

SIXTH SUPPLEMENTAL INDENTURE OF TRUST

between

NORTHSTAR EDUCATION FINANCE, INC.

and

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

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Dated as of March 1, 2004

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This Sixth Supplemental Indenture of Trust, dated as of March 1, 2004, between Northstar Education Finance, Inc., a Delaware nonstock, nonprofit corporation (the "*Issuer*"), and U.S. Bank National Association, a national banking association duly established, existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States (the "*Trustee*");

**WITNESSETH:**

WHEREAS, the Issuer, as assignee of Northstar Guarantee, Inc., Division B, U.S. Bank National Association (successor to Firststar Bank, National Association), as eligible lender trustee, and the Trustee, as indenture trustee, have heretofore executed and delivered an Indenture of Trust, dated as November 1, 2000 (the "*Indenture*"); and

WHEREAS, the Indenture prescribes the terms and conditions upon which the Issuer may from time to time authorize and issue series of Notes (as defined in the Indenture); and

WHEREAS, the Issuer has, by proper action of its Board, authorized and determined to issue eight series of Senior Notes in the respective aggregate principal amounts of \$100,000,000 (the "*Series 2004-1A-1 Notes*"), \$225,000,000 (the "*Series 2004-1A-2 Notes*"), \$200,000,000 (the "*Series 2004-1A-3 Notes*"), \$225,000,000 (the "*Series 2004-1A-4 Notes*"), \$66,000,000 (the "*Series 2004-1A-5 Notes*"), \$66,000,000 (the "*Series 2004-1A-6 Notes*") and \$44,000,000 (the "*Series 2004-1A-7 Notes*") and \$44,000,000 (the "*Series 2004-1A-8 Notes*" and, together with the Series 2004-1A-1 Notes, the Series 2004-1A-2 Notes, the Series 2004-1A-3 Notes, the Series 2004-1A-4 Notes, the Series 2004-1A-5 Notes, the Series 2004-1A-6 Notes and the Series 2004-1A-7 Notes, the "*Series 2004-1A Notes*") and one series of Subordinate Notes in the aggregate principal amount of \$30,000,000 (the "*Series 2004-1B Notes*" and, together with the Series 2004-1A Notes, the "*Series 2004-1 Notes*"); and

WHEREAS, the Issuer desires by this Sixth Supplemental Indenture to prescribe the terms and provisions of the Series 2004-1 Notes, all as more fully set forth herein; and

WHEREAS, the execution and delivery of this Sixth Supplemental Indenture and the issuance of the Series 2004-1 Notes have been in all respects duly and validly authorized by the Issuer;

NOW, THEREFORE, THIS SIXTH SUPPLEMENTAL INDENTURE WITNESSETH:

SECTION 1. DEFINITIONS.

In this Sixth Supplemental Indenture, the terms defined in the Indenture shall, except as otherwise provided in this Section 1, have the same meaning when used herein unless the context or use thereof indicates another or different meaning or intent. In addition, the following terms shall have the following respective meanings unless the context hereof clearly requires otherwise:

*“Administrative Allowance”* shall mean a monthly allowance equal to 1/12 of 0.5% of the ending Principal Balance of the Financed Student Loans, plus accrued interest thereon, during the preceding month, or such greater or lesser amount as may be provided by Issuer Order (*provided* that the Rating Agency Condition is met with respect to any increase in such amount).

*“All Hold Rate”* shall mean, on any date of determination, the Applicable LIBOR-Based Rate less 0.25%, *provided* that in no event shall the applicable All Hold Rate be greater than the applicable Maximum Rate.

*“Applicable Interest Rate”* shall mean the rate of interest per annum borne from time to time by a series of the Series 2004-1 Notes, which shall be (i) during the Initial Interest Period for such series, the Initial Interest Rate, (ii) during each Interest Period thereafter for the Auction Rate Notes, the rate of interest determined in accordance with the provisions of Sections 4 through 12 hereof and (iii) during each Interest Period thereafter for the LIBOR Rate Notes, LIBOR plus 0.05% with respect to the Series 2004-1A-1 Notes, LIBOR plus 0.12% with respect to the Series 2004-1A-2 Notes, LIBOR plus 0.17% with respect to the Series 2004-1A-3 Notes and LIBOR plus 0.19% with respect to the Series 2004-1A-4 Notes.

*“Applicable LIBOR-Based Rate”* shall mean (a) for an Auction Period of 35 days or less, One-Month LIBOR, (b) for an Auction Period of more than 35 days but less than 115 days, Three-Month LIBOR, (c) for an Auction Period of more than 114 days but less than 195 days, Six-Month LIBOR, and (d) for an Auction Period of more than 194 days, One-Year LIBOR.

*“Applicable Number of Business Days”* shall mean the greater of two Business Days or one Business Day plus the number of Business Days by which the Auction Date precedes the first day of the next succeeding Interest Period.

*“Auction”* shall mean the implementation of the Auction Procedures on an Auction Date.

*“Auction Agent”* shall mean the Initial Auction Agent under the Initial Auction Agent Agreement unless and until a Substitute Auction Agent Agreement becomes effective, after which *“Auction Agent”* shall mean the Substitute Auction Agent.

*“Auction Agent Agreement”* shall mean the Initial Auction Agent Agreement unless and until a Substitute Auction Agent Agreement is entered into, after which *“Auction Agent Agreement”* shall mean such Substitute Auction Agent Agreement.

*“Auction Agent Fee”* shall have the meaning ascribed to such term in the Auction Agent Agreement.

*“Auction Agent Fee Rate”* shall have the meaning ascribed to such term in the Auction Agent Agreement.

*“Auction Date”* shall mean, initially, with respect to the Series 2004-1A-5 Notes, April 27, 2004, with respect to the Series 2004-1A-6 Notes, May 18, 2004, with respect to the Series 2004-1A-7 Notes, April 28, 2004, with respect to the Series 2004-1A-8 Notes, May 11, 2004,

and with respect to the Series 2004-1B Notes, May 4, 2004, and thereafter, with respect to each such series of Auction Rate Notes, the Business Day immediately preceding the first day of each succeeding Auction Period for such series, other than:

(a) an Auction Period commencing after the ownership of such series is no longer maintained in Book-Entry Form by the Securities Depository;

(b) an Auction Period commencing after and during the continuance of a Payment Default; or

(c) an Auction Period commencing less than the Applicable Number of Business Days after the cure or waiver of a Payment Default.

Notwithstanding the foregoing, the Auction Date for one or more Auction Periods may be changed pursuant to Section 11 hereof.

*"Auction Period"* shall mean the Interest Period applicable to each series of the Auction Rate Notes, which Auction Period (after the Initial Interest Period for each such series) initially shall consist generally of 28 days, as the same may be adjusted pursuant to Section 10 hereof.

*"Auction Period Adjustment"* shall mean an adjustment to the Auction Period as provided in Section 10 hereof.

*"Auction Procedures"* shall mean the procedures set forth in Section 4 through Section 11 hereof by which the Auction Rate is determined.

*"Auction Rate"* shall mean the rate of interest per annum that results from implementation of the Auction Procedures and is determined as described in Section 4(c)(ii) hereof.

*"Auction Rate Notes"* shall mean the Series 2004-1A-5 Notes, the Series 2004-1A-6 Notes, the Series 2004-1A-7 Notes, the Series 2004-1A-8 Notes and the Series 2004-1B Notes.

*"Authorized Denominations"* shall mean (a) with respect to the LIBOR Rate Notes, \$1,000 and any integral multiple thereof and (b) with respect to the Auction Rate Notes, \$50,000 and any integral multiple thereof.

*"Available Auction Rate Notes"* shall have the meaning ascribed to such term in Section 4(c)(i)(A) hereof.

*"Bid"* shall have the meaning ascribed to such term in Section 4(a)(i) hereof.

*"Bidder"* shall have the meaning ascribed to such term in Section 4(a)(i) hereof.

*"Book-Entry Form"* or *"Book-Entry System"* shall mean a form or system under which (i) the beneficial right to principal and interest may be transferred only through a book entry and

(ii) physical securities in registered form are issued only to a Securities Depository or its nominee as registered holder, with the securities “immobilized” to the custody of the Securities Depository.

“*Broker-Dealer*” shall mean (i) initially, with respect to the Series 2004-1A-5 Notes, the Series 2004-1A-6 Notes and the Series 2004-1B Notes, Banc of America Securities LLC, with respect to the Series 2004-1A-7 Notes, Citigroup Global Markets, Inc., with respect to the Series 2004-1A-8 Notes, Deutsche Bank Securities Inc., and (ii) with respect to any series of Auction Rate Notes, any other broker or dealer (each as defined in the Exchange Act), commercial bank or other entity permitted by law to perform the functions required of a Broker-Dealer set forth in the Auction Procedures that (a) is a Participant (or an affiliate of a Participant), (b) has been appointed as such with respect to such series of Auction Rate Notes by the Issuer pursuant to Section 9 hereof and (c) has entered into a Broker-Dealer Agreement that is in effect on the date of reference.

“*Broker-Dealer Agreement*” shall mean each agreement between the Auction Agent and a Broker-Dealer, approved by the Issuer, pursuant to which the Broker-Dealer agrees to participate in Auctions as set forth in the Auction Procedures, as such agreement may from time to time be amended or supplemented. Each Broker-Dealer Agreement shall be in substantially the form of the Broker-Dealer Agreements, dated as of March 1, 2004, between Deutsche Bank Trust Company Americas, as Auction Agent, and each of Banc of America Securities LLC, Citigroup Global Markets, Inc., and Deutsche Bank Securities Inc., respectively, as Broker-Dealer.

“*Broker-Dealer Fee*” shall have the meaning ascribed to such term in the Auction Agent Agreement.

“*Broker-Dealer Fee Rate*” shall have the meaning ascribed to such term in the Broker-Dealer Agreement.

“*Business Day*” shall mean any day other a Saturday, Sunday, holiday or day on which banks located in the city of New York, New York, or the New York Stock Exchange or in the city in which the Principal Office of the Indenture Trustee is located are authorized or permitted by law or executive order to close and, with respect to the LIBOR Rate Notes, for purposes of calculating LIBOR, any day on which banks in New York, New York and London, England are open for the transaction of international business and, with respect to the Auction Rate Notes, the term “business day” shall also exclude April 14, April 15, December 30, December 31, such other dates as the Issuer may agree with the Market Agent, the Auction Agent and the Broker-Dealers or any day on which the banks in the city in which the Principal Office of the Auction Agent is located are authorized or permitted by law or executive order to close.

“*Cap Counterparty*” shall mean Bank of America, N.A., and any successor thereto as permitted under the terms of the Interest Rate Cap Agreement.

“*Capitalized Interest Fund*” means the segregated trust account established at, and in the name of, the Indenture Trustee, which account has been designated as the Capitalized Interest

Fund, and any other account designated as the Capitalized Interest Fund by the Indenture Trustee.

*“Carry-Over Amount”* shall mean the excess, if any, of (a) the amount of interest on an Auction Rate Note that would have accrued with respect to the related Auction Period at the Auction Rate over (b) the amount of interest on such an Auction Rate Note actually accrued with respect to such Auction Period based on the Maximum Rate, together with the unpaid portion of any such excess from prior Auction Periods; *provided* that any reference to “principal” or “interest” in this Sixth Supplemental Indenture, in the Indenture, and in the Auction Rate Notes shall not include, within the meanings of such words, any Carry-Over Amount or any interest accrued on any Carry-Over Amount.

*“Closing Date”* shall mean March 30, 2004, the date of initial issuance and delivery of the Series 2004-1 Notes hereunder.

*“Eligible Carry-Over Make-Up Amount”* shall mean, with respect to each Interest Period relating to a series of Auction Rate Notes as to which, as of the first day of such Interest Period, there is any unpaid Carry-Over Amount, an amount equal to the lesser of (a) interest computed on the principal balance of such series in respect of such Interest Period at a per annum rate equal to the excess, if any, of the Maximum Rate over the Applicable Interest Rate, and (b) the aggregate Carry-Over Amount remaining unpaid as of the first day of such Interest Period together with interest accrued and unpaid thereon through the end of such Interest Period. The Eligible Carry-Over Make-Up Amount shall be \$0.00 for any Interest Period with respect to which the Maximum Rate equals or exceeds the Auction Rate.

*“Existing Holder”* shall mean (i) with respect to and for the purpose of dealing with the Auction Agent in connection with an Auction, a Person who is a Broker-Dealer listed in the Existing Holder Registry at the close of business on the Business Day immediately preceding such Auction and (ii) with respect to and for the purpose of dealing with the Broker-Dealer in connection with an Auction, a Person who is a beneficial owner of Auction Rate Notes.

*“Existing Holder Registry”* shall mean the registry of Persons who are owners of the Auction Rate Notes, maintained by the Auction Agent as provided in the Auction Agent Agreement.

*“First Supplemental Indenture”* shall mean the First Supplemental Indenture of Trust, dated as of November 1, 2000, between the Issuer and the Trustee, as amended or supplemented in accordance with the terms hereof and of the Indenture.

*“Fourth Supplemental Indenture”* shall mean the Fourth Supplemental Indenture of Trust, dated as of September 15, 2003, between the Issuer and the Trustee, as amended or supplemented in accordance with the terms hereof and of the Indenture.

*“Fifth Supplemental Indenture”* shall mean the Fifth Supplemental Indenture of Trust, dated as of February 26, 2004, between the Issuer and Trustee, as amended or supplemented in accordance with the terms hereof and of the Indenture.



*“Hold Order”* shall have the meaning ascribed to such term in Section 4(a)(i) hereof.

*“Indenture”* shall mean the Indenture of Trust, dated as of November 1, 2000, from the Issuer and the Eligible Lender Trustee to the Trustee as amended and supplemented from time to time.

*“Initial Auction Agent”* shall mean Deutsche Bank Trust Company Americas, a New York banking corporation, its successors and assigns, in its capacity as auction agent under the Initial Auction Agent Agreement.

*“Initial Auction Agent Agreement”* shall mean the Auction Agent Agreement, dated as of March 1, 2004, by and among the Issuer, the Trustee and the Initial Auction Agent, including any amendment thereof or supplement thereto.

*“Initial Interest Period”* shall mean, as to a series of Series 2004-1 Notes, the period commencing on the Closing Date and continuing through the day immediately preceding the Initial Interest Rate Adjustment Date for such series.

*“Initial Interest Rate”* shall mean 1.17% per annum for the Series 2004-1A-1 Notes, 1.24% per annum for the Series 2004-1A-2 Notes, 1.29% per annum for the Series 2004-1A-3 Notes, 1.31% per annum for the Series 2004-1A-4 Notes, 1.10% per annum for the Series 2004-1A-5 Notes, 1.10% per annum for the Series 2004-1A-6 Notes, 1.065% per annum for the Series 2004-1A-7 Notes, 1.09% per annum for the Series 2004-1A-8 Notes, and 1.20% per annum for the Series 2004-1B Notes.

*“Initial Interest Rate Adjustment Date”* shall mean with respect to (i) the LIBOR Rate Notes, July 28, 2004, (ii) the Series 2004-1A-5 Notes, April 28, 2004, (iii) the Series 2004-1A-6 Notes, May 19, 2004, (iv) the Series 2004-1A-7 Notes, April 29, 2004, (v) the Series 2004-1A-8 Notes, May 12, 2004 and (vi) the Series 2004-1B Notes, May 5, 2004.

*“Interest Payment Date”* shall mean (i) each regularly scheduled interest payment date on the Series 2004-1 Notes, which for each series of the LIBOR Rate Notes shall be each Quarterly Distribution Date and for each series of the Auction Rate Notes shall be the Business Day immediately following the expiration of the Initial Interest Period for such series and each related Auction Period thereafter; *provided, however*, if the duration of the Interest Period for the Auction Rate Notes is six months or longer, then the Interest Payment Dates therefor shall be as determined by the Issuer with the consent of the applicable Broker-Dealer and the first Business Day immediately following the end of such Interest Period; or (ii) with respect to the payment of interest upon acceleration of the Series 2004-1 Notes, such date on which such interest is payable under the Indenture.

*“Interest Period”* shall mean (a) for the LIBOR Rate Notes, (i) with respect to the initial Quarterly Distribution Date, the Initial Interest Period; and (ii) with respect to each Quarterly Distribution Date thereafter, the period beginning on the prior Quarterly Distribution Date and ending on the day immediately preceding such Quarterly Distribution Date, and (b) for the Auction Rate Notes, (i) unless otherwise changed as described herein, initially, the period

commencing on the Closing Date to and not including the Initial Interest Rate Adjustment Date for the applicable series, and, thereafter, each successive period of generally 28 days, commencing on the first Business Day following the applicable Series Auction Date, and ending on (and including) the applicable Series Auction Date (unless such date is not followed by a Business Day, in which case on the next succeeding day that is followed by a Business Day); and (ii) if the Auction Periods are changed as provided herein, each period commencing on an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date. By way of example, if an Interest Period for the Auction Rate Notes ordinarily would end on a Tuesday, but the following Wednesday is not a Business Day, the Interest Period will end on that Wednesday and the new Interest Period will begin on Thursday.

*“Interest Rate Adjustment Date”* shall mean (a) with respect to the LIBOR Rate Notes, each Quarterly Distribution Date and (b) with respect to the Auction Rate Notes, the date on which the interest rate on a series of Auction Rate Notes is effective, which for each series of Auction Rate Notes shall be the date of commencement of each Auction Period for such series.

*“Interest Rate Cap Agreement”* shall mean the interest rate cap agreement entered into between the Issuer and the Cap Counterparty substantially in the form attached as Exhibit A to the Third Supplemental Indenture, together with the related Confirmation dated March 30, 2004, any amendment, supplement or modification thereto for which the Rating Agency Condition has been satisfied.

*“Interest Rate Determination Date”* shall mean for each series of Auction Rate Notes, the Auction Date for such series, or, if no Auction Date is applicable to such series, the Business Day immediately preceding the date of commencement of an Auction Period.

*“LIBOR”* shall mean, with respect to the LIBOR Rate Notes and any Interest Period other than the Initial Interest Period, the London interbank offered rate for deposits in U.S. dollars having a maturity of three months, which appears on Telerate Page 3750 as of 11:00 a.m., London time, on the related LIBOR Determination Date as determined by the Trustee or its agent. If this rate does not appear on Telerate Page 3750, the rate for that day will be determined on the basis of the rates at which deposits in U.S. dollars, having a maturity of three months and in a principal amount of not less than U.S. \$1,000,000, are offered at approximately 11:00 a.m., London time, on that LIBOR Determination Date, to prime banks in the London interbank market by the Reference Banks. The Trustee will request the principal London office of each Reference Bank identified to it by the Issuer to provide a quotation of its rate. If the Reference Banks provide at least two quotations, the rate for that day will be the arithmetic mean of the quotations. If the Reference Banks provide fewer than two quotations, the rate for that day will be the arithmetic mean of the rates quoted by major banks in New York City, selected by the Issuer at approximately 11:00 a.m., New York time, on that LIBOR Determination Date, for loans in U.S. dollars to leading European banks having a maturity of three months and in a principal amount of not less than U.S. \$1,000,000. If the banks selected as described above are not providing quotations, LIBOR in effect for the applicable Interest Period will be the LIBOR in effect for the previous Interest Period.

*“LIBOR Determination Date”* shall mean (a) with respect to the LIBOR Rate Notes, for each Interest Period, the second Business Day immediately preceding the first day of that Interest Period and (b) with respect to the Auction Rate Notes, the Auction Date, or if no Auction Date is applicable, the Business Day immediately preceding the first day of each Interest Period.

*“LIBOR Rate Notes”* shall mean the Series 2004-1A-1 Notes, the Series 2004-1A-2 Notes, the Series 2004-1A-3 Notes and the Series 2004-1A-4 Notes.

*“Market Agent”* shall mean Banc of America Securities LLC, or with respect to any series of the Auction Rate Notes, any successor in such capacity hereunder.

*“Market Agent Agreement”* shall mean that certain Market Agent Agreement dated as of March 1, 2004, between the Market Agent and the Trustee, including any supplement thereto or amendment thereof.

*“Marketing and School Services Expense Allowance”* shall mean a monthly allowance equal to 1/12 of 0.1% of the ending Principal Balance of the Financed Student Loans, plus accrued interest thereon, during the preceding month, or such greater or lesser amount as may be provided by Issuer Order (*provided* that the Rating Agency Condition is met with respect to any increase in such amount). Such amount shall be paid of out the Administration Fund.

*“Maximum Auction Rate”* shall mean, for any Auction, a per annum interest rate on the Auction Rate Notes which, when taken together with the interest rate on the Auction Rate Notes for the one-year period ending on the final day of the proposed Auction Period, would result in the average interest rate on the Auction Rate Notes for such period either (a) not being in excess (on a per annum basis) of the average of the Ninety-One Day United States Treasury Bill Rate plus 1.20% for such one-year period (if all of the ratings assigned by the Rating Agencies to such series of the Auction Rate Notes are “Aa3” or “AA-” or better), (b) not being in excess (on a per annum basis) of the Ninety-One Day United States Treasury Bill Rate plus 1.50% for such one-year period (if any one of the ratings assigned by the Rating Agencies to such series of the Auction Rate Notes is less than “Aa3” or “AA-” but all are at least any category of “A”), or (c) not being in excess (on a per annum basis) of the average of Ninety-One Day United States Treasury Bill Rate plus 1.75% for such one-year period (if any one of the ratings assigned by the Rating Agencies to such series of the Auction Rate Notes is less than the lowest category of “A”); *provided, however*, that if the Auction Rate Notes have not been Outstanding for at least such one-year period then for any portion of such period during which such Auction Rate Notes were not Outstanding, the interest rates on the Auction Rate Notes for purposes of this definition shall be deemed to be equal to such rates as the Market Agent shall determine were the rates of interest on equivalently rated auction securities with comparable lengths of auction periods during such period; *provided, however*, that this definition may be modified at the direction of the Issuer upon receipt by the Trustee of (A) written consent of the Market Agent and (B) written consent from each Rating Agency then rating the Auction Rate Notes that such change will not in and of itself result in a reduction of the rating on any Series 2004-1 Notes. For purposes of the Auction Agent and the Auction Procedures, the ratings referred to in this definition shall be the last ratings of which the Auction Agent has been given notice pursuant to the Auction Agent Agreement. The percentage amount to be added to the Ninety-One Day United States Treasury

Bill Rate in any one or more of (a), (b) or (c) above may be increased by delivery to the Auction Agent and the Trustee of a certificate signed by an Authorized Officer of the Issuer directing such increase, together with satisfaction of the Rating Agency Condition with respect to such increase.

