secretary or an assistant secretary; and

(b) The ownership of Bonds and the amount, numbers and other identification, and date of holding the same shall be proved by the registration books.

(c) Any request, consent or vote of the owner of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done by the Corporation or the Trustee in accordance therewith.

Section 9.13 Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Trust Indenture, including any Supplemental Indenture (or microfilm, microcard or other photographic reproduction thereof) shall be retained in its possession, subject to its document retention policies, and shall be subject at all reasonable times to the inspection of the Corporation and any Owner and Credit Providers and their agents and their representatives, any of whom may make copies thereof.

ARTICLE X

DEFEASANCE; MISCELLANEOUS PROVISIONS

Section 10.1 Defeasance. (a) If the Corporation shall pay, cause to be paid or otherwise make adequate provision for payment to the owners of the Bonds the principal and interest, including deferred interest whether or not then due, to become due thereon at the times and in the manner stipulated therein and in the Indenture, and shall have paid all other amounts due hereunder to the Trustee and to each Credit Provider, the pledge of the Pledged Assets, including any Revenues and other moneys, securities, funds and property hereby pledged and all other rights granted hereby in favor of the Owners shall be discharged and satisfied. In such event, upon making the provision for payment to the Owners referred to in the prior sentence, the Trustee, upon the Direction of the Corporation, shall execute and deliver to the Corporation all such instruments as may be desirable to evidence the discharge and satisfaction described above, and the Trustee shall pay over or deliver to the Corporation all moneys or securities held by them pursuant to the Indenture which are not required for the payment of Bonds not theretofore surrendered for such payment and shall return any Credit Enhancement to the Credit Provider for cancellation, if applicable. If the Corporation shall pay or cause to be paid or there shall otherwise be paid to the owners of all Outstanding Bonds the principal and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Indenture, such Bonds shall cease to be entitled to any lien, benefit or security hereunder and all covenants, agreements and obligations of the Corporation to the Owners of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

(b) Bonds for the payment of which funds are held in trust by the Trustee (through deposit by the Corporation of funds for such payment or otherwise) shall, at the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section. All Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section if (i) there shall have been deposited with the Trustee funds consisting of moneys or non-callable, fixed rate, direct obligations of or guaranteed by the United States of America the principal of and the interest on which when due will provide moneys sufficient to pay the principal of and interest due and to become due on said Bonds on or prior to the maturity date or the prior redemption date thereof, and (ii) the Corporation shall have given the Trustee, in form satisfactory to it, (A) a Certificate of the Corporation to the effect that all conditions necessary to deem said Bonds paid within the meaning and effect expressed in subsection (a) of this Section have been met and (B) irrevocable written instructions to give notice by mail as soon as practicable to the Owners of such Bonds that the deposit required by (i) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Section and stating the date upon which moneys are to be available for the payment of the principal of and interest on said Bonds, such instructions to be accompanied by a certificate of an independent certified public accountant confirming the sufficiency of the deposit as described

in (i) above. Neither (x) non-callable direct obligations of the United States of America or moneys deposited with the Trustee pursuant to this Section nor (y) principal or interest payments on any such obligations shall be withdrawn or used for any purpose other than the payment of the principal of and interest on said Bonds; but any cash received from such principal or interest payments on such obligations deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable and permitted by Section 6.6 hereof, be reinvested in such direct non-callable United States obligations maturing at times and in amounts sufficient to pay when due the principal and interest to become due on said Bonds on or prior to the maturity date or redemption date thereof, and interest earned from such reinvestments, not needed to redeem Bonds, shall be paid over to the Corporation, as received by the Trustee, free and clear of any trust, lien or pledge.

(c) The deposit required by subsection (b) of this Section may be made with respect to Bonds within any particular series and maturity, in which case such maturity of Bonds of such series shall no longer be deemed to be Outstanding under the terms of the Indenture, and the Owners of such defeased Bonds shall be secured only by such trust funds and not by any other part of the Pledged Assets, and the Indenture shall remain in full force and effect to protect the interests of the Owners of Bonds remaining Outstanding thereafter.

(d) Any deposit of moneys made pursuant to subsection (b) shall be sufficient for the purposes of this Section only if in the case of any Bonds bearing interest at a rate which may change before the date the Bonds are to be paid at maturity or upon redemption, (a) the amount of interest required to be deposited shall be computed assuming the maximum rate permitted for such Bonds, and (b) the Trustee and all Marketing Parties required for such Bonds shall remain in office until such Bonds are paid at maturity or upon redemption.

(e) Anything in the Indenture to the contrary notwithstanding, subject to the applicable provisions of the laws of the State, any moneys held by the Trustee in trust for the payment and discharge of any of the Bonds which remain unclaimed for six years after the date when all of the Bonds have become due and payable, if such moneys were held by the Trustee at such date, or for six years after the date of deposit of such moneys if deposited with the Trustee after the said date when all of the Bonds became due and payable, shall, at the written request of an Authorized Officer of the Corporation, be repaid by the Trustee to the Corporation, as its absolute property free from trust, and the Trustee shall thereupon be released and discharged, and any Owner may only look to the Corporation for payment with respect to any payment thereon.

Section 10.2 Limited Liability; No Recourse. The obligations of the Corporation hereunder shall be limited as provided in Section 2.2 hereof, and notwithstanding any other provision of the Indenture, any liability incurred by the Corporation as a result of the failure to perform any covenant, undertaking or obligation under the Indenture, the Bonds or any other document, or as a result of the incorrectness

of any representation made by the Corporation in the Indenture or any other document, or for any other reason, shall be limited to the Pledged Assets. All covenants, stipulations, promises, agreements and obligations of the Corporation contained in the Indenture and in any Certificate or Direction of the Corporation shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Corporation and not of any member, officer, director or employee of the Corporation in its, his or her 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 thereon or on the Indenture against any member, officer, director or employee of the Corporation or against any natural person executing the Bonds.