*“Maximum Interest Rate”* shall mean the lesser of (a) 18% per annum or (b) the highest rate the Issuer may legally pay, from time to time, as interest on the Auction Rate Notes.

*“Maximum Rate”* on any date of determination, shall mean the interest rate per annum equal to the least of: (a) the Maximum Auction Rate, (b) the Maximum Interest Rate, (c) the sum of (i) One-Month LIBOR and (ii) 1.0% and (d) during the occurrence of a Net Loan Rate Restriction Period, the Net Loan Rate.

*“Net Loan Rate”* shall mean, with respect to any Auction Period, (a) the rate of interest per annum (rounded to the next highest 0.01%) equal to the Adjusted Student Loan Portfolio Rate of Return for the calendar month immediately preceding such Auction Period, as determined by the Issuer on the last day of such calendar month, less (b) the Program Expense Percentage with respect to such Auction Period. *“Adjusted Student Loan Portfolio Rate of Return”* means, for any calendar month, the amount determined by dividing (i) the product of 12 times the sum of the following amounts accrued during such calendar month (whether or not actually received or paid): (A) interest (including interest subsidy payments) and Special Allowance Payments with respect to the Financed Student Loans plus (B) any Counterparty Swap Payments minus (C) any amount required to be paid to the Department of Education or to be repaid to Guarantee Agencies with respect to the Financed Student Loans that do not qualify for Guarantees, minus (D) the aggregate amount of default claims filed during the month with respect to Financed Student Loans which (1) exceed the amount the related Guarantee Agency is required to pay under the applicable Guarantee Agreement or (2) are payable only by a Guarantor that is in default of its Guarantee obligations with respect to Financed Student Loans and has not provided collateral security sufficient to pay such claims, minus (E) any reduction in interest as a result of borrower incentive programs, other than the T.H.E. Bonus Plan, minus (F) any Issuer Swap Payments; by (ii) the average daily outstanding Principal Balance of the Financed Student Loans during such calendar month. For this purpose, the Special Allowance Payment shall be computed based upon the average of the bond equivalent rates of Ninety-One-Day United States Treasury Bills auctioned, or the commercial paper rates published, during that portion of the then current quarter.

*“Net Loan Rate Restriction Period”* shall mean, with respect to any series of the Auction Rate Notes, the period of time from and including a Net Loan Rate Trigger Date to but excluding a Net Loan Rate Termination Date.

*“Net Loan Rate Termination Date”* shall mean, for a series of Auction Rate Notes for which the Net Loan Rate Trigger Date has occurred, the first day of an Auction Period which immediately follows three consecutive Auction Dates for such series of the Auction Rate Notes where (a) if the Net Loan Trigger Date occurred due to the applicable Auction Rate exceeding the sum of (i) the Ninety-One Day United States Treasury Bill Rate in effect as of such Auction Date plus (ii) 1.0%, the Auction Rate established on each such Auction Date for such series was

equal to or less than a per annum rate equal to the sum of (x) the Ninety-One Day United States Treasury Bill Rate in effect as of each such Auction Date plus (y) 1.0% or (b) if the Net Loan Rate Trigger Date occurred due to One-Month LIBOR exceeding the Ninety-Day Commercial Paper Rate by more than 0.30%, One-Month LIBOR did not exceed the Ninety-Day Commercial Paper Rate by more than 0.30%.

*“Net Loan Rate Trigger Date”* shall mean, for a series of Auction Rate Notes, the first day of an Auction Period which immediately follows six consecutive Auction Dates for such series of the Auction Rate Notes where (a) the Auction Rate established on each such Auction Date for such series exceeded a per annum rate equal to the sum of (i) the Ninety-One Day United States Treasury Bill Rate in effect as of each such Auction Date plus (ii) 1.0% or (b) One-Month LIBOR exceeded the Ninety-Day Commercial Paper Rate by more than 0.30%.

*“Ninety-Day Commercial Paper Rate”* means the 90-day financial CP rate reported in the Federal Reserve’s Statistical Release H-15.

*“Ninety-One Day United States Treasury Bill Rate”* shall mean the bond-equivalent yield on the 91-day United States Treasury Bills sold at the last auction thereof that immediately precedes the Auction Date, as determined by the Market Agent on the Auction Date.

*“Non-Payment Rate”* shall mean for any determination date, a rate per annum equal to the lesser of (a) the sum of (i) One-Month LIBOR and (ii) 150 basis points and (b) the Maximum Interest Rate.

*“Note Registrar”* shall mean, with respect to the Series 2004-1 Notes, the Trustee.

*“One-Month LIBOR,” “Three-Month LIBOR,” “Six-Month LIBOR”* or *“One-Year LIBOR”* shall mean, with respect to the Auction Rate Notes, the offered rate, as determined by the Auction Agent or Trustee, as applicable, of the Applicable LIBOR-Based Rate for United States dollar deposits which appears on Telerate Page 3750, as reported by Bloomberg Financial Markets Commodities News (or such other page as may replace Telerate Page 3750 for the purpose of displaying comparable rates) as of approximately 11:00 a.m., London time, on the LIBOR Determination Date; *provided*, that if on any calculation date, no rate appears on Telerate Page 3750 as specified above, the Auction Agent or Trustee, as applicable, shall determine the arithmetic mean of the offered quotations of four major banks in the London interbank market, for deposits in U.S. dollars for the respective periods specified above to the banks in the London interbank market as of approximately 11:00 a.m., London time, on such calculation date and in a principal amount of not less than \$1,000,000 that is representative of a single transaction in such market and at such time, unless fewer than two such quotations are provided, in which case, the Applicable LIBOR-Based Rate shall be the arithmetic mean of the offered quotations that leading banks in New York City selected by the Auction Agent or Trustee, as applicable, are quoting on the relevant LIBOR Determination for loans in U.S. dollars to leading European banks in a principal amount of not less than \$1,000,000 that is representative of a single transaction in such market at such time. All percentages resulting from such calculations shall be rounded upwards, if necessary, to the nearest one-hundredth of one percent.

“*Order*” shall have the meaning ascribed to such term in Section 4(a)(i) hereof.

“*Participant*” shall mean a member of, or participant in, the Securities Depository.

“*Paying Agent*” shall mean the Trustee and its successor or successors or any other commercial bank designated in accordance herewith as a place at which principal of, premium, if any, or interest on the Series 2004-1 Notes is payable.

“*Payment Default*” shall mean, with respect to a series of Auction Rate Notes, (i) a default in the due and punctual payment of any installment of interest on such series, or (ii) the circumstance that on any Auction Date there are insufficient moneys in the Debt Service Fund to pay, or otherwise held by the Trustee under the Indenture and available to pay, the principal of and interest due on the Auction Rate Notes of such series on the Interest Payment Date immediately following such Auction Date.

“*Percentage Interest*” shall mean, with respect to a LIBOR Rate Note of any series, the fraction, expressed as a percentage, the numerator of which is the original denomination represented by such LIBOR Rate Note and the denominator of which is the original Principal Amount of all LIBOR Rate Note of such series.

“*Pool Factor*” shall mean, with respect to each series of the LIBOR Rate Notes, a seven-digit decimal computed after distributions on each Quarterly Distribution Date reflecting the reductions in the Principal Amount of the LIBOR Rate Notes of such series. Each Pool Factor will initially be 1.0000000.

“*Potential Holder*” shall mean any Person (including an Existing Holder) that is (i) a Broker-Dealer when dealing with the Auction Agent and (ii) a potential beneficial owner when dealing with a Broker-Dealer, who may be interested in acquiring Auction Rate Notes (or, in the case of an Existing Holder thereof, an additional Principal Amount of Auction Rate Notes).

“*Principal Balance*” when used with respect to a Student Loan, shall mean the unpaid principal amount thereof.

“*Program Expense Percentage*” shall mean, with respect to any Auction Period, the per annum rate of interest (rounded to the next highest 0.01%) equal to the sum of the Note Fees, Administrative Allowance, Marketing and School Services Expense Allowance and Servicing Fees (without duplication of any amounts paid for Servicing Fees under the definition of Administrative Allowance), in each case for the calendar month immediately preceding such Auction Period, as determined by the Issuer on the last day of such calendar month, expressed as a percentage of the average daily outstanding Principal Balance of the Financed Student Loans during such month.

“*Quarterly Distribution Date*” means the 28th day of each January, April, July and October, or if such day is not a Business Day, the next succeeding Business Day, commencing July 28, 2004.

*“Reference Banks”* means, with respect to a determination of LIBOR for any Interest Period by the Trustee, four major banks in the London interbank market selected by the Issuer.

*“Regular Record Date”* shall mean, with respect to any series of Auction Rate Notes, (a) so long as Interest Payment Dates are specified to occur at the end of each Auction Period, the Applicable Number of Business Days immediately preceding each Interest Payment Date and (b) if and for so long as interest on such series of Auction Rate Notes is payable on a date other than at the end of such Auction Period, one Business Day prior to each Interest Payment Date; and with respect to any series of LIBOR Rate Note, one Business Day prior to each Quarterly Distribution Date.

*“Required Capitalized Interest Fund Amount”* shall mean initially \$40,000,000, which amount shall be reduced quarterly on each January 1, April 1, July 1 and October 1, commencing on July 1, 2004, by \$2,500,000 until the amount on deposit in the Capitalized Interest Fund is \$0, or such other meaning set forth in a subsequent Supplemental Indenture.

*“Reserve Fund Requirement”* shall mean, at any time, an amount equal to (1) 0.75% of the aggregate Principal Amount of Series 2004-1 Notes then Outstanding, or (2) such other amount specified as the Reserve Fund Requirement in another supplemental indenture; *provided, however,* that in no event shall the amount be less than \$1,000,000.

*“Revolving Period”* shall mean the period beginning on the date of issuance of the Series 2004-1 Notes and ending on July 1, 2006, or the last day of such other month as may be provided by Issuer Order, *provided* that the Rating Agency Condition shall have been met with respect to such Issuer Order.

*“Second Supplemental Indenture”* shall mean the Second Supplemental Indenture of Trust, dated as of April 1, 2002, between the Issuer and the Trustee, as amended or supplemented in accordance with the terms hereof and of the Indenture.

*“Securities Depository”* shall mean The Depository Trust Company, New York, New York, and its successors and assigns, or, if (i) the then-existing Securities Depository resigns from its functions as depository of the Series 2004-1 Notes or (ii) the Issuer discontinues use of the Securities Depository pursuant to Section 17(c) hereof, then any other securities depository which agrees to follow the procedures required to be followed by a securities depository in connection with the Series 2004-1 Notes and which is selected by the Issuer with the consent of the Trustee.

*“Sell Order”* shall have the meaning ascribed to such term in Section 4(a)(i) hereof.

*“Series Auction Date”* shall mean Tuesday, with respect to the Series 2004-1A-5 Notes, the Series 2004-1A-6 Notes, the Series 2004-1A-8 Notes and the Series 2004-1B Notes, and Wednesday, with respect to the Series 2004-1A-7 Notes.

*“Series 2004-1 Notes”* shall mean the Series 2004-1A Notes and the Series 2004-1B Notes.

*“Series 2004-1A Notes”* shall mean the Series 2004-1A-1 Notes, the Series 2004-1A-2 Notes, the Series 2004-1A-3 Notes, the Series 2004-1A-4 Notes, the Series 2004-1A-5 Notes, the Series 2004-1A-6 Notes, the Series 2004-1A-7 Notes and the Series 2004-1A-8 Notes.

*“Series 2004-1A-1 Notes”* shall mean the Notes created and to be issued under this Sixth Supplemental Indenture in the original Principal Amount of \$100,000,000 and designated as the “Student Loan Asset-Backed Notes, Senior Series 2004-1A-1.”

*“Series 2004-1A-2 Notes”* shall mean the Notes created and to be issued under this Sixth Supplemental Indenture in the original Principal Amount of \$225,000,000 and designated as the “Student Loan Asset-Backed Notes, Senior Series 2004-1A-2.”

*“Series 2004-1A-3 Notes”* shall mean the Notes created and to be issued under this Sixth Supplemental Indenture in the original Principal Amount of \$200,000,000 and designated as the “Student Loan Asset-Backed Notes, Senior Series 2004-1A-3.”

*“Series 2004-1A-4 Notes”* shall mean the Notes created and to be issued under this Sixth Supplemental Indenture in the original Principal Amount of \$225,000,000 and designated as the “Student Loan Asset-Backed Notes, Senior Series 2004-1A-4.”

*“Series 2004-1A-5 Notes”* shall mean the Notes created and to be issued under this Sixth Supplemental Indenture in the original Principal Amount of \$66,000,000 and designated as the “Student Loan Asset-Backed Notes, Senior Series 2004-1A-5.”

*“Series 2004-1A-6 Notes”* shall mean the Notes created and to be issued under this Sixth Supplemental Indenture in the original Principal Amount of \$66,000,000 and designated as the “Student Loan Asset-Backed Notes, Senior Series 2004-1A-6.”

*“Series 2004-1A-7 Notes”* shall mean the Notes created and to be issued under this Sixth Supplemental Indenture in the original Principal Amount of \$44,000,000 and designated as the “Student Loan Asset-Backed Notes, Senior Series 2004-1A-7.”

*“Series 2004-1A-8 Notes”* shall mean the Notes created and to be issued under this Sixth Supplemental Indenture in the original Principal Amount of \$44,000,000 and designated as the “Student Loan Asset-Backed Notes, Senior Series 2004-1A-8.”

*“Series 2004-1B Notes”* shall mean the Notes created and to be issued under this Sixth Supplemental Indenture in the original Principal Amount of \$30,000,000 and designated as the “Student Loan Asset-Backed Notes, Subordinate Series 2004-1B-1.”

*“Sixth Supplemental Indenture”* shall mean this Sixth Supplemental Indenture of Trust, dated as of March 1, 2004, between the Issuer and the Trustee, as amended or supplemented in accordance with the terms hereof and of the Indenture.



“*Submission Deadline*” shall mean 1:00 p.m., New York City time, on any Auction Date or such other time on any Auction Date by which Broker-Dealers are required to submit Orders to the Auction Agent as specified by the Auction Agent from time to time.

“*Submitted Bid*” shall have the meaning ascribed to such term in Section 4(c)(i) hereof.

“*Submitted Hold Order*” shall have the meaning ascribed to such term in Section 4(c)(i) hereof.

“*Submitted Order*” shall have the meaning ascribed to such term in Section 4(c)(i) hereof.

“*Submitted Sell Order*” shall have the meaning ascribed to such term in Section 4(c)(i) hereof.

“*Substitute Auction Agent*” shall mean the Person with whom the Trustee enters into a Substitute Auction Agent Agreement.

“*Substitute Auction Agent Agreement*” shall mean an auction agent agreement containing terms substantially similar to the terms of the Initial Auction Agent Agreement, whereby a Person having the qualifications required by Section 8 hereof agrees with the Trustee and the Issuer to perform the duties of the Auction Agent under this Sixth Supplemental Indenture.

“*Sufficient Bids*” shall have the meaning ascribed to such term in Section 4(c)(i)(B) hereof.

“*Targeted Balance*” means, for each series of LIBOR Rate Notes and each Quarterly Distribution Date, the amount listed on Schedule I hereto as the Targeted Balance for each such series on such Quarterly Distribution Date.

“*Telerate Page 3750*” means the display page so designated on the Telerate Service (or such other page as may replace that page on that service for the purpose of displaying comparable rates or prices).

“*T.H.E. Bonus Deposit*” initially shall mean an amount up to 130 basis points per annum multiplied by the Principal Balance of the Financed Student Loans in repayment (and not delinquent more than 60 days) (75 basis points per annum with respect to Consolidation Loans) calculated and transferred monthly from the Collection Account to the Issuer Administrator on each Monthly Calculation Date. Such amounts shall be made through July 1, 2006, unless extended or amended as to timing or amount as provided by an Issuer Order (*provided* that the Rating Agency Condition is met with respect to such extension or amendment).

“*Third Supplemental Indenture*” shall mean the Third Supplemental Indenture of Trust, dated as of October 23, 2002, between the Issuer and the Trustee, as amended or supplemented in accordance with the terms hereof and of the Indenture.

*“Unsubsidized Stafford Loan”* shall mean a Student Loan made pursuant to Section 428H of the Higher Education Act.

*“Winning Bid Rate”* shall have the meaning ascribed to such term in Section 4(c)(i)(C) hereof.

## SECTION 2. AUTHORIZATION AND TERMS OF SERIES 2004-1 NOTES.

There is hereby created and there shall be (1) a series of Senior Notes entitled “Student Loan Asset-Backed Notes, Senior Series 2004-1A-1,” (2) a series of Senior Notes entitled “Student Loan Asset-Backed Notes, Senior Series 2004-1A-2,” (3) a series of Senior Notes entitled “Student Loan Asset-Backed Notes, Senior Series 2004-1A-3,” (4) a series of Senior Notes entitled “Student Loan Asset-Backed Notes, Senior Series 2004-1A-4,” (5) a series of Senior Notes entitled “Student Loan Asset-Backed Notes, Senior Series 2004-1A-5,” (6) a series of Senior Notes entitled “Student Loan Asset-Backed Notes, Senior Series 2004-1A-6,” (7) a series of Senior Notes entitled “Student Loan Asset-Backed Notes, Senior Series 2004-1A-7,” (8) a series of Senior Notes entitled “Student Loan Asset-Backed Notes, Senior Series 2004-1A-8, and (9) a series of Subordinate Notes entitled “Student Loan Asset-Backed Notes, Subordinate Series 2004-1B-1.” Subject to Section 2.8 of the Indenture, the aggregate Principal Amount of the Series 2004-1A-1 Notes that may be authenticated and delivered and Outstanding under the Indenture is limited to and shall not exceed \$100,000,000; the aggregate Principal Amount of the Series 2004-1A-2 Notes that may be authenticated and delivered and Outstanding under the Indenture is limited to and shall not exceed \$225,000,000; the aggregate Principal Amount of the Series 2004-1A-3 Notes that may be authenticated and delivered and Outstanding under the Indenture is limited to and shall not exceed \$200,000,000; the aggregate Principal Amount of the Series 2004-1A-4 Notes that may be authenticated and delivered and Outstanding under the Indenture is limited to and shall not exceed \$225,000,000; the aggregate Principal Amount of the Series 2004-1A-5 Notes that may be authenticated and delivered and Outstanding under the Indenture is limited to and shall not exceed \$66,000,000; the aggregate Principal Amount of the Series 2004-1A-6 Notes that may be authenticated and delivered and Outstanding under the Indenture is limited to and shall not exceed \$66,000,000; the aggregate Principal Amount of the Series 2004-1A-7 Notes that may be authenticated and delivered and Outstanding under the Indenture is limited to and shall not exceed \$44,000,000; the aggregate Principal Amount of the Series 2004-1A-8 Notes that may be authenticated and delivered and Outstanding under the Indenture is limited to and shall not exceed \$44,000,000; and the aggregate Principal Amount of the Series 2004-1B Notes that may be authenticated and delivered and Outstanding under the Indenture is limited to and shall not exceed \$30,000,000.

The Series 2004-1A-1 Notes shall have a Stated Maturity on the Quarterly Distribution Date in January of 2011, the Series 2004-1A-2 Notes shall have a Stated Maturity on the Quarterly Distribution Date in January of 2014, the Series 2004-1A-3 Notes shall have a Stated Maturity on the Quarterly Distribution Date in April of 2017, and the Series 2004-1A-4 Notes shall have a Stated Maturity on the Quarterly Distribution Date in April of 2019.

Each series of Auction Rate Notes shall have a single Stated Maturity on December 1, 2044.

Each series of Series 2004-1 Notes shall bear interest at its Applicable Interest Rate, and at such Applicable Interest Rate (to the extent that the payment of such interest shall be legally enforceable) on overdue installments of interest.

The Series 2004-1 Notes shall be issued as fully registered Notes without coupons in Authorized Denominations.

The Series 2004-1 Notes shall be dated as provided in Section 2.9 of the Indenture and shall bear interest from their date of original issue until payment of principal has been made or duly provided for. With respect to each series of Series 2004-1 Notes, the date of original issue of the Series 2004-1 Notes shall be the Closing Date set forth in this Sixth Supplemental Indenture. The Series 2004-1 Notes of each series shall be numbered in such manner as the Note Registrar shall determine.

Interest on each series of LIBOR Rate Notes shall be computed on the basis of a 360-day year for the number of days actually elapsed, and accrue daily from the date thereof and shall be payable on each Quarterly Distribution Date with respect to such series prior to the Maturity thereof and at the Maturity thereof. The interest payable on each Quarterly Distribution Date for each series of LIBOR Rate Notes shall be that interest which has accrued through the last day preceding such Quarterly Distribution Date or, in the case of the Maturity of a LIBOR Rate Note, the last day preceding the date of such Maturity. The Applicable Interest Rate for LIBOR Rate Notes shall be effective as of and on the first day of the applicable Interest Period and be in effect thereafter through the end of such Interest Period.

Interest on each series of Auction Rate Notes shall be computed on the basis of a 360-day year for the number of days actually elapsed, and accrue daily from the date thereof and shall be payable on each Interest Payment Date with respect to such series prior to the Maturity thereof and at the Maturity thereof. The interest payable on each Interest Payment Date for each series of Auction Rate Notes shall be calculated on a per unit basis, based on a unit of \$50,000, and shall be that interest which has accrued through the last day preceding such Interest Payment Date or, in the case of the Maturity of an Auction Rate Note, the last day preceding the date of such Maturity. The Applicable Interest Rate shall be effective as of and on the first day of the applicable Interest Period and be in effect thereafter through the end of such Interest Period.

Interest due on the LIBOR Rate Notes on each Quarterly Distribution Date shall, except as otherwise provided in Section 17 hereof, be paid by check or draft drawn upon the Paying Agent and mailed to the person who is the Holder thereof as of 5:00 p.m. on the Regular Record Date for such Quarterly Distribution Date at the address of such Holder as it appears on the Note Register, or, in the case of any LIBOR Rate Note the Holder of which is the Holder of LIBOR Rate Notes in the aggregate Principal Amount of \$1,000,000 or more (or, if less than \$1,000,000 in Principal Amount of LIBOR Rate Notes is Outstanding, the Holder of all Outstanding LIBOR Rate Notes), at the direction of such Holder received by the Paying Agent by 5:00 p.m. on the last Business Day preceding the applicable Regular Record Date, by electronic transfer by the Paying Agent in immediately available funds to an account designated by such Holder. Interest accrued but not paid with respect to any series of LIBOR Rate Notes on any Quarterly Distribution Date will be due on the next Quarterly Distribution Date for such series together

with an amount equal to interest on the unpaid amount at the applicable rates on the LIBOR Rate Notes. All payments of principal of and interest on the LIBOR Rate Notes shall be made in lawful money of the United States of America.

The principal of the Auction Rate Notes, together with interest payable on the Auction Rate Notes at the Maturity thereof if the date of such Maturity is not a regularly scheduled Interest Payment Date, shall be payable in lawful money of the United States of America upon, except as otherwise provided in Section 17 hereof, presentation and surrender of such Auction Rate Notes at the Principal Office of the Trustee, as Paying Agent with respect to the Auction Rate Notes, or a duly appointed successor Paying Agent. Interest due on the Auction Rate Notes on each regularly scheduled Interest Payment Date shall, except as otherwise provided in Section 17 hereof, be paid by check or draft drawn upon the Paying Agent and mailed to the person who is the Holder thereof as of 5:00 p.m. on the Regular Record Date for such Interest Payment Date at the address of such Holder as it appears on the Note Register, or, in the case of any Auction Rate Note the Holder of which is the Holder of Auction Rate Notes in the aggregate Principal Amount of \$1,000,000 or more (or, if less than \$1,000,000 in Principal Amount of Auction Rate Notes is outstanding, the Holder of all outstanding Auction Rate Notes), at the direction of such Holder received by the Paying Agent by 5:00 p.m. on the last Business Day preceding the applicable Regular Record Date, by electronic transfer by the Paying Agent in immediately available funds to an account designated by such Holder. Interest accrued but not paid with respect to any series of Auction Rate Notes on any Interest Payment Date will be due on the next Interest Payment Date for such series together with an amount equal to interest on the unpaid amount at the applicable rates on the Auction Rate Notes. All payments of principal of and premium, if any, and interest on the Auction Rate Notes shall be made in lawful money of the United States of America.

The Series 2004-1 Notes are subject to redemption prior to their Stated Maturity upon the terms and conditions and at the Prepayment Prices specified in Section 16 hereof.

Subject to the provisions of the Indenture, the LIBOR Rate Notes shall be in substantially the form set forth in Exhibit A hereto and the Auction Rate Notes shall be in substantially the form set forth in Exhibit B hereto, with such variations, omissions and insertions as may be required by the circumstances, be required or permitted by the Indenture, or be consistent with the Indenture and necessary or appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto.

Subject to the provisions of the Indenture, the Series 2004-1B Notes shall be in substantially the form set forth in Exhibit C hereto, with such variations, omissions and insertions as may be required by the circumstances, be required or permitted by the Indenture, or be consistent with the Indenture and necessary or appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto.

SECTION 3. INTEREST PAYABLE ON SERIES 2004-1 NOTES.

(a) *Interest Payable on LIBOR Rate Notes.* During the Initial Interest Period, each series of LIBOR Rate Notes shall bear interest at the Initial Interest Rate for such series. Thereafter, each series of the LIBOR Rate Notes shall bear interest at the Applicable Interest Rate for the number of days of the applicable Interest Period, as determined pursuant to this Section.

On each LIBOR Determination Date, the Trustee shall determine LIBOR and the Applicable Interest Rate for each series of LIBOR Rate Notes for the upcoming Interest Period. Promptly following each LIBOR Determination Date, the Trustee shall provide the Issuer with written notice of LIBOR and the Applicable Interest Rates so determined.

(b) *Interest Payable on Auction Rate Notes.* During the Initial Interest Period, each series of Auction Rate Notes shall bear interest at the Initial Interest Rate for such series. Thereafter, except with respect to an Auction Period Adjustment, each series of the Auction Rate Notes shall bear interest at the Applicable Interest Rate based on a 28-day Auction Period, as determined pursuant to this Section 3 and Sections 4 through 12 hereof.

The Applicable Interest Rate to be borne by each series of Auction Rate Notes for each Auction Period after the Initial Interest Period until an Auction Period Adjustment, if any, shall be determined as hereinbelow described. Each such Auction Period with respect to each series of the Auction Rate Notes (1) shall commence on and include the first Business Day following the applicable Series Auction Date, and end on (and include) the applicable Series Auction Date (unless such date is not followed by a Business Day, in which case on the next succeeding day that is followed by a Business Day) and (2) if the Auction Periods are changed as provided herein, each period commencing on an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date; *provided, however*, that if an Auction is scheduled to occur for the next Interest Period on a date that was reasonably expected to be a Business Day, but such Auction does not occur because such date is later not considered to be a Business Day, the Auction shall nevertheless be deemed to have occurred, and the applicable Auction Rate in effect for the next Interest Period will be the Auction Rate in effect for the preceding Interest Period and such Interest Period will generally be 28 days in duration, beginning on the calendar day following the date of the deemed Auction and ending on (and including) the applicable Series Auction Date (unless such date is not followed by a Business Day, in which case on the next succeeding day that is followed by a Business Day). If the preceding Interest Period was other than generally 28 days in duration, the Auction Rate for the deemed Auction will instead be the rate of interest determined by the Market Agent on equivalently rated auction securities with a comparable length of auction period.

Notwithstanding the foregoing:

(i) if the ownership of a series of Auction Rate Notes is no longer maintained in Book-Entry Form, the Auction Rate on such series for any Interest Period commencing after the delivery of definitive notes representing such series pursuant to Section 17

hereof shall equal the Maximum Rate on the Business Day immediately preceding the first day of such subsequent Interest Period; or

(ii) if a Payment Default shall have occurred with respect to a series of Auction Rate Notes, the Applicable Interest Rate on such series for the Interest Period commencing on or immediately after such Payment Default, and for each Interest Period thereafter, to and including the Interest Period, if any, during which, or commencing less than two (2) Business Days after, such Payment Default is cured, shall equal the Non-Payment Rate on the first day of each such Interest Period.

In accordance with Section 4(c)(ii) hereof, the Auction Agent shall promptly give written notice to the Trustee and the Issuer of each Auction Rate (unless the Applicable Interest Rate is the Non-Payment Rate or the ownership of such series is no longer maintained in Book-Entry Form) applicable to each series of the Auction Rate Notes. The Trustee shall notify the Holders of Auction Rate Notes of the Applicable Interest Rate with respect to each such series for each Auction Period not later than the second Business Day of such Auction Period.

In the event that the Auction Agent no longer determines, or fails to determine, when required, the Applicable Interest Rate with respect to a series of Auction Rate Notes, or if, for any reason, such manner of determination shall be held to be invalid or unenforceable, the Applicable Interest Rate for the next succeeding Interest Period shall be the Maximum Rate. The Maximum Rate with respect to each Interest Rate Determination Date shall be determined and communicated by the Auction Agent in accordance with Section 6 hereof and the Auction Agent Agreement. If the Auction Agent shall fail or refuse to determine the Maximum Rate, the Maximum Rate shall be determined by a securities dealer appointed by the Issuer capable of making such a determination in accordance with the provisions hereof and written notice of such determination shall be given by such securities dealer to the Trustee.

If the Auction Rate for a series of Auction Rate Notes is greater than the Maximum Rate, then the Applicable Interest Rate with respect to such series for the related Interest Period will be the Maximum Rate. The excess of the amount of interest that would have accrued on the Auction Rate Notes at the Auction Rate over the amount of interest actually accrued at the Maximum Rate will accrue as the Carry-Over Amount. Such determination of the Carry-Over Amount shall be made separately for each series of Auction Rate Notes. Each Carry-Over Amount shall bear interest for each Interest Period calculated at a rate equal to One-Month LIBOR (as determined by the Auction Agent on the related Interest Rate Determination Date, provided the Trustee has received notice of One-Month LIBOR from the Auction Agent, and, if the Trustee shall not have received such notice from the Auction Agent, then as determined by the Trustee on such date) from the Interest Payment Date for the Interest Period with respect to which such Carry-Over Amount was calculated, until paid. Any payment in respect of Carry-Over Amount shall be applied, first, to any accrued interest payable thereon and thereafter in reduction of such Carry-Over Amount. For purposes of this Sixth Supplemental Indenture, the Indenture and the Auction Rate Notes, any reference to "principal" or "interest" herein and therein shall not include, within the meaning of such words, any Carry-Over Amount or any interest accrued on any Carry-Over Amount. Such Carry-Over Amount shall be separately calculated for each Auction Rate Note of such series by the Trustee during such Interest Period

in sufficient time for the Trustee to give notice to each Holder of such Carry-Over Amount as required in the next succeeding sentence. On the Interest Payment Date for an Interest Period with respect to which such Carry-Over Amount has been calculated by the Trustee, the Trustee shall give written notice to each Holder of the Carry-Over Amount applicable to such Holder's Auction Rate Note, which written notice may accompany the payment of interest (if made by check made to each such Holder on such Interest Payment Date) or otherwise shall be mailed on such Interest Payment Date by first-class mail, postage prepaid, to each such Holder at such Holder's address as it appears on the registration books maintained by the Note Registrar. Such notice shall state, in addition to such Carry-Over Amount, that, unless and until a Auction Rate Note has been redeemed under the Indenture (after which all accrued Carry-Over Amount with respect to such Auction Rate Note, and all accrued interest thereon, that remains unpaid shall be canceled and no Carry-Over Amount, or interest accrued thereon, shall be paid with respect to such Auction Rate Note), (i) the Carry-Over Amount (and interest accrued thereon) shall be paid by the Trustee on the first occurring Interest Payment Date for a subsequent Interest Period if and to the extent that (a) the Eligible Carry-Over Make-Up Amount with respect to such Interest Period is greater than zero, and (b) moneys are available pursuant to the terms of the Indenture to pay such Carry-Over Amount (and interest accrued thereon), and (ii) interest shall accrue on the Carry-Over Amount at a per annum rate equal to One-Month LIBOR until such Carry-Over Amount is paid in full or is canceled.

The Carry-Over Amount (and interest accrued thereon) on Outstanding Auction Rate Notes of a series shall be paid by the Trustee on the first occurring Interest Payment Date for a subsequent Interest Period with respect to such series if and to the extent that (i) the Eligible Carry-Over Make-Up Amount with respect to such Interest Period is greater than zero, and (ii) moneys in the Collection Fund are available on the Monthly Calculation Date immediately preceding the month in which such Interest Payment Date occurs, for transfer to the Interest Account for such purpose in accordance with Section 4.6 of the Indenture, after taking into account all other amounts payable from the Collection Fund in accordance with such Section on such Monthly Calculation Date. Any Carry-Over Amount (and any interest accrued thereon) with respect to any Auction Rate Note which is unpaid as of the Maturity of such Auction Rate Note shall be paid to the Holder thereof on the date of such Maturity to the extent that moneys are available therefor in accordance with the provisions of the preceding clause (ii); *provided, however*, that any Carry-Over Amount (and any interest accrued thereon) which is not so paid on the date of such Maturity shall be canceled with respect to such Auction Rate Note on the date of such Maturity and shall not be paid on any succeeding Interest Payment Date. To the extent that any portion of the Carry-Over Amount (and any interest accrued thereon) remains unpaid after payment of a portion thereof, such unpaid portion shall be paid in whole or in part as required hereunder until fully paid by the Trustee on the next occurring Interest Payment Date(s), as necessary, for the subsequent Interest Period(s), if and to the extent that the conditions in the first sentence of this paragraph are satisfied. On any Interest Payment Date(s) on which the Trustee pays less than all of the Carry-Over Amount (and any interest accrued thereon) with respect to a Auction Rate Note, the Trustee shall give written notice in the manner set forth in the immediately preceding paragraph to the Holder of such Auction Rate Note of the Carry-Over Amount remaining unpaid on such Auction Rate Note.

The Interest Payment Date on which any Carry-Over Amount (or any interest accrued thereon) for a series of Auction Rate Notes shall be paid shall be determined by the Trustee in accordance with the provisions of the immediately preceding paragraph, and the Trustee shall make payment of the Carry-Over Amount (and any interest accrued thereon) in the same manner as it pays interest on the Auction Rate Notes on an Interest Payment Date.

SECTION 4. DETERMINING THE APPLICABLE INTEREST RATE — AUCTION RATE NOTES.

By purchasing Auction Rate Notes, whether in an Auction or otherwise, each purchaser of the Auction Rate Notes, or its Broker-Dealer, must agree and shall be deemed by such purchase to have agreed (i) to participate in Auctions on the terms described herein, (ii) to have its beneficial ownership of the Auction Rate Notes maintained at all times in Book Entry Form for the account of its Participant, which in turn will maintain records of such beneficial ownership, (iii) to authorize such Participant to disclose to the Auction Agent such information with respect to such beneficial ownership as the Auction Agent may request; (iv) that a Sell Order placed by an Existing Holder will constitute an irrevocable offer to sell the principal amount of the Auction Rate Notes specified in such Sell Order; (v) that a Bid placed by an Existing Holder will constitute an irrevocable offer to sell the principal amount, or a lesser principal amount, of the Auction Rate Notes specified in such Bid if the rate specified in such Bid is greater than, or in some cases equal to, the Applicable Interest Rate, determined as described herein; and (vi) that a Bid placed by a Potential Holder will constitute an irrevocable offer to purchase the amount, or a lesser principal amount, of the Auction Rate Notes specified in such Bid if the rate specified in such Bid is, respectively, less than or equal to the Applicable Interest Rate, determined as set forth herein.

So long as the ownership of a series of Auction Rate Notes is maintained in Book-Entry Form by the Securities Depository, an Existing Holder may sell, transfer or otherwise dispose of Auction Rate Notes of such series only pursuant to a Bid or Sell Order placed in an Auction or otherwise sell, transfer or dispose of Auction Rate Notes through a Broker-Dealer, *provided* that, in the case of all transfers other than pursuant to Auctions, such Existing Holder, its Broker-Dealer or its Participant advises the Auction Agent of such transfer. Auctions shall be conducted on each Auction Date, if there is an Auction Agent on such Auction Date, in the following manner (such procedures to be applicable separately to each series of the Auction Rate Notes):

(a) *Submission by Existing Holders and Potential Holders to a Broker-Dealer.* (i) Prior to the Submission Deadline on each Auction Date:

(A) each Existing Holder of Auction Rate Notes may submit to a Broker-Dealer by telephone or otherwise any information as to:

(1) the Principal Amount of Outstanding Auction Rate Notes, if any, owned by such Existing Holder which such Existing Holder desires to continue to hold without regard to the Auction Rate for the next succeeding Auction Period;



(2) the Principal Amount of Outstanding Auction Rate Notes, if any, which such Existing Holder offers to sell if the Auction Rate for the next succeeding Auction Period shall be less than the rate per annum specified by such Existing Holder; and/or

(3) the Principal Amount of Outstanding Auction Rate Notes, if any, owned by such Existing Holder which such Existing Holder offers to sell without regard to the Auction Rate for the next succeeding Auction Period; and

(B) one or more Broker-Dealers may contact Potential Holders to determine the Principal Amount of Auction Rate Notes which each Potential Holder offers to purchase, if the Auction Rate for the next succeeding Auction Period shall not be less than the rate per annum specified by such Potential Holder.

For the purposes hereof, the communication to a Broker-Dealer of information referred to in clause (A) or (B) of this paragraph (i) is herein referred to as an “*Order*,” and each Existing Holder and each Potential Holder placing an Order is herein referred to as a “*Bidder*”; an Order described in clause (A)(1) is herein referred to as a “*Hold Order*”; an Order described in clauses (A)(2) and (B) is herein referred to as a “*Bid*”; and an Order described in clause (A)(3) is herein referred to as a “*Sell Order*.”

(ii)(A) Subject to the provisions of Section 4(b) hereof, a Bid by an Existing Holder shall constitute an irrevocable offer to sell:

(1) the Principal Amount of Outstanding Auction Rate Notes specified in such Bid if the Auction Rate determined as provided in this Section 4 shall be less than the rate specified therein; or

(2) such Principal Amount, or a lesser Principal Amount of Outstanding Auction Rate Notes to be determined as set forth in Section 4(d)(i)(D) hereof, if the Auction Rate determined as provided in this Section 4 shall be equal to the rate specified therein; or

(3) such Principal Amount, or a lesser Principal Amount of Outstanding Auction Rate Notes to be determined as set forth in Section 4(d)(ii)(C) hereof, if the rate specified therein shall be higher than the Maximum Rate and Sufficient Bids have not been made.

(B) Subject to the provisions of Section 4(b) hereof, a Sell Order by an Existing Holder shall constitute an irrevocable offer to sell:

(1) the Principal Amount of Outstanding Auction Rate Notes specified in such Sell Order; or

(2) such Principal Amount, or a lesser Principal Amount of Outstanding Auction Rate Notes determined as set forth in Section 4(d)(ii)(C) hereof, if Sufficient Bids have not been made.

(C) Subject to the provisions of Section 4(b) hereof, a Bid by a Potential Holder shall constitute an irrevocable offer to purchase:

(1) the Principal Amount of Outstanding Auction Rate Notes specified in such Bid if the Auction Rate determined as provided in this Section 4 shall be higher than the rate specified in such Bid; or

(2) such Principal Amount, or a lesser Principal Amount of Outstanding Auction Rate Notes determined as set forth in Section 4(d)(i)(E) hereof, if the Auction Rate determined as provided in this Section 4 shall be equal to the rate specified in such Bid.

(b) *Submission by a Broker-Dealer to the Auction Agent.* (i) Each Broker-Dealer shall submit in writing to the Auction Agent prior to the Submission Deadline on each Auction Date all Orders obtained by such Broker-Dealer and shall specify with respect to each such Order:

(A) the name of the Bidder placing such Order;

(B) the aggregate Principal Amount of Auction Rate Notes that are the subject of such Order;

(C) to the extent that such Bidder is an Existing Holder:

(1) the Principal Amount of Auction Rate Notes, if any, subject to any Hold Order placed by such Existing Holder;

(2) the Principal Amount of Auction Rate Notes, if any, subject to any Bid placed by such Existing Holder and the rate specified in such Bid; and

(3) the Principal Amount of Auction Rate Notes, if any, subject to any Sell Order placed by such Existing Holder; and

(D) to the extent such Bidder is a Potential Holder, the rate specified in such Potential Holder's Bid.

(ii) If any rate specified in any Bid contains more than three figures to the right of the decimal point, the Auction Agent shall round such rate up to the next highest .001%.

(iii) If an Order or Orders covering all Outstanding Auction Rate Notes owned by an Existing Holder is not submitted to the Auction Agent prior to the Submission Deadline, the Auction Agent shall deem a Hold Order to have been submitted on behalf of such Existing Holder covering the Principal Amount of Outstanding Auction Rate Notes owned by such Existing Holder and not subject to an Order submitted to the Auction Agent.

(iv) Neither the Issuer, the Trustee nor the Auction Agent shall be responsible for any failure of a Broker-Dealer to submit an Order to the Auction Agent on behalf of any Existing Holder or Potential Holder.

(v) If any Existing Holder submits through a Broker-Dealer to the Auction Agent one or more Orders covering in the aggregate more than the Principal Amount of Outstanding Auction Rate Notes owned by such Existing Holder, such Orders shall be considered valid as follows and in the following order of priority:

(A) All Hold Orders shall be considered valid, but only up to the aggregate Principal Amount of Outstanding Auction Rate Notes held by such Existing Holder, and if the aggregate Principal Amount of Auction Rate Notes subject to such Hold Orders exceeds the aggregate Principal Amount of Auction Rate Notes held by such Existing Holder, the aggregate Principal Amount of Auction Rate Notes subject to each such Hold Order shall be reduced pro rata so that the aggregate Principal Amount of Auction Rate Notes subject to such Hold Order equals the aggregate Principal Amount of Outstanding Auction Rate Notes owned by such Existing Holder.

(B) (1) any Bid shall be considered valid up to an amount equal to the excess of the Principal Amount of Outstanding Auction Rate Notes owned by such Existing Holder over the aggregate Principal Amount of Auction Rate Notes subject to any Hold Order referred to in clause (A) of this paragraph (v);

(2) subject to subclause (1) of this clause (B), if more than one Bid with the same rate is submitted on behalf of such Existing Holder and the aggregate Principal Amount of Outstanding Auction Rate Notes subject to such Bids is greater than such excess, such Bids shall be considered valid up to and including an amount equal to such excess, and the stated amount of Outstanding Auction Rate Notes subject to each Bid with the same rate shall be reduced pro rata to cover the stated amount of Outstanding Auction Rate Notes equal to such excess;

(3) subject to subclauses (1) and (2) of this clause (B), if more than one Bid with different rates are submitted on behalf of such Existing Holder, such Bids shall be considered valid first in the ascending order of their respective rates until the highest rate is reached at which such excess exists and then at such rate up to the amount of such excess; and

(4) in any such event, the amount of Outstanding Auction Rate Notes, if any, subject to Bids not valid under this clause (B) shall be treated as the subject of a Bid by a Potential Holder at the rate therein specified; and

(C) All Sell Orders shall be considered valid up to an amount equal to the excess of the Principal Amount of Outstanding Auction Rate Notes held by such Existing Holder over the aggregate Principal Amount of Auction Rate Notes subject to valid Hold Orders referred to in clause (A) of this paragraph (v) and valid Bids referred to in clause (B) of this paragraph (v).

(vi) If more than one Bid for Auction Rate Notes is submitted on behalf of any Potential Holder, each Bid submitted shall be a separate Bid with the rate and Principal Amount therein specified.

(vii) Any Bid or Sell Order submitted by an Existing Holder covering an aggregate Principal Amount of Auction Rate Notes not equal to an Authorized Denomination shall be rejected and shall be deemed a Hold Order. Any Bid submitted by a Potential Holder covering an aggregate Principal Amount of Auction Rate Notes not equal to an Authorized Denomination shall be rejected.

(viii) Any Bid submitted by an Existing Holder or a Potential Holder specifying a rate lower than the All Hold Rate shall be treated as a Bid specifying the All Hold Rate, and any such Bid shall be considered as valid and shall be selected in the ascending order of the respective rates in the Submitted Bids.

(ix) An Existing Holder that offers to purchase additional Auction Rate Notes is, for purposes of such offer, treated as a Potential Holder.

(x) Any Bid specifying a rate higher than the Maximum Interest Rate will (a) be treated as a Sell Order if submitted by an Existing Holder and (b) not be accepted if submitted by a Potential Holder.