Section 10.3 Severability. If any covenant, agreement, waiver or part thereof in the Indenture contained be forbidden by any pertinent law, or under any pertinent law be effective to render the Indenture invalid or unenforceable or to impair the lien hereof, then each such covenant, agreement, waiver or part thereof shall itself be and is hereby declared to be wholly ineffective and the Indenture shall be construed as if the same were not included herein.

Section 10.4 Date for Action or Payment. In instances where the Corporation or the Trustee is required to cause any act to be performed on a date certain (including the transfer of moneys), except as otherwise specifically provided herein, if the date so specified is not a Business Day such action shall be taken on the next succeeding Business Day. Except as otherwise provided herein, payments required hereunder to be made or actions required hereunder to be taken on any day which is not a Business Day may be made or taken, as the case may be, instead on the next succeeding Business Day, and no interest shall accrue on such payments in the interim.

Section 10.5 Notices. Except as otherwise provided in the Indenture, all notices, certificates or other communications shall be sufficiently given and shall be deemed given upon receipt, by hand delivery, mail overnight delivery, first class mail, or telecopy or other electronic means which produces evidence of transmission (provided that originals of such communication are provided to the Trustee as soon as possible by hand delivery, mail overnight delivery, or first class mail), addressed as follows:

If to the Corporation: Alaska Student Loan Corporation
3030 Vintage Boulevard
Juneau, Alaska 99801-7109
Attention: Diane Barrans
Facsimile: 907-465-3293
Email: diane.barrans@alaska.gov

If to the Trustee: U.S. Bank National Association
Global Corporate Trust Services/PD-WA-T7CT
1420 Fifth Avenue, 7th Floor
Seattle, Washington 98101
Attention: Greg E. Skutnik, Assistant Vice President
Telephone: 206-344-4607
Facsimile: 206-344-4630
Email: greg.skutnik@usbank.com

With a copy to: U.S. Bank National Association
Attention: Lucy Vang, Trust Financial Management – West
Region Analyst
US Bank Global Corporate Trust Services
60 Livingston Avenue
Mail Code: EP-MN-WS3T
St. Paul, MN 55107-2292
Telephone: 651-466-6137
Facsimile: 651-466-7416
Email: lucy.vang@usbank.com

Tender notifications should be sent to the above parties as well as to the following email address:

Tender.notifications@usbank.com

Either party may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, documents or other communications shall be sent.

In any case where notice to Owners is given by mail, such notice shall be conclusively presumed to have been given and such Owners shall be deemed to have received due notice regardless of the failure of one or more Owners to receive such notice, or any defect therein. Where this Trust Indenture provides for notice in any manner, such notice may be waived in writing by the Owner entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Owners shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon any such waiver.

Section 10.6 Successors and Assigns; Parties in Interest. The covenants, agreements, conditions, promises and undertakings in the Indenture shall extend to and be binding upon the successors and assigns of the Corporation and all of the covenants thereof shall bind such successors and assigns, and each of them, jointly and severally. All the covenants, conditions and provisions hereof shall be held to be for the sole and exclusive benefit of the Corporation, the Trustee, each Credit Provider and their successors and assigns and the Owners from time to time of the Bonds.

Section 10.7 Pledge and Agreement of the State. As authorized by the Act, the following pledge and agreement of the State of Alaska is made:

The State pledges to and agrees with registered owners of the Bonds that the State will not limit or alter the rights and powers vested in the Corporation under Alaska Statutes, Sections 14.42.100 through 14.42.990, to fulfill the terms of contracts made by the Corporation with the Bondholders or in any way impair the rights and remedies of the Bondholders until the Bonds, together with the interest on them with interest on unpaid installments of interest, and all costs and expenses in connection with an action or proceeding by or on behalf of the Bondholders, are fully met and discharged.

Section 10.8 Laws Governing. The Indenture shall in all respects be governed by the laws of the State of Alaska applicable to contracts made and performed in such State.

Section 10.9 Effective Date; Counterparts. This Trust Indenture shall take effect immediately upon delivery of an executed copy hereof to the Trustee. This Trust Indenture may be simultaneously executed in several counterparts, all of which shall constitute one and the same instrument and each of which shall be, and shall be deemed to be, an original.

IN WITNESS WHEREOF, the Alaska Student Loan Corporation has caused these presents to be signed in its name and behalf by Authorized Officers, and to evidence its acceptance of the trusts hereby created, U.S. Bank National Association has caused these presents to be signed in its name and behalf by its duly authorized officer, all as of the day and year first above written.

ALASKA STUDENT LOAN
CORPORATION

By: *Diane Sammons*
Executive Officer

(SEAL)

COUNTERSIGN:

By: *Charlene Morrison*
Authorized Officer

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: *[Signature]*
Its: Assistant Vice President

SCHEDULE I

Representations Regarding Eligible Loans

(1) Each Loan is evidenced by an original executed promissory note, or a true and correct copy thereof, which note is a valid and binding obligation of the borrower, enforceable by or on behalf of the holder thereof in accordance with its terms, subject to bankruptcy, insolvency and other laws relating to or affecting creditors' rights.

(2) No Loan has been satisfied, subordinated or rescinded; no right of rescission, setoff, counterclaim or defense has been asserted or threatened or exists with respect to any Loan; and each Loan is free and clear of all liens and other encumbrances.

(3) Each Loan is accruing interest (whether or not such interest is being paid currently, either by the borrower or the Secretary, or is being capitalized), except as otherwise expressly permitted by the Indenture.

This Schedule I may be amended without the consent of any Bondholders upon receipt by the Trustee of a Credit Confirmation.