(c) *Determination of Sufficient Bids, Auction Rate and Winning Bid Rate.*  
(i) Not earlier than the Submission Deadline on each Auction Date, the Auction Agent shall assemble all valid Orders submitted or deemed submitted to it by the Broker-Dealers (each such Order as submitted or deemed submitted by a Broker-Dealer being herein referred to individually as a "*Submitted Hold Order*," a "*Submitted Bid*" or a "*Submitted Sell Order*," as the case may be, or as a "*Submitted Order*," and collectively as "*Submitted Hold Orders*," "*Submitted Bids*" or "*Submitted Sell Orders*," as the case may be, or as "*Submitted Orders*") and shall determine:

(A) the excess of the total Principal Amount of Outstanding Auction Rate Notes over the sum of the aggregate Principal Amount of Outstanding Auction Rate Notes subject to Submitted Hold Orders (such excess being herein referred to as the "*Available Auction Rate Notes*"), and

(B) from the Submitted Orders whether:

(1) the aggregate Principal Amount of Outstanding Auction Rate Notes subject to Submitted Bids by Potential Holders specifying one or more rates equal to or lower than the Maximum Interest Rate exceeds or is equal to the sum of:

(y) the aggregate Principal Amount of Outstanding Auction Rate Notes subject to Submitted Bids by Existing Holders specifying one or more rates higher than the Maximum Interest Rate, and

(z) the aggregate Principal Amount of Outstanding Auction Rate Notes subject to Submitted Sell Orders;

(in the event such excess or such equality exists, other than because the sum of the Principal Amount of Auction Rate Notes in subclauses (2) and (3) above is zero because all of the Outstanding Auction Rate Notes are subject to Submitted Hold Orders, such Submitted Bids described in subclause (1) above shall be referred to collectively as "*Sufficient Bids*"); and

(C) if Sufficient Bids exist, the Winning Bid Rate, which shall be the lowest rate specified in such Submitted Bids such that if:

(1) (y) each such Submitted Bid from Existing Holders specifying such lowest rate and (z) all other Submitted Bids from Existing Holders specifying lower rates were rejected (thus entitling such Existing Holders to continue to own the Principal Amount of Auction Rate Notes subject to such Submitted Bids); and

(2) (y) each such Submitted Bid from Potential Holders specifying such lowest rate and (z) all other Submitted Bids from Potential Holders specifying lower rates were accepted;

the result would be that such Existing Holders described in subclause (1) above would continue to own an aggregate Principal Amount of Outstanding Auction Rate Notes which, when added to the aggregate Principal Amount of Outstanding Auction Rate Notes to be purchased by such Potential Holders described in subclause (2) above, would equal not less than the Available Auction Rate Notes.

(ii) Promptly after the Auction Agent has made the determinations pursuant to Section 4(c)(i) hereof, the Auction Agent shall advise the Trustee, the Broker-Dealers and the Issuer of the Maximum Auction Rate, the Maximum Interest Rate, the All Hold Rate, One-Month LIBOR and the Applicable LIBOR-Based Rate and the components thereof

on the Auction Date and, based on such determinations, the Auction Rate for the next succeeding Interest Period as follows:

(A) if Sufficient Bids exist, that the Auction Rate for the next succeeding Interest Period shall be equal to the Winning Bid Rate so determined;

(B) if Sufficient Bids do not exist (other than because all of the Outstanding Auction Rate Notes are subject to Submitted Hold Orders), that the Auction Rate for the next succeeding Interest Period shall be equal to the Maximum Rate; or

(C) if all Outstanding Auction Rate Notes are subject to Submitted Hold Orders, that the Auction Rate for the next succeeding Interest Period shall be equal to the All Hold Rate.

Promptly after the Auction Agent has determined the Auction Rate, the Auction Agent will determine and advise the Trustee of the Applicable Interest Rate, which shall not exceed the Maximum Rate.

If for any Interest Period the Auction Rate exceeds the Maximum Rate, the Applicable Interest Rate for such Interest Period shall equal the Maximum Rate. If the Maximum Auction Rate is less than the Auction Rate, the Applicable Interest Rate will be the Maximum Auction Rate. If the Auction Agent has not received Sufficient Bids (other than because all of the Outstanding Auction Rate Notes are subject to Submitted Hold Orders), the Applicable Interest Rate will be the Maximum Rate. In any of the cases described above, Submitted Orders will be accepted or rejected and the Auction Agent will take such other action as described below in subparagraph (ii) of Section 4(d) hereof.

(d) *Acceptance and Rejection of Submitted Bids and Submitted Sell Orders.* Existing Holders shall continue to own the Principal Amount of Auction Rate Notes that are subject to Submitted Hold Orders, and, based on the determinations made pursuant to Section 4(c)(i) hereof, Submitted Bids and Submitted Sell Orders shall be accepted or rejected, and the Auction Agent shall take such other action as described below:

(i) if Sufficient Bids have been made, all Submitted Sell Orders shall be accepted and, subject to the provisions of paragraphs (iv) and (v) of this Section 4(d), Submitted Bids shall be accepted or rejected as follows in the following order of priority, and all other Submitted Bids shall be rejected:

(A) Existing Holders' Submitted Bids specifying any rate that is higher than the Winning Bid Rate shall be accepted, thus requiring each such Existing Holder to sell the aggregate Principal Amount of Auction Rate Notes subject to such Submitted Bids;

(B) Existing Holders' Submitted Bids specifying any rate that is lower than the Winning Bid Rate shall be rejected, thus entitling each

such Existing Holder to continue to own the aggregate Principal Amount of Auction Rate Notes subject to such Submitted Bids;

(C) Potential Holders' Submitted Bids specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring such Potential Owner to purchase the aggregate Principal Amount of Auction Rate Notes subject to such Submitted Bid;

(D) Each Existing Holders' Submitted Bid specifying a rate that is equal to the Winning Bid Rate shall be rejected, thus entitling such Existing Holder to continue to own the aggregate Principal Amount of Auction Rate Notes subject to such Submitted Bid, unless the aggregate Principal Amount of Outstanding Auction Rate Notes subject to all such Submitted Bids shall be greater than the Principal Amount of Auction Rate Notes (the "*Remaining Principal Amount*") equal to the excess of the Available Auction Rate Notes over the aggregate Principal Amount of Auction Rate Notes subject to Submitted Bids described in clauses (B) and (C) of this Section 4(d)(i), in which event such Submitted Bid of such Existing Holder shall be rejected in part, and such Existing Holder shall be entitled to continue to own the Principal Amount of Auction Rate Notes subject to such Submitted Bid, but only in an amount equal to the aggregate Principal Amount of Auction Rate Notes obtained by multiplying the Remaining Principal Amount by a fraction, the numerator of which shall be the Principal Amount of Outstanding Auction Rate Notes owned by such Existing Holder subject to such Submitted Bid and the denominator of which shall be the sum of the Principal Amount of Outstanding Auction Rate Notes subject to such Submitted Bids made by all such Existing Holders that specified a rate equal to the Winning Bid Rate; and

(E) Each Potential Holder's Submitted Bid specifying a rate that is equal to the Winning Bid Rate shall be accepted, but only in an amount equal to the Principal Amount of Auction Rate Notes obtained by multiplying the excess of the aggregate Principal Amount of Available Auction Rate Notes over the aggregate Principal Amount of Auction Rate Notes subject to Submitted Bids described in clauses (B), (C) and (D) of this Section 4(d)(i) by a fraction, the numerator of which shall be the aggregate Principal Amount of Outstanding Auction Rate Notes subject to such Submitted Bid and the denominator of which shall be the sum of the Principal Amount of Outstanding Auction Rate Notes subject to Submitted Bids made by all such Potential Holders that specified a rate equal to the Winning Bid Rate.

(ii) If Sufficient Bids have not been made (other than because all of the Outstanding Auction Rate Notes are subject to Submitted Hold Orders), subject to the provisions of Section 4(d)(iv) hereof, Submitted Orders shall be accepted or

rejected as follows in the following order of priority and all other Submitted Bids shall be rejected:

(A) Existing Holders' Submitted Bids specifying any rate that is equal to or lower than the Maximum Rate shall be rejected, thus entitling such Existing Holders to continue to own the aggregate Principal Amount of Auction Rate Notes subject to such Submitted Bids;

(B) Potential Holders' Submitted Bids specifying any rate that is equal to or lower than the Maximum Rate shall be accepted, thus requiring each Potential Holder to purchase the aggregate Principal Amount of Auction Rate Notes subject to such Submitted Bids; and

(C) each Existing Holder's Submitted Bid specifying any rate that is higher than the Maximum Rate and each Existing Holder's Submitted Sell Order shall be accepted, thus entitling each Existing Holder that submitted any such Submitted Bid or Submitted Sell Order to sell the Auction Rate Notes subject to such Submitted Bid or Submitted Sell Order, but in both cases only in an amount equal to the aggregate Principal Amount of Auction Rate Notes obtained by multiplying the aggregate Principal Amount of Auction Rate Notes subject to Submitted Bids described in clause (B) of this Section 4(d)(ii) by a fraction, the numerator of which shall be the aggregate Principal Amount of Outstanding Auction Rate Notes owned by such Existing Holder subject to such Submitted Bid or Submitted Sell Order and the denominator of which shall be the aggregate Principal Amount of Outstanding Auction Rate Notes subject to all such Submitted Bids and Submitted Sell Orders.

(iii) If all Outstanding Auction Rate Notes are subject to Submitted Hold Orders, all Submitted Bids shall be rejected.

(iv) If, as a result of the procedures described in paragraph (i) or (ii) of this Section 4(d), any Existing Holder would be entitled or required to sell, or any Potential Holder would be entitled or required to purchase, a Principal Amount of Auction Rate Notes that is not equal to an Authorized Denomination, the Auction Agent shall, in such manner as in its sole discretion it shall determine, round up or down the Principal Amount of Auction Rate Notes to be purchased or sold by any Existing Holder or Potential Holder so that the Principal Amount of Auction Rate Notes purchased or sold by each Existing Holder or Potential Holder shall be equal to an Authorized Denomination.

(v) If, as a result of the procedures described in paragraph (i) of this Section 4(d), any Potential Holder would be entitled or required to purchase less than an Authorized Denomination of Auction Rate Notes, the Auction Agent shall, in such manner as in its sole discretion it shall determine, allocate Auction Rate Notes for purchase among Potential Holders so that only Auction Rate Notes



in Authorized Denominations are purchased by any Potential Holder, even if such allocation results in one or more of such Potential Holders not purchasing any Auction Rate Notes.

(e) Based on the result of each Auction, the Auction Agent shall determine the aggregate Principal Amount of Auction Rate Notes to be purchased and the aggregate Principal Amount of Auction Rate Notes to be sold by Potential Holders and Existing Holders on whose behalf each Broker-Dealer submitted Bids or Sell Orders and, with respect to each Broker-Dealer, to the extent that such aggregate Principal Amount of Auction Rate Notes to be sold differs from such aggregate Principal Amount of Auction Rate Notes to be purchased, determine to which other Broker-Dealer or Broker-Dealers acting for one or more purchasers such Broker-Dealer shall deliver, or from which other Broker-Dealer or Broker-Dealers acting for one or more sellers such Broker-Dealer shall receive, as the case may be, Auction Rate Notes.

(f) Any calculation by the Auction Agent, the Issuer or the Trustee, as applicable, of the Applicable Interest Rate, the Applicable LIBOR-Based Rate, the Maximum Auction Rate, the Maximum Interest Rate, the All Hold Rate and the Non-Payment Rate shall, in the absence of manifest error, be binding on all other parties.

(g) Notwithstanding anything in this Sixth Supplemental Indenture to the contrary notwithstanding, no Auction will be held on any Auction Date hereunder during the continuance of a Payment Default (or on the next Business Day after a Payment Default is cured) or if the Auction Rate Notes are no longer in Book-Entry-Form.

(h) The Issuer shall not, and shall not cause (or, to the extent within its control, permit) any affiliate to, submit any Order (other than a Sell Order) in any Auction.

**SECTION 5. DETERMINATION OF PAYMENT DEFAULTS AND PAYMENT OF AUCTION AGENT AND BROKER-DEALER FEES.**

(a) The Trustee shall determine, not later than 2:00 p.m., New York City time, on the Business Day next preceding each Interest Payment Date, whether a Payment Default has occurred. If a Payment Default has occurred, the Trustee shall, not later than 2:15 p.m., New York City time, on such Business Day, send a notice thereof in substantially the form of Exhibit D attached hereto to the Auction Agent by telecopy or similar means and, if such Payment Default is cured, the Trustee shall immediately send a notice in substantially the form of Exhibit E attached hereto to the Auction Agent by telecopy or similar means.

(b) Not later than 12:00 noon, New York City time, on each Interest Payment Date, the Issuer shall pay to the Auction Agent, in immediately available funds out of amounts available therefor in the Administration Fund, an amount equal to the Auction Agent Fee and the Broker-Dealer Fee as calculated in accordance with the Auction Agent Agreement. The Issuer shall, from time to time at the request of the Auction Agent, reimburse the Auction Agent for its

reasonable expenses as provided in the Auction Agent Agreement, such expenses to be paid out of amounts available therefor in the Administration Fund.

SECTION 6. CALCULATION OF VARIOUS RATES.

The Auction Agent shall calculate the Maximum Auction Rate, the All Hold Rate and the Applicable LIBOR-Based Rate on each Auction Date and shall notify the Issuer, Trustee and the Broker-Dealers of the Maximum Auction Rate, the Maximum Interest Rate, the All Hold Rate and the Applicable LIBOR-Based Rate, all as provided in the Auction Agent Agreement. If the ownership of the Auction Rate Notes is no longer maintained in Book-Entry Form by the Securities Depository, the Trustee shall calculate the Maximum Rate on the Business Day immediately preceding the first day of each Interest Period after the delivery of definitive Auction Rate Notes pursuant to Section 17 hereof. If a Payment Default shall have occurred, the Trustee shall calculate the Non-Payment Rate on the Interest Rate Determination Date for (i) each Interest Period commencing after the occurrence and during the continuance of such Payment Default and (ii) any Interest Period commencing less than two (2) Business Days after the cure of any Payment Default. The Auction Agent shall determine the Applicable LIBOR-Based Rate for each Interest Period other than the first Interest Period; *provided* that if the ownership of the Auction Rate Notes is no longer maintained in Book-Entry Form, or if a Payment Default has occurred, then the Trustee shall determine the Applicable LIBOR-Based Rate for each such Interest Period.

For any Interest Period for which any Carry-Over Amount exists, the Auction Agent shall calculate One-Month LIBOR.

The Issuer shall determine on each Auction Date whether the Net Loan Restriction Period is applicable for the next Auction Period, and, if it is, the Issuer shall notify the Trustee, the Auction Agent and the Broker-Dealers of such event. If the Net Loan Restriction Period is applicable for an Auction Period, the Issuer shall calculate the Net Loan Rate, the Effective Interest Rate and the Program Expense Percentage and shall notify the Trustee, the Auction Agent and the Broker-Dealers of such calculations.

SECTION 7. NOTIFICATION OF RATES, AMOUNTS AND PAYMENT DATES.

(a) By 10:00 a.m., New York City time, on each Regular Record Date with respect to the Auction Rate Notes, the Trustee shall determine the aggregate amounts of interest distributable on the next succeeding Interest Payment Date to the beneficial owners of each series thereof.

(b) As soon as practicable prior to each Interest Payment Date with respect to the Auction Rate Notes, the Trustee shall:

(i) confirm with the Auction Agent, so long as no Payment Default has occurred and is continuing and the ownership of the Auction Rate Notes is maintained in Book-Entry Form by the Securities Depository, (1) the date of such next Interest Payment

Date and (2) the amount payable to the Auction Agent on such Interest Payment Date pursuant to Section 5(b) hereof;

(ii) advise the Securities Depository, so long as the ownership of the Auction Rate Notes is maintained in Book-Entry Form by the Securities Depository, upon request, of the aggregate amount of interest, and the aggregate amount (if any) of Carry-Over Amount and interest thereon, distributable on the next succeeding Interest Payment Date to the beneficial owners of each series thereof; and

(iii) pursuant to Section 3 hereof, advise the Holders of each series of Auction Rate Notes of any Carry-Over Amount accruing on such series.

#### SECTION 8. AUCTION AGENT.

(a) Deutsche Bank Trust Company Americas is hereby appointed as Initial Auction Agent to serve as agent for the Issuer in connection with Auctions. The Trustee and the Issuer will, and the Trustee is hereby directed to, enter into the Initial Auction Agent Agreement with Deutsche Bank Trust Company Americas, as the Initial Auction Agent. Any Substitute Auction Agent shall be (i) a bank, national banking association or trust company duly organized under the laws of the United States of America or any state or territory thereof having its principal place of business in the Borough of Manhattan, New York, or such other location as approved by the Trustee in writing and having a combined capital stock or surplus of at least \$50,000,000, or (ii) a member of the National Association of Securities Dealers, Inc., having a capitalization of at least \$50,000,000, and, in either case, authorized by law to perform all the duties imposed upon it hereunder and under the Auction Agent Agreement. The Auction Agent may at any time resign and be discharged of the duties and obligations created by this Sixth Supplemental Indenture by giving at least ninety (90) days' notice to the Trustee, the Market Agent and the Issuer. The Auction Agent may be removed at any time by the Trustee upon the written direction of an Authorized Officer of the Issuer or the Holders of 66 2/3% of the aggregate Principal Amount of the Series 2004-1A Notes which are Auction Rate Notes then Outstanding (or, if there shall be no Series 2004-1A Notes which are Auction Rate Notes Outstanding, the Holders of 66-2/3% of the aggregate Principal Amount of the Series 2004-1B Notes), and if by such Holders, by an instrument signed by such Holders or their attorneys and filed with the Auction Agent, the Issuer and the Trustee upon at least ninety (90) days' notice. Neither resignation nor removal of the Auction Agent pursuant to the preceding two sentences shall be effective unless and until a Substitute Auction Agent has been appointed and has accepted such appointment. However, if a Substitute Auction Agent shall not have been appointed within sixty (60) days from the date of a notice of resignation, the resigning Auction Agent may petition any court of competent jurisdiction for the appointment of a Substitute Auction Agent. If required by the Issuer, a Substitute Auction Agent Agreement shall be entered into with a Substitute Auction Agent. Notwithstanding the foregoing, the Auction Agent may terminate the Auction Agent Agreement if, within twenty-five (25) days after notifying the Trustee, each Market Agent and the Issuer in writing that it has not received payment of any Auction Agent Fee due it in accordance with the terms of the Auction Agent Agreement, the Auction Agent does not receive such payment.

(b) If the Auction Agent shall resign or be removed or be dissolved, or if the property or affairs of the Auction Agent shall be taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, the Trustee at the direction of an Authorized Officer of the Issuer shall use its best efforts to appoint a Substitute Auction Agent.

(c) The Auction Agent is acting as agent for the Issuer in connection with Auctions. In the absence of bad faith, negligent failure to act or negligence on its part, the Auction Agent shall not be liable for any action taken, suffered or omitted or any error of judgment made by it in the performance of its duties under the Auction Agent Agreement and shall not be liable for any error of judgment made in good faith unless the Auction Agent shall have been negligent in ascertaining (or failing to ascertain) the pertinent facts.

(d) In the event of a change in the Auction Agent Fee Rate pursuant to Section 6.4(b) of the Auction Agent Agreement, the Auction Agent shall give notice thereof to the Trustee in accordance with the Auction Agent Agreement.

#### SECTION 9. BROKER-DEALERS.

(a) The Auction Agent will enter into one or more Broker-Dealer Agreements with Banc of America Securities LLC, Citigroup Global Markets, Inc. and Deutsche Bank Securities Inc. as the initial Broker-Dealers. An Authorized Officer of the Issuer may, from time to time, approve one or more additional persons to serve as Broker-Dealers under Broker-Dealer Agreements and shall be responsible for providing such Broker-Dealer Agreements to the Trustee and the Auction Agent.

(b) Any Broker-Dealer may be removed at any time, at the request of an Authorized Officer of the Issuer, but there shall, at all times, be at least one Broker-Dealer appointed and acting as such with respect to each series of Auction Rate Notes.

#### SECTION 10. CHANGES IN AUCTION PERIOD OR PERIODS.

While any of the Auction Rate Notes are Outstanding, the Issuer may, from time to time, convert the length of one or more Auction Periods (an "*Auction Period Adjustment*"), in order to conform with then current market practice with respect to similar securities or to accommodate economic and financial factors that may affect or be relevant to the length of the Auction Period and the Applicable Interest Rate borne by any series of the Auction Rate Notes. The Issuer shall not initiate an Auction Period Adjustment unless it shall have received, not less than ten days nor more than twenty days prior to the Auction Period Adjustment, the written consent of the applicable Market Agent, which consent shall not be unreasonably withheld. The Issuer shall initiate the Auction Period Adjustment by giving written notice by Issuer Order to the Trustee, the Auction Agent, the applicable Market Agent and the Securities Depository in substantially the form of, or containing substantially the information contained in, Exhibit F to this Sixth Supplemental Indenture at least ten days prior to the Auction Date for such Auction Period.

Any such adjusted Auction Period shall not be less than seven days nor more than one year; *provided, however*, if the change is either (i) from an Auction Period shorter than 90 days to one longer than 90 days, (ii) from an Auction Period longer than 90 days to one shorter than 90 days, or (iii) a change in the Auction Period of greater than 90 days, then no such Auction Period Adjustment shall be made unless the Rating Agency Condition is satisfied with respect to such Auction Period Adjustment.

An Auction Period Adjustment shall take effect only (A) if the Trustee and the Auction Agent receive, by 11:00 a.m., New York City time, on the Business Day before the Auction Date for the first such Auction Period, an Issuer Certificate in substantially the form attached as, or containing substantially the same information contained in, Exhibit G to this Sixth Supplemental Indenture, authorizing the Auction Period Adjustment specified in such certificate along with written confirmation that the Rating Agency Condition has been satisfied with respect to such Auction Period Adjustment, and (B) Sufficient Bids exist as of the Auction on the Auction Date for such first Auction Period. If the condition referred to in (A) above is not met, the Applicable Interest Rate for the next Auction Period shall be determined pursuant to the provisions of Sections 4 through 9 hereof and the Auction Period shall be the Auction Period determined without reference to the proposed change. If the condition referred to in (A) is met but the condition referred to in (B) above is not met, the Applicable Interest Rate for the next Auction Period shall be the Maximum Rate, and in either case the Auction Period shall be the Auction Period determined without reference to the proposed change.

In connection with any Auction Period Adjustment, the Auction Agent shall provide such further notice to such parties as is specified in Section 2.5 of the Auction Agent Agreement.

#### SECTION 11. CHANGES IN THE AUCTION DATE.

The applicable Market Agent, with the written consent of an Authorized Officer of the Issuer and with the consent of any affected Broker-Dealer, may specify an earlier Auction Date (but in no event more than five Business Days earlier) than the Auction Date that would otherwise be determined in accordance with the definition of "Auction Date" in Section 1 hereof with respect to one or more specified Auction Periods for one or more series of Auction Rate Notes in order to conform with then current market practice with respect to similar securities or to accommodate economic and financial factors that may affect or be relevant to the day of the week constituting an Auction Date and the Applicable Interest Rate borne by the Auction Rate Notes of such series. The applicable Market Agent shall deliver a written request for consent to such change in the Auction Date to the Issuer not less than three days nor more than twenty days prior to the effective date of such change. The applicable Market Agent shall provide notice of its determination to specify an earlier Auction Date for one or more Auction Periods by means of a written notice delivered at least three days prior to the proposed changed Auction Date to the Trustee, the Auction Agent, the Issuer and the Securities Depository. Such notice shall be substantially in the form of, or contain substantially the information contained in, Exhibit H to this Sixth Supplemental Indenture.

In connection with any change described in this Section 11, the Auction Agent shall provide such further notice to such parties as is specified in Section 2.5 of the Auction Agent Agreement.

SECTION 12. ADDITIONAL PROVISIONS REGARDING THE APPLICABLE INTEREST RATE.

The determination of each Applicable Interest Rate by the Auction Agent or any other Person pursuant to the provisions of the applicable Section of this Sixth Supplemental Indenture shall be conclusive and binding on the Holders of the series of Series 2004-1 Notes to which such Applicable Interest Rate applies, and the Issuer and the Trustee may rely thereon for all purposes.

In no event shall the cumulative amount of interest paid or payable on a series of Series 2004-1 Notes (including interest calculated as provided herein, plus any other amounts that constitute interest on the Series 2004-1 Notes of such series under applicable law, which are contracted for, charged, reserved, taken or received pursuant to the Series 2004-1 Notes of such series or related documents) calculated from the date of issuance of such series through any subsequent day during the term of such series or otherwise prior to payment in full of the Series 2004-1 Notes of such series exceed the amount permitted by applicable law. If the applicable law is ever judicially interpreted so as to render usurious any amount called for under the Series 2004-1 Notes of a series or related documents or otherwise contracted for, charged, reserved, taken or received in connection with the Series 2004-1 Notes of such series, or if the redemption or acceleration of the maturity of the Series 2004-1 Notes of such series results in payment to or receipt by the Holder or any former Holder of the Series 2004-1 Notes of such series of any interest in excess of that permitted by applicable law, then, notwithstanding any provision of the Series 2004-1 Notes of such series or related documents to the contrary, all excess amounts theretofore paid or received with respect to the Series 2004-1 Notes of such series shall be credited on the Principal Amount of the Series 2004-1 Notes of such series (or, if the Series 2004-1 Notes of such series have been paid or would thereby be paid in full, refunded by the recipient thereof), and the provisions of the Series 2004-1 Notes of such series and related documents shall automatically and immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for under the Series 2004-1 Notes of such series and under the related documents.

SECTION 13. QUALIFICATIONS OF MARKET AGENT.

Each Market Agent shall be a member of the National Association of Securities Dealers, Inc., have a capitalization of at least \$50,000,000 and be authorized by law to perform all the duties imposed upon it by this Sixth Supplemental Indenture. Any Market Agent may resign and be discharged of the duties and obligations created by this Sixth Supplemental Indenture by giving at least thirty days notice to the Issuer and the Trustee, *provided* that such resignation shall not be effective until the appointment of a successor market agent by the Issuer and the acceptance of such appointment by such successor market agent. Any Market Agent may be replaced at the direction of the Issuer, by an instrument signed by an Authorized Officer

of the Issuer filed with such Market Agent and the Trustee at least thirty days before the effective date of such replacement, *provided* that such replacement shall not be effective until the appointment of a successor market agent by the Issuer and the acceptance of such appointment by such successor market agent.

In the event that any Market Agent shall be removed or be dissolved, or if the property or affairs of any Market Agent shall be taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, and there is no Market Agent for any series of Auction Rate Notes, and the Issuer shall not have appointed its successor as Market Agent, the Trustee, notwithstanding the provisions of the first paragraph of this Section 13, shall be deemed to be the Market Agent for such series for all purposes of this Sixth Supplemental Indenture until the appointment by the Issuer of the successor Market Agent. Nothing in this Section 13 shall be construed as conferring on the Trustee additional duties other than as set forth herein.

SECTION 14. PURPOSES OF ISSUANCE OF SERIES 2004-1 NOTES.

The Series 2004-1 Notes are being issued (a) to provide funds to be used to acquire or originate Student Loans, (b) to pay interest on the Notes, Administrative Allowances, Marketing and School Services Expense Allowances and Note Fees, (c) to fund the Capitalized Interest Fund, the Collection Fund and the Reserve Fund and (d) to pay costs of issuing the Notes.

SECTION 15. DEPOSIT OF SERIES 2004-1 NOTE PROCEEDS.

From the proceeds derived from the sale of the Series 2004-1 Notes, there shall be deposited with the Trustee:

- (i) for credit to the Acquisition Fund, an amount equal to \$948,690,000;
- (ii) for credit to the Reserve Fund, an amount equal to \$6,150,000;
- (iii) for credit to the Administration Fund, an amount equal to \$753,000;
- (iv) for credit to the Capitalized Interest Fund, an amount equal to \$40,000,000; and
- (v) for credit to the Collection Fund, an amount equal to \$1,500,000.

To the extent any amounts deposited in the Acquisition Fund as of the closing date remain in the Acquisition Fund as of the end of the Revolving Period, such amounts shall be transferred to the Collection Fund.

Amounts required to be transferred into the Interest Account on any Monthly Calculation Date may be held in the Collection Fund instead of the Interest Account if the Senior Asset Percentage was at least equal to 102% on the last day of the immediately preceding calendar month. Amounts required to be transferred into the Principal Account on any Monthly

Calculation Date may be held in the Collection Fund instead of the Principal Account if the Senior Asset Percentage was at least equal to 105% on the last day of the immediately preceding calendar month. In each such case, the amounts held in the Collection Fund instead of the applicable Account of the Debt Service Fund shall be distributed in the same amounts and to the same persons or accounts as would be the case if such amounts were being held in the Debt Service Fund.

SECTION 16. REDEMPTION OF AND PRINCIPAL PAYMENTS ON THE SERIES 2004-1 NOTES.

The Series 2004-1 Notes are subject to redemption as provided in this Section 16.

(a) *Redemption of and Principal Payments on LIBOR Rate Notes.* The LIBOR Rate Notes are subject to redemption as provided in this Section.

(1) The Series 2004-1A-1 Notes are subject to optional redemption in whole, at the option of the Issuer, on any Quarterly Distribution Date on or after October 29, 2007, at a redemption price of 100% of the principal amount of such LIBOR Rate Notes to be redeemed, plus accrued interest thereon to the redemption date. The Series 2004-1A-2 Notes are subject to optional redemption in whole, at the option of the Issuer, on any Quarterly Distribution Date on or after April 28, 2010, at a redemption price of 100% of the principal amount of such LIBOR Rate Notes to be redeemed, plus accrued interest thereon to the redemption date. The Series 2004-1A-3 Notes are subject to optional redemption in whole, at the option of the Issuer, on any Quarterly Distribution Date on or after January 30, 2012, at a redemption price of 100% of the principal amount of such LIBOR Rate Notes to be redeemed, plus accrued interest thereon to the redemption date. The Series 2004-1A-4 Notes are subject to optional redemption in whole, at the option of the Issuer, on any Quarterly Distribution Date on or after April 28, 2014, at a redemption price of 100% of the principal amount of such LIBOR Rate Notes to be redeemed, plus accrued interest thereon to the redemption date.

(2) So long as any LIBOR Rate Notes are Outstanding, on each Monthly Calculation Date the Trustee, upon receipt of an Issuer Order, shall transfer to the Retirement Account pursuant to Section 4.6(xi) of the Indenture (to the extent amounts are available in the Collection Fund after taking into account all prior application of moneys therein on that Monthly Calculation Date) an amount equal to the amount determined by the following formula.

$$TA = [(TB) \times (F/3)] - RAB$$

Where

TA = Amount to be transferred to the Retirement Account on the Monthly Calculation Date.



TB = Excess, if any, of the aggregate outstanding Principal Amount of each series of LIBOR Rate Notes immediately prior to the Monthly Calculation Date less the aggregate Targeted Balance of each series of LIBOR Rate Notes listed on Schedule I hereto for the next Quarterly Distribution Date or, if such Monthly Calculation Date is also a Quarterly Distribution Date, the Targeted Balance for that Quarterly Distribution Date.

F =1 for the first Monthly Calculation Date occurring in an Interest Period, starting in May of 2006, 2 for the second Monthly Calculation Date occurring in an Interest Period and 3 for the third Monthly Calculation Date occurring in an Interest Period.

RAB = Amount on deposit in the Retirement Account immediately prior to such Monthly Calculation Date.

If the outstanding Principal Amount of any series of the LIBOR Rate Notes was not reduced to the Targeted Balance for such series of the LIBOR Rate Notes on any Quarterly Distribution Date, the amount transferred pursuant to clause (xi) of Section 4.6 of the Indenture (to the extent amounts are available in the Collection Fund, after taking into account all prior application of moneys therein on each subsequent Monthly Calculation Date) shall, in addition to amounts set forth above, include an amount equal to the difference between the outstanding Principal Amount of such series of the LIBOR Rate Notes and the Targeted Balance for such series of the LIBOR Rate Notes for the succeeding Quarterly Distribution Date, unless such amount has been previously transferred pursuant to clause (xi) of Section 4.6 of the Indenture.

After the payment of the T.H.E. Bonus Deposit, if any, on each Monthly Calculation Date, the Trustee will transfer to the Retirement Account pursuant to clause (xiii) of Section 4.6 of the Indenture (to the extent amounts are available in the Collection Fund, after taking into account all prior application of moneys therein available for distribution or allocation on such Monthly Calculation Date) the remaining amount necessary to reduce the Principal Amount of each series of the LIBOR Rate Notes to the Targeted Balance set forth on Schedule I hereto for the Quarterly Distribution Date.

So long as any Series 2004-1A-1 Notes are Outstanding, on each Quarterly Distribution Date the Trustee, upon receipt of an Issuer Order, shall use amounts on deposit in the Retirement Account to pay principal on the Series 2004-1A-1 Notes up to the amount needed to reduce their outstanding Principal Amount to their Targeted Balance listed on Schedule I hereto for that Quarterly Distribution Date. Failure to pay principal on the Series 2004-1A-1 Notes on a Quarterly Distribution Date to the applicable Targeted Balance shall not be an Event of Default.

On each Quarterly Distribution Date on and after the Quarterly Distribution Date on which the outstanding Principal Amount of the Series 2004-1A-1 Notes is reduced to zero, the Trustee, upon receipt of an Issuer Order, shall use amounts on deposit in the Retirement Account to pay principal on the Series 2004-1A-2 Notes up to the amount needed to reduce their outstanding Principal Amount to the Targeted Balance listed on Schedule I hereto for that Quarterly Distribution Date. Failure to pay principal on the Series 2004-1A-2 Notes on a Quarterly Distribution Date to the applicable Targeted Balance shall not be an Event of Default.

On each Quarterly Distribution Date on and after the Quarterly Distribution Date on which the outstanding Principal Amounts of the Series 2004-1A-1 Notes and the Series 2004-1A-2 Notes are reduced to zero, the Trustee, upon receipt of an Issuer Order, shall use amounts on deposit in the Retirement Account to pay principal on Series 2004-1A-3 Notes up to the amount needed to reduce their outstanding Principal Amount to the Targeted Balance listed on Schedule I hereto for that Quarterly Distribution Date. Failure to pay principal on Series 2004-1A-3 Notes on a Quarterly Distribution Date to the applicable Targeted Balance shall not be an Event of Default.

On each Quarterly Distribution Date on and after the Quarterly Distribution Date on which the outstanding Principal Amounts of the Series 2004-1A-1 Notes, the Series 2004-1A-2 Notes and the Series 2004A-3 Notes are reduced to zero, the Trustee, upon receipt of an Issuer Order, shall use amounts on deposit in the Retirement Account to pay principal on Series 2004-1A-4 Notes up to the amount needed to reduce their outstanding Principal Amount to the Targeted Balance listed on Schedule I hereto for that Quarterly Distribution Date. Failure to pay principal on Series 2004-1A-4 Notes on a Quarterly Distribution Date to the applicable Targeted Balance shall not be an Event of Default.

(3) Principal payments on the LIBOR Rate Notes will be made as follows:

*First*, to pay principal on the Series 2004-1A-1 Notes until their outstanding Principal Amount is reduced to zero;

*Second*, to pay principal on the Series 2004-1A-2 Notes until their outstanding Principal Amount is reduced to zero;

*Third*, to pay principal on the Series 2004-1A-3 Notes until their outstanding Principal Amount is reduced to zero; and

*Fourth*, to pay principal on the Series 2004-1A-4 Notes until their outstanding Principal Amount is reduced to zero.

As a result of the priorities described above:

(i) the Series 2004-1A-4 Notes will not receive any payments of principal so long as any Series 2004-1A-3 Notes remain Outstanding;

(ii) the Series 2004-1A-3 Notes will not receive any payments of principal so long as any Series 2004-1A-2 Notes remain Outstanding;

(iii) the Series 2004-1A-2 Notes will not receive any payments of principal so long as any Series 2004-1A-1 Notes remain Outstanding; and

(iv) so long as any LIBOR Rate Notes remain Outstanding, deposits will be made to the Retirement Account for the payment of LIBOR Rate Notes up to the amounts set forth in Schedule I hereto prior to any other series of Notes receiving a principal payment, except for any payments due at the Stated Maturity of a series of Notes.

(b) *Auction Rate Notes Optional Redemption.* Subject to compliance with Section 3.2 of the Indenture, Outstanding Auction Rate Notes of any series may, at the option of the Issuer and from amounts credited to the Retirement Account for such purpose, be redeemed on any regularly scheduled Interest Payment Date for such series, in whole or in part, at a Prepayment Price equal to 100% of the Principal Amount of Auction Rate Notes to be so redeemed plus accrued interest thereon to the Prepayment Date.

(c) *Auction Rate Notes Mandatory Redemption.* The Auction Rate Notes of any series are subject to mandatory redemption on any regularly scheduled Interest Payment Date from revenues deposited to the Collection Fund and transferred to the Retirement Account pursuant to Sections 4.6 and 4.7.3 of the Indenture. The Auction Rate Notes of each series selected for redemption as provided in subsection (d) of this Section 16 shall be redeemed on the first regularly scheduled Interest Payment Date for that series for which the Trustee can give the required notice. The Prepayment Price will be 100% of the Principal Amount of such Notes to be redeemed, plus accrued interest thereon to the Prepayment Date.

The Principal Amount of Auction Rate Notes to be redeemed pursuant to this subsection (c) from amounts deposited into the Retirement Account and available for such purpose in accordance with Section 4.7.3 of the Indenture on any Monthly Calculation Date shall be equal to the largest Authorized Denomination.

(d) *Selection of Auction Rate Notes for Redemption.* If less than all Outstanding Auction Rate Notes are to be redeemed pursuant to subsections (b) or (c) of this Section 16, such Principal Amounts of each series of Auction Rate Notes as the Issuer may designate shall be selected for redemption, to the extent that the provisions of Section 3.2 of the Indenture will not be violated thereby. In the absence of valid direction

by the Issuer, the Auction Rate Notes to be redeemed will be selected as follows: first from the Series 2004-1B Notes to the extent permitted by Section 3.2 of the Indenture, and thereafter in ascending numerical order of the series designation.

If less than all of the Outstanding Auction Rate Notes of a given series are to be redeemed pursuant to this Section 16, the particular Auction Rate Notes to be redeemed shall be selected by the Trustee by lot in such manner as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions of the principal of Auction Rate Notes in an Authorized Denomination.

The Trustee shall promptly notify the Note Registrar and any Paying Agent for the Auction Rate Notes (in each case, if other than the Trustee) in writing of the Auction Rate Notes selected for redemption and, in the case of any Auction Rate Note selected for partial redemption, the Principal Amount thereof to be redeemed.

For all purposes of the Indenture, unless the context otherwise requires, all provisions relating to the redemption of Auction Rate Notes shall relate, in the case of any Auction Rate Note redeemed or to be redeemed only in part, to the portion of the principal of such Auction Rate Note which has been or is to be redeemed.

(e) *Limitation on Redemption of Subordinate Notes.* No Series 2004-1B Notes may be redeemed so long as there are any Senior Notes outstanding unless the Issuer receives confirmation from each Rating Agency that such redemption will not cause the withdrawal or reduction of any rating or ratings then applicable to any Outstanding Notes; *however*, the Issuer may pay the 2004-1B Notes at their Stated Maturity.

(f) *Notice of Redemption.* Notice of redemption of Auction Rate Notes pursuant to this Section 16 shall be given not less than ten days nor more than 30 days prior to the Prepayment Date in accordance with the provisions of Section 3.4 of the Indenture.

#### SECTION 17. BOOK-ENTRY SERIES 2004-1 NOTES.

(a) Subject to subsection (c) below, the registered Holder of all Series 2004-1 Notes shall be the Securities Depository, and the Series 2004-1 Notes shall be registered in the name of the nominee for the Securities Depository.

(b) The Series 2004-1 Notes shall be initially issued in the form of one or more separate, authenticated fully-registered Series 2004-1 Notes for each series thereof in the aggregate Principal Amount of such series. Upon initial issuance, the ownership of each such Series 2004-1 Note shall be registered in the registration books kept by the Note Registrar in the name of the nominee of the Securities Depository. The Trustee and the Issuer may treat the Securities Depository (or its nominee) as the sole and exclusive owner of the Series 2004-1 Notes registered in its name for the purposes of (1) payment of the principal or Prepayment Price of and interest on the Series 2004-1 Notes, (2) selecting the Series 2004-1 Notes or portions

thereof to be redeemed, (3) giving any notice permitted or required to be given to Holders under the Indenture, (4) registering the transfer of Series 2004-1 Notes, and (5) obtaining any consent or other action to be taken by Holders and for all other purposes whatsoever, and neither the Trustee nor the Issuer shall be affected by any notice to the contrary (except as provided in subsection (c) below). Neither the Trustee nor the Issuer shall have any responsibility or obligation to any Participant, any beneficial owner of Series 2004-1 Notes or any other Person claiming a beneficial ownership interest in the Series 2004-1 Notes under or through the Securities Depository or any Participant, or any other Person which is not shown on the registration books of the Note Registrar as being a Holder, with respect to the accuracy of any records maintained by the Securities Depository or any Participant, the payment to the Securities Depository of any amount in respect of the principal or Prepayment Price of or interest on the Series 2004-1 Notes; any notice which is permitted or required to be given to Holders under the Indenture; the selection by the Securities Depository or any Participant of any Person to receive payment in the event of a partial redemption of the Series 2004-1 Notes; or any consent given or other action taken by the Securities Depository as Holder. The Trustee shall pay all principal and Prepayment Price of and interest on the Series 2004-1 Notes only to or upon the order of the Securities Depository, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to the principal, purchase price or Prepayment Price of and interest on the Series 2004-1 Notes to the extent of the sum or sums so paid. Except as provided in subsection (c) below, no Person other than the Securities Depository shall receive an authenticated Series 2004-1 Note evidencing the obligation of the Issuer to make payments of principal or Prepayment Price and interest pursuant to this Indenture. Upon delivery by the Securities Depository to the Trustee of written notice to the effect that the Securities Depository has determined to substitute a new nominee in place of the preceding nominee, the Series 2004-1 Notes will be transferable to such new nominee in accordance with subsection (f) below.

(c) In the event the Issuer determines that it is in the best interest of the Issuer not to continue the Book-Entry System of transfer or that the interest of the Holders might be adversely affected if the Book-Entry System of transfer is continued, the Issuer may so notify the Securities Depository and the Trustee, whereupon the Securities Depository will notify the Participants of the availability through the Securities Depository of definitive Series 2004-1 Notes. In such event, the Trustee shall authenticate, transfer and exchange definitive Series 2004-1 Notes as requested by the Securities Depository in appropriate amounts in accordance with subsection (f) below. The Securities Depository may determine to discontinue providing its services with respect to the Series 2004-1 Notes at any time by giving notice to the Issuer and the Trustee and discharging its responsibilities with respect thereto under applicable law, or the Issuer may determine that the Securities Depository is incapable of discharging its responsibilities and may so advise the Securities Depository. In either such event, the Issuer shall either establish its own Book-Entry System or use reasonable efforts to locate another securities depository. Under such circumstances (if there is no successor Securities Depository), the Issuer and the Trustee shall be obligated to deliver definitive Series 2004-1 Notes as described in this Indenture and in accordance with subsection (f) below. In the event definitive Series 2004-1 Notes are issued, the provisions of the Indenture and this Supplemental Indenture shall apply to such definitive Series 2004-1 Notes in all respects, including, among other things, the transfer and exchange of such Series 2004-1 Notes and the method of payment of principal or Prepayment Price of and interest on such Series 2004-1 Notes. Whenever the Securities Depository requests the Issuer and the

Trustee to do so, the Issuer and the Trustee will cooperate with the Securities Depository in taking appropriate action after reasonable notice (A) to make available one or more separate definitive Series 2004-1 Notes to any Participant having Series 2004-1 Notes credited to its account with the Securities Depository or (B) to arrange for another securities depository to maintain custody of definitive Series 2004-1 Notes.

(d) Notwithstanding any other provision of the Indenture to the contrary, so long as any Series 2004-1 Note is registered in the name of the nominee of the Securities Depository, all payments with respect to the principal or Prepayment Price of and interest on such Series 2004-1 Note and all notices with respect to such Series 2004-1 Note shall be made and given, respectively, to the Securities Depository as provided in its letter of representations.

(e) In connection with any notice or other communication to be provided to Holders pursuant to the Indenture by the Issuer or the Trustee or with respect to any consent or other action to be taken by Holders, the Issuer or the Trustee, as the case may be, shall establish a record date for such consent or other action and give the Securities Depository notice of such record date not less than fifteen (15) calendar days in advance of such record date (or such shorter or longer time as may be required by the Securities Depository) to the extent possible. Such notice to the Securities Depository shall be given only when the Securities Depository is the sole Holder.

(f) In the event that any transfer or exchange of Series 2004-1 Notes is permitted under subsection (b) or (c) of this Section 17, such transfer or exchange shall be accomplished upon receipt by the Trustee from the registered Holder thereof of the Series 2004-1 Notes to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of the Indenture. In the event definitive Series 2004-1 Notes are issued to Holders other than the nominee of the Securities Depository, or another securities depository as Holder of all the Series 2004-1 Notes, the provisions of the Indenture shall also apply to, among other things, the printing of such definitive Series 2004-1 Notes and the methods of payment of principal or Prepayment Price of and interest on such Series 2004-1 Notes.

#### SECTION 18. LIMITATION ON NOTE FEES.

For so long as any Series 2004-1 Notes shall be Outstanding, the Issuer covenants and agrees that the Note Fees with respect to the Series 2004-1 Notes to be paid, or reimbursed to the Issuer, from the Administration Fund shall not, in any year, exceed the sum of (1) the annual fees of the Trustee, the Eligible Lender Trustee and the Market Agent in effect as of the Closing Date, plus (2) the Broker-Dealer Fees payable at the Broker-Dealer Fee Rate in effect as of the Closing Date, plus (3) the Auction Agent Fees payable at the Auction Agent Fee Rate in effect as of the Closing Date, unless the Issuer delivers to the Trustee written confirmation from each of the Rating Agencies then rating the Series 2004-1 Notes to the effect that payment or reimbursement of such additional Note Fees will not result in a reduction or withdrawal of the rating of the Series 2004-1 Notes. Notwithstanding the foregoing, the fees described in clauses (1) through (3) immediately above shall not exceed the amounts of such fees stated in the cash flow models submitted to the Rating Agencies prior to the Closing Date.

SECTION 19. CERTAIN DESIGNATIONS PURSUANT TO THE INDENTURE.

(a) For so long as any Series 2000 Notes, Series 2002 Notes or Series 2004-1 Notes shall be Outstanding, for purposes of the Indenture:

(i) the “*Senior Asset Requirement*” shall mean that, as of the date of determination, the Senior Asset Percentage is at least equal to 105% and the Subordinate Asset Percentage is at least equal to 100.75%; and

(ii) the “*Asset Release Requirement*” shall mean that, as of the date of determination, (A) the Senior Asset Percentage is at least equal to 105% and the Subordinate Asset Percentage is at least equal to 100.75% and (B) the Aggregate Value of assets held under the Indenture, less the principal amount of all Notes Outstanding will exceed \$100,000 after release or payment;

or, in either case, such greater amount(s) as may be provided in a Supplemental Indenture providing for the issuance of any series of Notes any of which are then Outstanding; *provided*, that in connection with any proposed amendment to the Indenture to reduce any such requirements to levels not below those set forth above, the Holders of all Outstanding Series 2000 Notes, Series 2002 Notes or Series 2004-1 Notes shall be deemed to have consented to such amendment.

(b) For purposes of making the deposits required by Section 4.7.1 of the Indenture with respect to the Series 2004-1 Notes, for any Interest Period for which the actual Applicable Interest Rate with respect to a series of Series 2004-1 Notes is not known on the Monthly Calculation Date, such series of Series 2004-1 Notes shall be assumed to bear interest at the last known rate for such series.

(c) For so long as any Series 2000 Notes, Series 2002 Notes or Series 2004-1 Notes shall be Outstanding, any premiums paid in connection with the acquisition of the Eligible Loans shall not be in excess of the premiums used in the cash flow model submitted to the Rating Agencies prior to the Closing Date unless the Rating Agency Condition is satisfied with respect to such excess premiums.

SECTION 20. MANDATORY REDEMPTION OF OR DISTRIBUTIONS OF PRINCIPAL WITH RESPECT TO NOTES.

(a) For purposes of Section 3.3 of the Indenture and subject to the provisions of Section 3.2 of the Indenture, if less than all Outstanding Series 2004-1 Notes are to be redeemed, the particular series from which Notes shall be redeemed will be determined by Issuer.

(b) For purposes of Section 3.3 of the Indenture, any Supplemental Indenture pursuant to which any series of Notes is issued may provide that amounts transferred to the Retirement Account for the mandatory redemption of, or distribution of principal with respect to, Notes shall be applied to such series of Notes, or any portions thereof, either prior to or after the application of such amounts to the Series 2004-1 Notes, or shall be allocated between such series of Notes

and the Series 2004-1 Notes in any other manner. This Section shall not alter the limitation set forth in Section 3.2 of the Indenture.

SECTION 21. ISSUER COVENANTS WITH RESPECT TO PRINCIPAL DISTRIBUTIONS ON THE LIBOR RATE NOTES AND WITH RESPECT TO SWAP AGREEMENTS.

The Issuer may issue additional Notes with principal distributions which are payable prior to, or concurrently with, the principal distributions on the LIBOR Rate Notes pursuant to Section 16(a)(2) hereof and additional Notes with Stated Maturities (or mandatory sinking fund payments) which are payable prior to, or concurrently with, the principal distributions on the LIBOR Rate Notes, if the Issuer reasonably determines, on the date of issuance of such additional Notes, that the issuance of such additional Notes will not adversely affect the sufficiency of the amounts directed to make principal distributions on the LIBOR Rate Notes in accordance with the Targeted Balances set forth on Schedule I hereto. In addition, the Issuer shall not sell any Student Loans unless the Issuer reasonably determines, on the date of such sale, that the sale of such Student Loans will not adversely affect the sufficiency of the amounts directed to make distributions on the LIBOR Rate Notes in accordance with the Targeted Balances set forth on Schedule I hereto. Furthermore, the Issuer shall not enter into any Swap Agreements unless the Issuer reasonably determines on the date it enters into such Swap Agreement, that such Swap Agreement will not adversely affect the sufficiency of the amounts directed to make principal distributions on the LIBOR Rate Notes in accordance with the Target Balances set forth on Schedule I hereto.

SECTION 22. LIST OF NON-BUSINESS DAYS.

The Trustee shall provide to the Auction Agent on the Closing Date, and on each December 1 thereafter and upon any change in the state in which the Trustee's Principal Office is located, a list of all legal holidays in the state in which the Principal Office of the Trustee is located during the ensuing calendar year.

SECTION 23. CERTAIN FINDINGS, DETERMINATIONS, COVENANTS, DESIGNATIONS AND AMENDMENTS.

(a) The Issuer hereby finds and determines as follows:

(1) This Sixth Supplemental Indenture supplements the Indenture, constitutes and is a "Supplemental Indenture" within the meaning of such term as defined and used in the Indenture and is executed under and pursuant to the Indenture.

(2) The Series 2004-1A Notes constitute, and are hereby designated as, "Senior Notes" within the meaning of the term as defined and used in the Indenture, and the Series 2004-1B Notes constitute, and are hereby designated as, "Subordinate Notes" within the meaning of the term as defined and used in the Indenture.



(3) Upon receipt of the proceeds of the sale of the Series 2004-1 Notes, (1) the revenues and other moneys and property pledged under the Indenture will not be encumbered by any lien or charge thereon or pledge thereof, other than the lien and charge thereon and pledge thereof created by the Indenture for the payment and security of the Notes and (2) there will not be outstanding any bonds, notes or other evidences of indebtedness payable from and secured by a lien on or pledge or charge upon the revenues and other moneys and property pledged under the Indenture.

(4) There does not exist an “Event of Default,” within the meaning of such term as defined in the Indenture, which is continuing, nor does there exist any condition which, after the passage of time, would constitute such an “Event of Default.”

(5) The Interest Rate Cap Agreement is a Senior Swap Agreement under the Indenture, and the Cap Counterparty is a Senior Beneficiary of the Indenture. Payments owed by the Issuer to the Cap Counterparty pursuant to the Interest Rate Cap Agreement shall be paid to such Person pursuant to Section 4.6 and Section 6.6 of the Indenture and shall be paid solely out of the assets of the Trust Estate.

(b) Not less than quarterly, the Issuer will post on its website and provide to the Trustee, and the Trustee will forward to each requesting Holder, a statement setting forth information with respect to the Series 2004-1 Notes and the Student Loans pledged under the Indenture as of the end of such period, including the following:

(1) the amount of principal payments made with respect to each series of Series 2004-1 Notes during the applicable period and the Pool Factor relating to each series of the LIBOR Rate Notes;

(2) the amount of interest payments made with respect to each series of Series 2004-1 Notes during the applicable period;

(3) the aggregate Principal Balance of the Student Loans pledged under the Indenture as of the close of business on the last day of the applicable period;

(4) the aggregate Outstanding Principal Amount of the Series 2004-1 Notes of each series;

(5) the Interest Rate for the applicable series of Series 2004-1 Notes with respect to each Quarterly Distribution Date;

(6) the number and aggregate Principal Balance of the Student Loans pledged under the Indenture that the Issuer deems delinquent; and

(7) the Outstanding Principal Amount of the Series 2004-1 Notes as of the close of business on the last day of the applicable period.

A copy of these reports may be obtained by any Holder of the Series 2004-1 Notes by a written request to the Trustee.

(c)(1) The Issuer hereby pledges all of its right title and interest in the Capitalized Interest Fund, the amounts therein (including any earnings thereon), and the proceeds thereof, to the Trustee, and the Granting Clause of the Indenture is hereby amended by adding “Capitalized Interest Fund,” after “Reserve Fund,”.

(2) The Alternative Loan Loss Reserve Fund and the Surplus Fund shall be closed.

(d) The definition of “Eligible Loan” in the Indenture is hereby deleted and replaced with the following:

“*Eligible Loan*” shall mean a student loan which: (a) has been or will be made to a borrower for post-secondary education; (b) is a FFELP Loan which is Guaranteed, and (c) is an “eligible loan” as defined in Section 438 of the Higher Education Act for purposes of receiving Special Allowance Payments.

(e) The Issuer hereby amends the Indenture by amending the definition of “Investment Securities” as follows:

(1) Clause 3. is hereby deleted and replaced with the following:

3. Obligations issued or guaranteed as to principal and interest by any of the following: (a) the Government National Mortgage Association; (b) the Federal National Mortgage Association; or (c) the Federal Farm Credit Banks, the Federal Intermediate Credit Banks, the Export-Import Bank of the United States, the Federal Land Banks, the Student Loan Marketing Association (that mature by June 30, 2006), the Federal Financing Bank, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation or the Farmers Home Administration, or any agency or instrumentality of the United States of America which shall be established for the purpose of acquiring the obligations of any of the foregoing or otherwise providing financing therefor, *provided* that any such obligation described in this clause (c) shall be rated by each Rating Agency then rating such obligation not lower than in its highest applicable Specific Rating Category;

(2) Clause 6. is hereby deleted and replaced with the following:

6. Any debt instrument rated by Moody’s not lower than in its highest applicable Specific Rating Category and rated by Standard & Poor’s Rating Services not lower than in its highest applicable Specific Rating Category and, if rated by Fitch, rated not lower than its highest applicable Specific Rating Category;

(3) Clause 7. is hereby deleted and replaced with the following:

7. Any other investment if the Rating Agency Condition is met with respect to treating such investment as an Investment Security;

(4) Clause 8. is hereby deleted and replaced with the following:

*provided*, with respect to investments listed in clause 2 above, if the investment is for a period under thirty days, the related depository institution shall also have a long-term unsecured debt rating of at least “A1” by Moody’s; if the investment is for a period from thirty to ninety days, the depository institution shall also have a long-term unsecured debt rating of at least “Aa3” by Moody’s, and if the investment is for a period from ninety to one hundred eighty days, the depository institution shall also have a long-term unsecured debt rating of “Aaa” by Moody’s.

(f) The Issuer hereby amends the Indenture by deleting Section 3.7 and replacing it with the following:

*Section 3.7. Purchase of Notes.* The Issuer may at any time, but subject to Section 3.2 hereof, authorize and direct the Trustee to purchase Notes in the open market out of any funds available for such purpose, such purchases to be made at a price not in excess of the amount specified in this Indenture or, if no amount is specified, the Principal Amount thereof plus accrued interest. In addition, the Issuer may, from time to time, direct the Trustee to request the submission of tenders following published notice requesting such submission prior to making the purchases authorized pursuant to this Section 3.7. The Issuer may specify the maximum and minimum period of time which shall transpire between the date upon which such notice is to be given and the date upon which such tenders are to be accepted or may authorize the Trustee to determine the same in its discretion. No tenders shall be considered or accepted at any price exceeding the maximum price specified by the Issuer for the purchase of Notes. The Trustee shall accept bids with the lowest price and, in the event the moneys available for purchase pursuant to such tenders are not sufficient to permit acceptance of all tenders and if there shall be tenders at an equal price above the amounts of moneys available for purchase, then the Trustee shall, determine in its discretion, the Notes tendered which shall be purchased. All Notes purchased by the Trustee pursuant to this Section 3.7 shall be canceled and not reissued.

(g)(1) The Issuer hereby amends Section 4.2 of the Indenture by inserting the following at the end of the first sentence of the sixth paragraph of such section:

*“provided, further, that such sales, individually or in the aggregate, shall not exceed 10% of the Principal Balance of the Financed Student Loans (measured as of the later of the last issuance of Notes under this Indenture and the last time the Rating Agency Condition was satisfied in accordance with this proviso) without satisfaction of the Rating Agency Condition with respect to such sales”.*

(2) The Issuer hereby amends Section 4.2 of the Indenture by inserting the following between the sixth and seventh paragraphs of such section:

Student Loans acquired or originated with amounts in the Acquisition Fund or in exchange for Financed Student Loans shall be Student Loans made to Obligor with similar credit characteristics to the Obligor in the pool of Student Loans used in cashflow models delivered to the Rating Agencies in connection with rating the Series 2004-1 Notes upon the initial issuance thereof.

(h) The Issuer hereby deletes Section 4.3 of the Indenture and replacing it with the following:

*Section 4.3. Administration Fund.* With respect to each series of Notes, the Trustee shall, upon delivery thereof and from the proceeds thereof, credit to the Administration Fund the amount, if any, specified in the Supplemental Indenture providing for the issuance of such series of Notes. The Trustee shall also credit to the Administration Fund all amounts transferred thereto from the Collection Fund as provided in Section 4.6 hereof. Amounts in the Administration Fund shall be used for the payment of Costs of Issuance, Administrative Allowances, Marketing and School Services Expense Allowances and Note Fees as provided in this Section 4.3.

On each Monthly Calculation Date, the Trustee shall transfer and credit to the Administration Fund moneys available hereunder for transfer thereto in such amounts and at such times as an Authorized Officer of the Issuer shall direct by Issuer Order, for the payment of Administrative Allowances, Marketing and School Services Expense Allowances and Note Fees due during the next month. Deposits to the credit of the Administration Fund shall be made from the Collection Fund to the extent and in the manner provided in Section 4.6 hereof.

Amounts in the Administration Fund may, subject to any limitation in a Supplemental Indenture, be paid out for Administrative Allowances, Marketing and School Services Expense Allowances or Note Fees at any time upon receipt of an Issuer Order and shall be paid in the full amount designated therein. Amounts in the Administration Fund may, as provided in a Supplemental Indenture pursuant to which Notes are issued, be paid out for Costs of Issuance related to such Notes upon receipt of an Issuer Order and shall be paid in the full amount designated therein. Upon receipt by the Trustee of Issuer Orders directing the payment of Note Fees, Marketing and School Services Expense Allowances or Costs of Issuance to designated payees in designated amounts for stated services or, in the case of reimbursement of the Issuer for its payments of such Note Fees, Marketing and School Services Expense Allowances or Costs of Issuance or the payment of Administrative Allowances to the Issuer and in each case certifying that such payment is authorized by this Indenture, be used for and applied only to pay Administrative Allowances, Costs of Issuance, Marketing and School Services Expense Allowances or Note Fees or to reimburse another fund, account or other source of the Issuer for the previous payment of Administrative Allowances, Costs of Issuance, Marketing and School Services Expense Allowances or Note Fees. Payments from the Administration Fund for such purposes shall be made by check or wire transfer by the Trustee in accordance with such Issuer Orders. Amounts in the Administration Fund in excess of amounts needed to pay Administrative Allowances, Marketing and School

Services Expense Allowances or Note Fees may, upon Issuer Order, be transferred to the Collection Fund.

Pending application of moneys in the Administration Fund, the moneys therein shall be invested in Investment Securities as provided in Section 4.11 hereof, and any earnings on or income from such investments shall be deposited in the Collection Fund as provided in Section 4.6 hereof.

(i) The Issuer hereby deletes Section 4.5 of the Indenture and replaces it with the following:

*Section 4.5.* [Reserved.]

(j) The Issuer hereby deletes Section 4.6 of the Indenture and replaces it with the following:

*Section 4.6. Collection Fund.* The Trustee shall credit to the Collection Fund: (a) all amounts received as interest, including federal interest subsidy payments, and principal payments with respect to Financed Student Loans, including all Guarantee payments, and all Special Allowance Payments with respect to Financed Student Loans (excluding, unless otherwise provided in a Supplemental Indenture, any federal interest subsidy payments and Special Allowance Payments that accrued prior to the date on which such Student Loans were Financed), (b) unless otherwise provided in a Supplemental Indenture, proceeds of any sale of any Financed Student Loans as permitted by Section 4.2 hereof, (c) amounts transferred thereto from the Acquisition Fund as provided in Section 4.2 hereof, the Administration Fund as provided in Section 4.3 hereof and the Reserve Fund as provided in Section 4.4 hereof, (d) all amounts received as earnings on or income from Investment Securities in the Acquisition Fund, the Administration Fund, the Reserve Fund, the Collection Fund and the Debt Service Fund, (e) all amounts received as payments from or on behalf of the Issuer with respect to the T.H.E. Bonus Plan, (f) all Counterparty Swap Payments and (g) any amounts received by the Trustee pursuant to the indemnification provisions of any Joint Sharing Agreement.

The Issuer shall cause all amounts required to be credited to the Collection Fund, upon receipt by the Issuer or a Servicer, or any agent thereof, as the case may be, to be forthwith transmitted to the Trustee for such credit.

On each Monthly Calculation Date, the Indenture Trustee will transfer or allocate the moneys received during the preceding month in the Collection Fund as follows:

- (i) to make any payments required under a Joint Sharing Agreement;
- (ii) to make any payments due and payable by the Issuer to the U.S. Department of Education related to the Financed Eligible Loans;
- (iii) to the credit of the Administration Fund, to the extent and in the manner provided in Section 4.3 hereof;

(iv) to the credit of the Interest Account to the extent and in the manner provided in Section 4.7.1 hereof, to provide for the payment of interest on Senior Notes or Other Senior Obligations (except termination payments due under Senior Swap Agreements) payable therefrom;

(v) to the credit of the Principal Account, to the extent and in the manner provided in Section 4.7.2 hereof to provide for the payment of principal of Senior Notes at their Stated Maturity or on a Sinking Fund Payment Date or the reimbursement of Senior Credit Facility Providers for the payment of principal of the Notes;

(vi) to the credit of the Interest Account to the extent and in the manner provided in Section 4.7.1 hereof to provide for the payment of interest on Subordinate Notes or Other Subordinate Obligations (except termination payments due under Subordinate Swap Agreements) payable therefrom;

(vii) to the credit of the Principal Account, to the extent and in the manner provided in Section 4.7.2 hereof to provide for the payment of principal on Subordinate Notes at Stated Maturity or on a Sinking Fund Payment Date or the reimbursement of Subordinate Credit Facility Providers for the payment of principal of the Notes;

(viii) to the credit of the Reserve Fund to the extent and in the manner provided in Section 4.4 hereof;

(ix) to the credit of the Interest Account to the extent and in the manner provided in Section 4.7.1 hereof to provide for the payment of interest on Junior Subordinate Notes;

(x) to the credit of the Principal Account to the extent and in the manner provided in Section 4.7.2 hereof to provide for the payment of principal of Junior Subordinate Notes at Stated Maturity or on mandatory Sinking Fund Payment dates;

(xi) to the credit of the Retirement Account for the distribution of principal with respect to Notes which by their terms are subject to scheduled principal distributions, an amount sufficient to make any monthly deposit required for the next scheduled principal distribution (such amounts to be applied to the payment of Notes of a particular series based upon the priorities established in the Supplemental Indentures pursuant to which such Notes are issued); *provided, however*, if the Issuer failed to make any scheduled principal distribution, the amount transferred pursuant to this clause (xi) shall include the amount not so paid and shall be credited to the Retirement Account for distribution as principal until all such shortfalls are credited to the Retirement Account for distribution to the Holders;

(xii) to pay an amount equal to the T.H.E. Bonus Deposit through July 1, 2006 (unless extended as provided herein) unless there exists unpaid Carry-Over Amounts;

(xiii) to the credit of the Retirement Account for the distribution of principal with respect to Notes which by their terms are subject to scheduled principal distributions, an amount sufficient to make the next scheduled principal distribution on such Notes (such amounts to be applied to the payment of Notes of a particular series based upon the priorities established in the Supplemental Indentures pursuant to which such Notes are issued), less any amounts previously transferred pursuant to paragraph (xi) above;

(xiv) until the Senior Asset Percentage has been satisfied, all remaining amounts shall be transferred, as the Issuer shall designate, either (a) to the Retirement Account for the redemption of, or distribution of principal with respect to Notes which by their terms are subject to mandatory or optional redemption or principal distribution from revenues received under this Indenture (such amounts to be applied to the payment of notes of a particular series based upon the priorities established in the supplemental indentures pursuant to which such notes are issued) or (b) during the Revolving Period, to the Acquisition Fund to acquire or originate additional Student Loans;

(xv) to the credit of the Interest Account to the extent and in the manner provided in Section 4.7.1 for the payment of Carry-Over Amounts (and interest thereon) due with respect to the Senior Notes;

(xvi) to the credit of the Interest Account to the extent and in the manner provided in Section 4.7.1 for the payment of Carry-Over Amounts (and interest thereon) due with respect to the Subordinate Notes (but only if the Senior Asset Percentage would be at least 100% upon the application of such amounts);

(xvii) to the credit of the Interest Account to the extent and in the manner provided in Section 4.7.1, for the payment of Carry-Over Amounts with respect to the Junior Subordinate Notes (but only if the Senior Asset Percentage and the Subordinate Asset Percentage would be at least 100% upon the application of such amounts);

(xviii) to the credit of the Interest Account for the payment of termination payments due under Senior Swap Agreements;

(xix) to the credit of the Interest Account for payment of termination payments due under Subordinate Swap Agreements;

(xx) during the Revolving Period and only at the Issuer's direction, to the credit of the Acquisition Fund to acquire or originate additional Student Loans;

(xxi) upon Issuer Order, to the Retirement Account for the redemption of, or distribution of principal with respect to Notes which by their terms are subject to mandatory or optional redemption or principal distribution from revenues received under this Indenture (such amounts to be applied to the payment of Notes of a particular series based upon the priorities established in the Supplemental Indentures pursuant to which such Notes were issued); and

(xxii) to the Issuer, if after taking into account any such release (a) the Senior Asset Percentage will not be less than 105.00%, and the Subordinate Asset Percentage will not be less than 100.75% or such greater percentages or amounts as may be required by the rating agencies and (b) the aggregate value of all assets pledged, less the principal amount of all Notes Outstanding will exceed \$100,000 after such release.

Pending application of moneys in the Collection Fund, such moneys will be invested in Investment Securities as provided in Section 4.11 hereof, and any earnings on or income from such investments shall be retained therein.

Amounts remaining in the Collection Fund after the transfers or allocations described above shall remain in the Collection Fund and will be available for transfer or allocation on the next succeeding Monthly Calculation Date.

(k) The Issuer hereby amends the Indenture by deleting the fifth paragraph of Section 4.7.1 and replacing it with the following:

In making the deposits required to be deposited and credited to the Interest Account, all other deposits and credits otherwise made or required to be made to the Interest Account shall, to the extent available for such purpose, be taken into consideration and allowed for. Each deposit required by this Section 4.7.1 to pay the foregoing amounts shall be made by transfer from the following Funds, in the following order of priority: the Collection Fund, the Capitalized Interest Fund, the Reserve Account and, as to Senior Notes and Other Senior Obligations only, the Acquisition Fund (other than the Balance thereof consisting of Financed Student Loans).

(l) The Issuer hereby amends the Indenture by deleting the third paragraph of Section 4.7.2 and replacing it with the following:

Each deposit required by this Section 4.7.2 to pay the foregoing amounts shall be made by transfer from the following Funds, in the following order of priority (after transfers therefrom to the Interest Account required on the date of any such transfer): the Collection Fund, the Capitalized Interest Fund, the Reserve Fund and, as to Senior Notes and Other Senior Obligations only, the Acquisition Fund (other than the Balance thereof consisting of Financed Student Loans).

(m) The Issuer hereby amends the Indenture by deleting Section 4.8 and replacing it with the following:

*Section 4.8.* [Reserved.]

(n) The Issuer hereby amends the Indenture by adding the following as Section 4.13:

*Section 4.13. Capitalized Interest Fund.* Immediately upon the delivery of any series of Notes, and from the proceeds thereof or from any other available moneys of the Issuer not otherwise credited to or payable into any Fund or Account under this Indenture



or otherwise subject to the pledge and security interest create by this Indenture, the Trustee shall, upon delivery thereof and from the proceeds thereof, credit to the Capitalized Interest Fund the amount, if any, specified in the Supplemental Indenture providing for the issuance of that series of Notes.

Amounts in the Capitalized Interest Fund shall be used and applied solely for the payment when due of the amounts specified in clauses (i)-(vii) of Section 4.6 hereof. Amounts in the Capitalized Interest Fund shall be transferred by the Trustee to the credit of the Collection Fund at any time and to the extent that the Balance therein and the Balances available for deposit to the credit thereof are insufficient to meet the requirements specified in clauses (i)-(vii) of Section 4.6 hereof.

On any Monthly Calculation Date on which the Balance in the Capitalized Interest Fund is greater than the Required Capitalized Interest Fund Amount, the Trustee shall deposit such excess into the Collection Fund.

Pending application of moneys in the Capitalized Interest Fund, the moneys therein shall be invested in Investment Securities as provided in Section 4.11 hereof, and any earnings on or income from such investments shall be deposited in the Collection Fund as provided in Section 4.6 hereof.

(o)(1) The Issuer hereby amends the Indenture by adding the following to the end of the second paragraph of Section 5.5:

No material change in the benefits given to Obligors under the Program that would have a material adverse effect on the collections of Financed Student Loans may be made without satisfaction of the Rating Agency Condition with respect to such change.

(2) The Issuer hereby amends the Indenture by adding the following to the end of the last paragraph of Section 5.5:

The Issuer shall not replace an existing Servicer or appoint a new Servicer without satisfaction of the Rating Agency Condition with respect thereto.

(p) The Issuer hereby amends the Indenture by adding the following sections after subsection (h):

(i) *Valid Security Interest.* This Indenture creates a valid and continuing security interest (as defined in the applicable Uniform Commercial Code) in the Trust Estate pledged by this Indenture in favor of the Trustee, which security interest is prior to all other liens, and is enforceable as such as against creditors of and purchasers from the Issuer.

(j) The Financed Student Loans and evidences of indebtedness purported to be pledged by this Indenture in favor of the Trustee constitute “accounts,” “payment

intangibles” or “instruments” within the meaning of the applicable UCC and applicable federal law.

(k) *Creation of Security Interest.* The Issuer owns and has good and marketable title to the Trust Estate free and clear of any lien, claim or encumbrance of any Person other than the Trustee.

(l) *Perfection of Security Interest.* The Issuer has caused the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the security interest in the Trust Estate in favor of the Trustee hereunder.

(m) *Priority of Security Interest.* Other than the security interest granted in favor of the Trustee hereunder, the Issuer has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Trust Estate. The Issuer has not authorized the filing of and is not aware of any financing statements against the Issuer that include a description of collateral covering the Trust Estate other than any financing statement relating to the security interest in favor of the Trustee hereunder or that has been terminated. The Issuer is not aware of any judgment or tax lien filings against it.

(n) The representations and warranties in subsections (i)-(m) above shall survive the date hereof. The Issuer agrees that such representations and warranties cannot be waived without the satisfaction of the Rating Agency Condition with respect thereto.

(o) The Issuer shall, or shall cause the Issuer Administrator and each Servicer, to maintain the perfection of the Trustee’s security interest in the Trust Estate.

(q) The Issuer hereby amends Section 6.6 of the Indenture as follows:

(1) The words “as a result of Swap Counterparty default” are deleted from the first parenthetical in each of clauses (A)(1) and (A)(2) of such section.

(2) The words “as a result of Swap Counterparty default” are deleted from clauses (A)(7) and (A)(8) of such section.

(3) The words “as a result of Swap Counterparty default” are deleted from the first parenthetical in each of clauses (B)(1) and (B)(2) of such section.

(4) The words “as a result of Swap Counterparty default” are deleted from clauses (B)(7) and (B)(8) of such section.

(r) The Issuer hereby amends Section 6.8 of the Indenture by adding the following to the last sentence of such section (immediately preceding the period of such sentence):

; *provided, however*, that a Swap Counterparty shall only have the rights set forth in this Section 6.8 if the Event of Default was caused by a failure of the Issuer to pay amounts owed to such Swap Counterparty under the applicable Swap Agreement or is due to the occurrence of one of the events listed in clause (N) of Section 6.1 of the Indenture.

(s) The Issuer hereby amends the Indenture by deleting Section 7.1(G) and replacing it with the following:

(G) The Trustee shall be protected in acting upon any notice, order, requisition, request, consent, certificate, order, opinion (including an opinion of Counsel), affidavit, letter, telegram or other paper or document in good faith deemed by it to be genuine and correct and to have been signed or sent by the proper person or persons; *provided, however*, the Trustee shall not comply with any Issuer Order that violates the terms and provisions of this Indenture or which directs the Trustee to take an action that is not permitted by the terms and provisions of this Indenture. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Holder of any Note shall be conclusive and binding upon all future Holders of the same Note and Notes issued in exchange therefor or in place thereof.

(t) The Issuer hereby amends the Indenture by deleting clause (g) of Section 8.1 and replacing it with the following:

“(g) [Reserved],”

The Issuer hereby amends the Indenture by adding the following at the end of Section 8.1:

; and *provided further*, that any amendment granting additional rights to any Swap Counterparty satisfies the Rating Agency Condition with respect thereto.

(v) The Issuer hereby amends the Indenture by adding the following at the end of Section 8.2:

Any amendment granting additional rights to any Swap Counterparty satisfies the Rating Agency Condition with respect thereto.

(w) The Issuer hereby amends the Indenture by deleting Section 10.8 and inserting the following:

*Section 10.8. Notices to Rating Agencies.* So long as any Outstanding Notes are rated by a Rating Agency, the Trustee agrees to give the Rating Agency prompt written notice of any Event of Default, the appointment of any successor Trustee, the

appointment of any co-trustee or any amendments or modifications of or Supplements to the Indenture.

(x) The Issuer hereby amends the Indenture by adding the following Sections 10.13 and 10.14:

*Section 10.13. Limitation of Swap Counterparty Rights.* Notwithstanding any provision of this Indenture to the contrary, no Swap Counterparty shall have any consent rights, any voting rights, any waiver rights, any rights to direct remedies upon the occurrence of an Event of Default, any rights to request the removal and replacement of the Indenture Trustee, or any similar rights granted hereunder to the Beneficiaries until all of the Notes are paid in full; *provided, however*, that each Swap Counterparty shall have the right to consent to any amendment to the Indenture that materially and adversely affects the amount, timing, and priority of payments due to such Swap Counterparty.

*Section 10.14. Rights of Swap Counterparties.* All rights of any Swap Counterparty under this Indenture to consent to or direct certain remedies, waivers, actions and amendments hereunder, if any, shall cease for so long as such Person is in default of any of its obligations or agreements under the applicable Swap Agreement.

(y) The Issuer hereby amends each of the Indenture, the First Supplemental Indenture and the Second Supplemental Indenture as follows:

(1) The term “Alternative Loan Loss Reserve Fund” is hereby deleted. Any references to the Alternative Loan Loss Reserve Fund in the Indenture and each supplement shall not be given any effect after the effective date of this Sixth Supplemental Indenture.

(2) The term “Surplus Fund” is hereby deleted. Any references to the Surplus Fund in the Indenture and each supplement shall not be given any effect after the effective date of this Sixth Supplemental Indenture.

(z) The Issuer hereby amends each of the First Supplemental Indenture and the Second Supplemental Indenture as follows:

(1) The words “April 1, 2004” are hereby deleted from the definition of “Revolving Period” and are hereby replaced with “July 1, 2006.”

(2) The “*Asset Release Requirement*” shall mean that, as of the date of determination, (A) the Senior Asset Percentage is at least equal to 105.00% and the Subordinate Asset Percentage is at least equal to 100.75% and (B) the Aggregate Value of assets held under the Indenture, less the principal amount of all Notes Outstanding will exceed \$100,000 after release or payment;

(aa) The Issuer hereby amends the First Supplemental Indenture as follows:

(1) The definition of “*Reserve Fund Requirement*” is hereby deleted and replaced with the following:

“*Reserve Fund Requirement*” shall mean, at any time, an amount equal to (1) 0.75% of the aggregate Principal Amount of Series 2000 Notes then Outstanding, or (2) such other amount specified as the Reserve Fund Requirement in another supplemental indenture; *provided, however*, that in no event shall the amount be less than \$1,000,000.

(2) Section 16 is hereby amended by adding the following as subsection (e):

(e) *Limitation on Redemption of Subordinate Notes.* No Series 2000B Notes may be redeemed so long as there are any Senior Notes outstanding unless the Issuer receives confirmation from each Rating Agency that such redemption will not cause the withdrawal or reduction of any rating or ratings then applicable to any Outstanding Notes; however, the Issuer may pay the Series 2000B Notes at their Stated Maturity.

(bb) The Issuer hereby amends the Second Supplemental Indenture as follows:

(1) The definition of “Reserve Fund Requirement” is hereby deleted and replaced with the following:

“*Reserve Fund Requirement*” shall mean, at any time, an amount equal to (1) 0.75% of the aggregate Principal Amount of Series 2002 Notes then Outstanding, or (2) such other amount specified as the Reserve Fund Requirement in another supplemental indenture; *provided, however*, that in no event shall the amount be less than \$1,000,000.

(2) Section 16 is hereby amended by adding the following as subsection (e):

(e) *Limitation on Redemption of Subordinate Notes.* No Series 2002B Notes may be redeemed so long as there are any Senior Notes outstanding unless the Issuer receives confirmation from each Rating Agency that such redemption will not cause the withdrawal or reduction of any rating or ratings then applicable to any Outstanding Notes; however, the Issuer may pay the Series 2002B Notes at their Stated Maturity.

#### SECTION 24. GOVERNING LAW.

This Sixth Supplemental Indenture shall be governed by and be construed in accordance with the laws of the State of Minnesota without giving effect to the conflicts-of-laws principles thereof.

SECTION 25. HEADINGS; TABLE OF CONTENTS.

The table of contents, headings or titles of the several sections hereof shall be solely for convenience of reference and shall not affect the meaning or construction, interpretation or effect of this Sixth Supplemental Indenture.

SECTION 26. SEVERABILITY.

If any provision of this Sixth Supplemental Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions or in all cases because it conflicts with any provisions of any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or paragraphs in this Sixth Supplemental Indenture contained shall not affect the remaining portions of this Sixth Supplemental Indenture or part thereof.

SECTION 27. COUNTERPARTS.

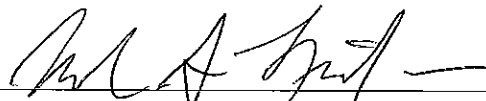
This Sixth Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 28. EFFECT OF SIXTH SUPPLEMENTAL INDENTURE.

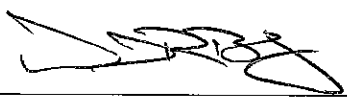
Upon the execution and delivery of this Sixth Supplemental Indenture, the Indenture and the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture and the Fourth Supplemental Indenture shall be supplemented in accordance herewith, and this Sixth Supplemental Indenture shall form a part of the Indenture for all purposes and every Holder of Notes hereafter authenticated and delivered and Other Beneficiary under the Indenture shall be bound hereby.

IN WITNESS WHEREOF, the parties hereto have caused this Sixth Supplemental Indenture to be duly executed, and their respective corporate seals to be hereunto affixed and attested, all as of the day and year first above written.

NORTHSTAR EDUCATION FINANCE, INC.

By  \_\_\_\_\_  
Name: Mark A. Lindgren  
Title: Secretary

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

By  \_\_\_\_\_  
Name: Daniel R. Bley  
Title: Vice President & Trust Officer

**SCHEDULE I**  
**TARGETED BALANCE SCHEDULE**

Quarterly Distribution Date	Series 2004-1A-1 Notes Targeted Balance	Series 2004-1A-2 Notes Targeted Balance	Series 2004-1A-3 Notes Targeted Balance	Series 2004-1A-4 Notes Targeted Balance
Original Balance	\$100,000,000	\$225,000,000	\$200,000,000	\$225,000,000
July 28, 2004	\$100,000,000	\$225,000,000	\$200,000,000	\$225,000,000
October 28, 2004	\$100,000,000	\$225,000,000	\$200,000,000	\$225,000,000
January 28, 2005	\$100,000,000	\$225,000,000	\$200,000,000	\$225,000,000
April 28, 2005	\$100,000,000	\$225,000,000	\$200,000,000	\$225,000,000
July 28, 2005	\$100,000,000	\$225,000,000	\$200,000,000	\$225,000,000
October 28, 2005	\$100,000,000	\$225,000,000	\$200,000,000	\$225,000,000
January 30, 2006	\$100,000,000	\$225,000,000	\$200,000,000	\$225,000,000
April 28, 2006	\$100,000,000	\$225,000,000	\$200,000,000	\$225,000,000
July 28, 2006	\$90,000,000	\$225,000,000	\$200,000,000	\$225,000,000
October 30, 2006	\$73,000,000	\$225,000,000	\$200,000,000	\$225,000,000
January 29, 2007	\$55,000,000	\$225,000,000	\$200,000,000	\$225,000,000
April 30, 2007	\$37,000,000	\$225,000,000	\$200,000,000	\$225,000,000
July 30, 2007	\$19,000,000	\$225,000,000	\$200,000,000	\$225,000,000
October 29, 2007	\$0	\$225,000,000	\$200,000,000	\$225,000,000
January 28, 2008		\$206,000,000	\$200,000,000	\$225,000,000
April 28, 2008		\$186,000,000	\$200,000,000	\$225,000,000
July 28, 2008		\$166,000,000	\$200,000,000	\$225,000,000
October 28, 2008		\$146,000,000	\$200,000,000	\$225,000,000
January 28, 2009		\$124,000,000	\$200,000,000	\$225,000,000
April 28, 2009		\$99,000,000	\$200,000,000	\$225,000,000
July 28, 2009		\$74,000,000	\$200,000,000	\$225,000,000
October 28, 2009		\$49,000,000	\$200,000,000	\$225,000,000
January 28, 2010		\$24,000,000	\$200,000,000	\$225,000,000
April 28, 2010		\$0	\$197,000,000	\$225,000,000
July 28, 2010			\$168,000,000	\$225,000,000
October 28, 2010			\$139,000,000	\$225,000,000
January 28, 2011			\$109,000,000	\$225,000,000
April 28, 2011			\$79,000,000	\$225,000,000
July 28, 2011			\$49,000,000	\$225,000,000
October 28, 2011			\$19,000,000	\$225,000,000
January 30, 2012			\$0	\$217,000,000
April 30, 2012				\$192,000,000
July 30, 2012				\$167,000,000
October 29, 2012				\$142,000,000
January 28, 2013				\$117,000,000
April 29, 2013				\$92,000,000
July 29, 2013				\$67,000,000
October 28, 2013				\$42,000,000
January 28, 2014				\$20,000,000
April 28, 2014				\$0



**EXHIBIT A**

**FORM OF LIBOR RATE NOTES**

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

STUDENT LOAN ASSET-BACKED NOTE  
SENIOR SERIES 2004-1A-\_\_\_

No. R-\_\_\_ \$[\_\_\_\_\_]

STATED	DATE OF	INTEREST		
MATURITY DATE	ORIGINAL ISSUE	RATE	CUSIP	ISIN
_____, 28__	March __, 2004	LIBOR + __%	_____	_____

REGISTERED HOLDER: CEDE & CO.

PRINCIPAL AMOUNT:

For Value Received, Northstar Education Finance, Inc., a Delaware nonstock nonprofit corporation (the “*Issuer*,” which term includes any successor under the Indenture hereinafter referred to), acknowledges itself indebted and hereby promises to pay to the registered holder specified above, or registered assigns (the “*Registered Holder*”), but solely from the revenues and receipts hereinafter specified and not otherwise, the Principal Amount specified above on the Stated Maturity Date specified above (subject to the right of prior redemption hereinafter mentioned), upon presentation and surrender of this Note at the Principal Office of the Trustee (as hereinafter defined), as Paying Agent for the LIBOR Rate Notes (as hereinafter defined), or a duly appointed successor Paying Agent, and to pay interest on said Principal Amount, but solely from the revenues and receipts hereinafter specified and not otherwise, to the Registered Holder hereof from the date hereof until the payment of said Principal Amount has been made or duly provided for, payable on each Quarterly Distribution Date (as hereinafter defined) and at Maturity, at the Applicable Interest Rate (as hereinafter described), and at the same rate per annum (to the extent that the payment of such interest shall be legally enforceable) on overdue installments of interest. Payment of interest on this Note on each Quarterly Distribution Date shall be made by check or draft drawn upon the Paying Agent and mailed to the person who is the Registered Holder hereof as of 5:00 p.m. on the applicable Regular Record Date at the

address of such Registered Holder as it appears on the Note Register maintained by the Note Registrar, or, if the Registered Holder of this Note is the Registered Holder of LIBOR Rate Notes in the aggregate principal amount of \$1,000,000 or more (or, if less than \$1,000,000 in Principal Amount of LIBOR Rate Notes is outstanding, the Holder of all outstanding LIBOR Rate Notes), at the direction of such Registered Holder received by the Paying Agent by 5:00 p.m. on the last Business Day preceding the applicable Regular Record Date, by electronic transfer by the Paying Agent in immediately available funds to an account designated by such Registered Holder. In addition, interest on this Note is payable at the Maturity hereof in the same manner as the principal hereof, unless the date of such Maturity is a Quarterly Distribution Date, in which event interest is payable in the manner set forth in the preceding sentence. Interest accrued but not paid on any Quarterly Distribution Date will be due on the next Quarterly Distribution Date together with an amount equal to interest on the unpaid amount at the applicable rate on this Note. The principal of, premium, if any, and interest on this Note are payable in lawful money of the United States of America.

This Note is one of an authorized series of Senior Notes (collectively referred to herein as the "*LIBOR Rate Notes*") issued by the Issuer pursuant to an Indenture of Trust, dated as of November 1, 2000 (as supplemented and amended previously and as supplemented and amended by the Sixth Supplemental Indenture of Trust, dated as of March 1, 2004 (the "*Sixth Supplemental Indenture*"), and as may be further supplemented and amended, the "*Indenture*"), from the Issuer and U.S. Bank National Association (successor to Firststar Bank National Association), as eligible lender trustee, to U.S. Bank National Association (successor to Firststar Bank National Association), as trustee (the "*Trustee*," which term includes any successor trustee under the Indenture).

Reference is hereby made to the Indenture, copies of which are on file in the Principal Office of the Trustee, and to all of the provisions of which any Registered Holder of this Note by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the security for the Notes and Other Obligations secured thereunder; the student loan acquisition program being financed by the issuance of the Notes; the revenues and other moneys pledged to the payment of the principal of and premium, if any, and interest on the Notes and the Other Obligations; the nature and extent and manner of enforcement of the pledge; the conditions upon which Notes may be issued or Other Obligations may be incurred by the Issuer thereunder, payable from such revenues and other moneys thereunder as Senior Obligations or Subordinate Obligations; the conditions upon which the Indenture may be amended or supplemented with or without the consent of the Holders of the Notes; the rights and remedies of the Registered Holder hereof with respect hereto and thereto, including the limitations upon the right of a Registered Holder hereof to institute any suit, action or proceeding in equity or at law with respect hereto and thereto; the rights, duties and obligations of the Issuer and the Trustee thereunder; the terms and provisions upon which the liens, pledges, charges, trusts and covenants made therein may be discharged at or prior to the maturity or redemption of this Note, and this Note thereafter no longer be secured by the Indenture, or be deemed to be Outstanding thereunder; and for the other terms and provisions thereof. Terms used with initial capital letters but not defined in this Note have the respective meanings given such terms in the Indenture. The LIBOR Rate Notes are being issued as, and will constitute, Senior Notes under the Indenture.

The Notes and Other Obligations are limited obligations of the Issuer, payable solely from the Trust Estate created under the Indenture, consisting of certain revenues and Funds and Accounts pledged under the Indenture including, but not limited to, payments of principal and interest made by obligors of Financed Student Loans and available Note proceeds.

Interest payable on this Note shall be computed on the basis of a 360-day year for the number of days actually elapsed, and is payable on the 28th day of each January, April, July and October, commencing July 28, 2004 (each a "*Quarterly Distribution Date*") prior to the Maturity hereof and at the Maturity hereof. The interest payable on each Interest Payment Date for this Note shall be that interest which has accrued through the last day of the last complete Interest Period immediately preceding the Quarterly Distribution Date or, in the case of the Maturity hereof, the last day preceding the date of such Maturity. The Applicable Interest Rate shall be effective as of and on the first day (whether or not a Business Day) of the applicable Interest Period and be in effect thereafter through the end of such Interest Period.

The unpaid principal amount hereof from time to time outstanding shall bear interest at an Applicable Interest Rate, payable on each Quarterly Distribution Date and at the Maturity hereof such interest to accrue from the later of the date hereof or the date through which interest has been paid or duly provided for.

The Interest Period, the Applicable Interest Rate, the method of determining the Applicable Interest Rate on each of the LIBOR Rate Notes and the redemption provisions of the LIBOR Rate Notes will be determined in accordance with the terms, conditions and provisions of the Sixth Supplemental Indenture, to which terms, conditions and provisions specific reference is hereby made, and all of which terms, conditions and provisions are hereby specifically incorporated herein by reference.

The determination of the Applicable Interest Rate by the Trustee or any other authorized Person pursuant to the provisions of the Sixth Supplemental Indenture shall be conclusive and binding on the Holders of the LIBOR Rate Notes to which such Applicable Interest Rate applies.

Notwithstanding any provision of this Note to the contrary, in no event shall the cumulative amount of interest paid or payable on this Note (including interest calculated as provided herein, plus any other amounts that constitute interest on this Note under applicable law, which are contracted for, charged, reserved, taken or received pursuant to this Note or related documents) calculated from the date of issuance of this Note through any subsequent day during the term of this Note or otherwise prior to payment in full of this Note exceed the amount permitted by applicable law. If the applicable law is ever judicially interpreted so as to render usurious any amount called for under this Note or related documents or otherwise contracted for, charged, reserved, taken or received in connection with this Note, or if the redemption or acceleration of the Maturity of this Note results in payment to or receipt by the Registered Holder or any former Registered Holder hereof of any interest in excess of that permitted by applicable law, then notwithstanding any provision of this Note or related documents to the contrary all excess amounts theretofore paid or received with respect to this Note shall be credited on the principal balance of this Note (or, if this Note has been paid or would thereby be paid in full, refunded by the recipient thereof), and the provisions of this Note and related

documents shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for under this Note and under the related documents.

The LIBOR Rate Notes are subject to optional redemption and scheduled principal payments as provided in the Sixth Supplemental Indenture.

If provision is made for the payment of principal of and interest on this Note in accordance with the Indenture, this Note shall no longer be deemed Outstanding under the Indenture, shall cease to be entitled to the benefits of the Indenture and shall thereafter be payable solely from the funds provided for such payment.

If an Event of Default shall occur, the principal of all the Outstanding Notes may and, under certain circumstances, shall be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Issuer and the rights of the Holders of the Notes and Other Beneficiaries under the Indenture at any time by the Issuer with, among other things, the consent of the Holders of two-thirds of the aggregate principal amount of Senior Notes at the time Outstanding, if affected thereby, and with the consent of the Holders of two-thirds of the aggregate principal amount of Subordinate Notes at the time Outstanding, if affected thereby. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Senior Notes at the time Outstanding or Other Senior Beneficiaries or, if no Senior Obligations are Outstanding, the Holders of specified percentages in aggregate principal amount of the Subordinate Notes at the time Outstanding or Other Subordinate Beneficiaries, on behalf of the Holders of all the Notes, to waive certain past defaults under the Indenture and their consequences. Any such consent or waiver shall be conclusive and binding upon the Registered Holder of this Note and upon all future Registered Holders hereof and of any Note issued in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

The Issuer may require payment by the Registered Holder hereof of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of this Note, other than certain exchanges specifically exempted under the Indenture and not involving any transfer.

The Issuer, the Trustee, each Paying Agent, any Authenticating Agent, the Note Registrar and any other agent of the Issuer may treat the Person in whose name this Note is registered on the Note Register as the absolute owner hereof for all purposes, whether or not this Note is overdue, and neither the Issuer, the Trustee, any Paying Agent, any Authenticating Agent, the Note Registrar nor any other such agent shall be affected by notice to the contrary.

It Is Hereby Certified, Recited, Covenanted and Declared that all acts, conditions and things required to have happened, to exist and to have been performed precedent to and in the

issuance of this Note have happened, do exist, and have been performed in regular and due time, form and manner as so required.

This Note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been signed by the Trustee or by the Authenticating Agent by the manual signature of one of its authorized representatives.

[EXECUTION PAGE FOLLOWS]

IN WITNESS WHEREOF, the Issuer has caused this Note to be executed in its name by the manual signature of its [\_\_\_\_\_].

Dated: \_\_\_\_\_

NORTHSTAR EDUCATION FINANCE, INC.

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

[CERTIFICATE OF AUTHENTICATION FOLLOWS]

CERTIFICATE OF AUTHENTICATION

This Note is one of the LIBOR Rate Notes of the series designated therein and issued under the provisions of the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

[FORM OF ASSIGNMENT FOLLOWS]

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ASSIGNMENT

For Value Received the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Note and irrevocably appoints \_\_\_\_\_, attorney-in-fact, to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

PLEASE INSERT SOCIAL SECURITY OR  
OTHER IDENTIFYING NUMBER OF ASSIGNEE:

\_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Note in every particular, without any alteration whatsoever.

SIGNATURE GUARANTEED:

\_\_\_\_\_



**EXHIBIT B**

**FORM OF AUCTION RATE NOTES**

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

\_\_\_\_\_  
STUDENT LOAN ASSET-BACKED NOTE  
SENIOR SERIES 2004-1A-\_\_\_\_

No. R-\_\_\_\_ \$[\_\_\_\_\_]

STATED MATURITY DATE	DATE OF ORIGINAL ISSUE	INTEREST RATE	CUSIP
December 1, 2044	March __, 2004	Auction Rate	_____

REGISTERED HOLDER: CEDE & Co.

PRINCIPAL AMOUNT:

For Value Received, Northstar Education Finance, Inc., a Delaware nonstock nonprofit corporation (the “*Issuer*,” which term includes any successor under the Indenture hereinafter referred to), acknowledges itself indebted and hereby promises to pay to the registered holder specified above, or registered assigns (the “*Registered Holder*”), but solely from the revenues and receipts hereinafter specified and not otherwise, the Principal Amount specified above on the Stated Maturity Date specified above (subject to the right of prior redemption hereinafter mentioned), upon presentation and surrender of this Note at the Principal Office of the Trustee (as hereinafter defined), as Paying Agent for the Auction Rate Notes (as hereinafter defined), or a duly appointed successor Paying Agent, and to pay interest on said Principal Amount, but solely from the revenues and receipts hereinafter specified and not otherwise, to the Registered Holder hereof from the date hereof until the payment of said Principal Amount has been made or duly provided for, payable on each Interest Payment Date and at Maturity, at the Applicable Interest Rate (as hereinafter described), and at the same rate per annum (to the extent that the payment of such interest shall be legally enforceable) on overdue installments of interest. Payment of interest on this Note on each regularly scheduled Interest Payment Date shall be made by check or draft drawn upon the Paying Agent and mailed to the person who is the Registered Holder hereof as of 5:00 p.m. on the applicable Regular Record Date at the address of such Registered Holder as it appears on the Note Register maintained by the Note Registrar, or,

if the Registered Holder of this Note is the Registered Holder of Auction Rate Notes in the aggregate principal amount of \$1,000,000 or more (or, if less than \$1,000,000 in Principal Amount of Auction Rate Notes is outstanding, the Holder of all outstanding Auction Rate Notes), at the direction of such Registered Holder received by the Paying Agent by 5:00 p.m. on the last Business Day preceding the applicable Regular Record Date, by electronic transfer by the Paying Agent in immediately available funds to an account designated by such Registered Holder. In addition, interest on this Note is payable at the Maturity hereof in the same manner as the principal hereof, unless the date of such Maturity is a regularly scheduled Interest Payment Date, in which event interest is payable in the manner set forth in the preceding sentence. Interest accrued but not paid on any Interest Payment Date will be paid on the next Interest Payment Date together with an amount equal to interest on the unpaid amount of the applicable rate on this Note. The principal of, premium, if any, and interest on this Note are payable in lawful money of the United States of America.

This Note is one of an authorized series of Senior Notes (collectively referred to herein as the "*Auction Rate Notes*"), issued by the Issuer pursuant to an Indenture of Trust, dated as of November 1, 2000 (as supplemented and amended previously and as supplemented and amended by the Sixth Supplemental Indenture of Trust, dated as of March 1, 2004 (the "*Sixth Supplemental Indenture*"), and as may be further supplemented and amended, the "*Indenture*"), from the Issuer and U.S. Bank National Association (successor to Firststar Bank, National Association), as eligible lender trustee, to U.S. Bank National Association (successor to Firststar Bank, National Association), as trustee (the "*Trustee*," which term includes any successor trustee under the Indenture).

Reference is hereby made to the Indenture, copies of which are on file in the Principal Office of the Trustee, and to all of the provisions of which any Registered Holder of this Note by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the security for the Notes and Other Obligations secured thereunder; the student loan acquisition program being financed by the issuance of the Notes; the revenues and other moneys pledged to the payment of the principal of and premium, if any, and interest on the Notes and the Other Obligations; the nature and extent and manner of enforcement of the pledge; the conditions upon which Notes may be issued or Other Obligations may be incurred by the Issuer thereunder, payable from such revenues and other moneys thereunder as Senior Obligations or Subordinate Obligations; the conditions upon which the Indenture may be amended or supplemented with or without the consent of the Holders of the Notes; the rights and remedies of the Registered Holder hereof with respect hereto and thereto, including the limitations upon the right of a Registered Holder hereof to institute any suit, action or proceeding in equity or at law with respect hereto and thereto; the rights, duties and obligations of the Issuer and the Trustee thereunder; the terms and provisions upon which the liens, pledges, charges, trusts and covenants made therein may be discharged at or prior to the maturity or redemption of this Note, and this Note thereafter no longer be secured by the Indenture, or be deemed to be Outstanding thereunder; and for the other terms and provisions thereof. Terms used with initial capital letters but not defined in this Note have the respective meanings given such terms in the Indenture. The Auction Rate Notes are being issued as, and will constitute, Senior Notes under the Indenture.

The Notes and Other Obligations are limited obligations of the Issuer, payable solely from the Trust Estate created under the Indenture, consisting of certain revenues and Funds and Accounts pledged under the Indenture including, but not limited to, payments of principal and interest made by obligors of Financed Student Loans and available Note proceeds.

Interest payable on this Note shall be computed on the basis of a 360-day year for the number of days actually elapsed and accrue daily from the date hereof, and is payable on each regularly scheduled Interest Payment Date prior to the Maturity hereof and at the Maturity hereof. The interest payable on each Interest Payment Date for this Note shall be that interest which has accrued through the last day of the last complete Interest Period immediately preceding the Interest Payment Date or, in the case of the Maturity hereof, to and including the date of such Maturity. The Applicable Interest Rate shall be effective as of and on the first day (whether or not a Business Day) of the applicable Interest Period and be in effect thereafter through the end of such Interest Period.

The unpaid principal amount hereof from time to time outstanding shall bear interest at an Applicable Interest Rate, as described below, payable on each Interest Payment Date and at the Maturity hereof such interest to accrue from the later of the date hereof or the date through which interest has been paid or duly provided for.

During the Initial Interest Period, this Note shall bear interest at the Initial Interest Rate for the Series 2004-1A-\_\_\_ Notes. Thereafter until an Auction Period Adjustment, if any, this Note shall bear interest at an Applicable Interest Rate based on an Auction Period that shall initially consist of \_\_\_ days, as determined pursuant to the Sixth Supplemental Indenture.

The Applicable Interest Rate to be borne by this Note after the Initial Interest Period for each Auction Period until an Auction Period Adjustment, if any, shall be the least of (i) the Maximum Auction Rate in effect for such Auction Period, (ii) the Auction Rate determined in accordance with the applicable provisions of the Sixth Supplemental Indenture, (iii) the lesser of 18% per annum or the maximum rate permitted by law, (iv) the sum of One-Month LIBOR and 1.0% and (v) during the occurrence of a Net Loan Rate Restriction Period, the Net Loan Rate.

The Interest Period, the Applicable Interest Rate, the method of determining the Applicable Interest Rate on each of the Series 2004-1A-\_\_\_ Notes and the Auction Procedures related thereto, including, without limitation, required notices thereof to the Holders or Existing Holders of the Series 2004-1A-\_\_\_ Notes, an Auction Period Adjustment, a change in the Auction Date and the Interest Payment Dates will be determined in accordance with the terms, conditions and provisions of the Sixth Supplemental Indenture and the Auction Agent Agreement, to which terms, conditions and provisions specific reference is hereby made, and all of which terms, conditions and provisions are hereby specifically incorporated herein by reference.

If the Maximum Rate for a series of Auction Rate Notes is less than the Auction Rate, then the Applicable Interest Rate with respect to such series for the related Interest Period will be the Maximum Rate. If the Applicable Interest Rate with respect to the Series 2004-1A-\_\_\_ Notes for any Interest Period is the Maximum Rate, the Trustee shall determine the Carry-Over

Amount, if any, with respect to the Series 2004-1A-\_\_\_ Notes for such Interest Period. Such Carry-Over Amount shall bear interest calculated at a rate equal to One-Month LIBOR from the Interest Payment Date for the Interest Period with respect to which such Carry-Over Amount was calculated until paid. For purposes of this Note, any reference to “principal” or “interest” herein shall not include within the meaning of such words Carry-Over Amount or any interest accrued on any such Carry-Over Amount. Such Carry-Over Amount shall be separately calculated for each Series 2004-1A-\_\_\_ Note by the Trustee during such Interest Period in sufficient time for the Trustee to give notice to each Holder of such Carry-Over Amount as required in the next succeeding paragraph.

The Carry-Over Amount for the Series 2004-1A-\_\_\_ Notes shall be paid by the Trustee on Outstanding Series 2004-1A-\_\_\_ Notes on the first occurring Interest Payment Date for a subsequent Interest Period if and to the extent that (i) the Eligible Carry-Over Make-Up Amount with respect to such Interest Period is greater than zero, and (ii) moneys in the Collection Fund are available on the Monthly Calculation Date immediately preceding the month in which such Interest Payment Date occurs for transfer to the Interest Account for such purpose in accordance with the applicable provisions of the Indenture, after taking into account all other amounts payable from the Collection Fund on such Monthly Calculation Date. Any Carry-Over Amount (and any interest accrued thereon) with respect to a Series 2004-1A-\_\_\_ Note which is unpaid as of the Maturity of such Series 2004-1A-\_\_\_ Note shall be paid to the Holder thereof on the date of such Maturity to the extent that moneys are available therefor in accordance with the provisions of the preceding clause (ii); *provided, however*, that any Carry-Over Amount (and any interest accrued thereon) which is not so paid on the date of such Maturity shall be canceled with respect to such Series 2004-1A-\_\_\_ Note on the date of such Maturity and shall not be paid on any succeeding Interest Payment Date. To the extent that any portion of the Carry-Over Amount (and any interest accrued thereon) remains unpaid after payment of a portion thereof, such unpaid portion shall be paid in whole or in part as required hereunder until fully paid by the Trustee on the next occurring Interest Payment Date or Dates, as necessary, for a subsequent Interest Period or Periods, if and to the extent that the conditions in the first sentence of this paragraph are satisfied. On any Interest Payment Date on which the Trustee pays less than all of the Carry-Over Amount (and any interest accrued thereon) with respect to a Series 2004-1A-\_\_\_ Note, the Trustee shall give written notice in the manner set forth in the Sixth Supplemental Indenture to the Holder of such Series 2004-1A-\_\_\_ Note of the Carry-Over Amount remaining unpaid on such Series 2004-1A-\_\_\_ Note.

The Interest Payment Date on which such Carry-Over Amount for the Series 2004-1A-\_\_\_ Notes shall be paid shall be determined by the Trustee in accordance with the provisions of the immediately preceding paragraph, and the Trustee shall make payment of the Carry-Over Amount (and any interest accrued thereon) in the same manner as it pays interest on the Series 2004-1A-\_\_\_ Notes on an Interest Payment Date.

By purchasing Auction Rate Notes, whether in an Auction or otherwise, each purchaser of the Auction Rate Notes, or its Broker-Dealer, must agree and shall be deemed by such purchase to have agreed (i) to participate in Auctions on the terms described in the Sixth Supplemental Indenture, (ii) to have its beneficial ownership of the Auction Rate Notes maintained at all times in Book-Entry Form for the account of its Participant, which in turn will

maintain records of such beneficial ownership, and (iii) to authorize such Participant to disclose to the Auction Agent such information with respect to such beneficial ownership as the Auction Agent may request. So long as the ownership of Auction Rate Notes is maintained in Book-Entry Form by the Securities Depository, an Existing Holder may sell, transfer or otherwise dispose of Auction Rate Notes only pursuant to a Bid or Sell Order placed in an Auction or otherwise sell, transfer or dispose of Auction Rate Notes through a Broker-Dealer, *provided* that, in the case of all transfers other than pursuant to Auctions, such Existing Holder, its Broker-Dealer or its Participant advises the Auction Agent of such transfer.

The determination of the Applicable Interest Rate by the Auction Agent or any other authorized Person pursuant to the provisions of the Sixth Supplemental Indenture shall be conclusive and binding on the Holders of the Auction Rate Notes to which such Applicable Interest Rate applies, and the Issuer and the Trustee may rely thereon for all purposes.

Notwithstanding any provision of this Note to the contrary, in no event shall the cumulative amount of interest paid or payable on this Note (including interest calculated as provided herein, plus any other amounts that constitute interest on this Note under applicable law, which are contracted for, charged, reserved, taken or received pursuant to this Note or related documents) calculated from the date of issuance of this Note through any subsequent day during the term of this Note or otherwise prior to payment in full of this Note exceed the amount permitted by applicable law. If the applicable law is ever judicially interpreted so as to render usurious any amount called for under this Note or related documents or otherwise contracted for, charged, reserved, taken or received in connection with this Note, or if the redemption or acceleration of the Maturity of this Note results in payment to or receipt by the Registered Holder or any former Registered Holder hereof of any interest in excess of that permitted by applicable law, then notwithstanding any provision of this Note or related documents to the contrary all excess amounts theretofore paid or received with respect to this Note shall be credited on the principal balance of this Note (or, if this Note has been paid or would thereby be paid in full, refunded by the recipient thereof), and the provisions of this Note and related documents shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for under this Note and under the related documents.

Subject to compliance with the provisions of the Indenture relating to certain asset requirements, Outstanding Auction Rate Notes of any series shall be redeemed, in part, on the first regularly scheduled Interest Payment Date for such series for which notice can be given in accordance with the requirements of the Sixth Supplemental Indenture, at a redemption price equal to 100% of the principal amount of Auction Rate Notes of such series so redeemed, from revenues deposited in the Collection Fund in excess of amounts necessary to pay or provide for the payment of certain program operating expenses, interest on the Notes and certain other obligations payable from the Debt Service Fund.

Subject to compliance with the provisions of the Indenture relating to certain asset requirements and certain other requirements, Outstanding Auction Rate Notes may, at the option

of the Issuer, be redeemed on any regularly scheduled Interest Payment Date, in whole or in part, at a redemption price equal to 100% of the principal amount thereof to be redeemed.

If not all Auction Rate Notes are to be redeemed, the particular Auction Rate Notes to be redeemed are to be selected as provided in the Indenture and the Sixth Supplemental Indenture.

Notice of redemption shall be given by first-class mail mailed not less than 10 days before the redemption date to each Holder of Auction Rate Notes to be redeemed at his last address appearing on the Note Register; but no defect in or failure to give such notice of redemption shall affect the validity of proceedings for redemption of any Note not affected by such defect or failure. All Auction Rate Notes so called for redemption will cease to bear interest on such Redemption Date, provided funds for their redemption have been duly deposited, and, except for the purpose of payment, shall no longer be protected by the Indenture and shall not be deemed Outstanding thereunder.

It is provided in the Sixth Supplemental Indenture that Auction Rate Notes of a denomination larger than \$50,000 may be redeemed in part (\$50,000 or a multiple thereof) and that upon any partial redemption of any such Auction Rate Note the same shall be surrendered in exchange for one or more new Auction Rate Notes of the same series in authorized form for the unredeemed portion of principal.

If provision is made for the payment of principal of and premium, if any, and interest on this Note in accordance with the Indenture, this Note shall no longer be deemed Outstanding under the Indenture, shall cease to be entitled to the benefits of the Indenture and shall thereafter be payable solely from the funds provided for such payment.

If an Event of Default shall occur, the principal of all the Outstanding Notes may and, under certain circumstances, shall be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Issuer and the rights of the Holders of the Notes and Other Beneficiaries under the Indenture at any time by the Issuer with, among other things, the consent of the Holders of two-thirds of the aggregate principal amount of Senior Notes at the time Outstanding, if affected thereby, and with the consent of the Holders of two-thirds of the aggregate principal amount of Subordinate Notes at the time Outstanding, if affected thereby. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Senior Notes at the time Outstanding or Other Senior Beneficiaries or, if no Senior Obligations are Outstanding, the Holders of specified percentages in aggregate principal amount of the Subordinate Notes at the time Outstanding or Other Subordinate Beneficiaries, on behalf of the Holders of all the Notes, to waive certain past defaults under the Indenture and their consequences. Any such consent or waiver shall be conclusive and binding upon the Registered Holder of this Note and upon all future Registered Holders hereof and of any Note issued in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

This Note is transferable by the Registered Holder hereof upon surrender of this Note for transfer at the Principal Office of the Note Registrar (which shall be the Trustee unless and until an Authenticating Agent becomes the Note Registrar under the Indenture) or at the Principal Office of a duly appointed Authenticating Agent (the "Authenticating Agent," which term includes any successor Authenticating Agent under the Indenture), duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Note Registrar or the Authenticating Agent, as the case may be, and executed by the Registered Holder hereof or his attorney duly authorized in writing, with signature guarantees satisfactory to the Note Registrar or the Authenticating Agent, as the case may be. Thereupon the Issuer shall execute and the Trustee or the Authenticating Agent, as the case may be, shall authenticate and deliver, in exchange for this Note, one or more new fully registered Notes in the name of the transferee, of an authorized denomination, in aggregate principal amount equal to the principal amount of this Note, of the same series and bearing interest at the same rate. This Note may also be exchanged for one or more other Notes of the same series upon surrender hereof at the Principal Office of the Note Registrar or the Principal Office of an Authenticating Agent. No Authenticating Agent will be initially appointed with respect to the Series 2004-1 Notes. Notwithstanding the foregoing provisions of this paragraph, no Series 2004-1A-\_\_\_ Note shall be required to be transferred, (i) during a period beginning at the opening of business fifteen days before any selection of Series 2004-1A-\_\_\_ Notes for redemption and ending at the close of business on the day of such selection, or (ii) if such Series 2004-1A-\_\_\_ Note has been selected for redemption in whole or in part.

The Issuer may require payment by the Registered Holder hereof of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of this Note, other than certain exchanges specifically exempted under the Indenture and not involving any transfer.

The Issuer, the Trustee, each Paying Agent, any Authenticating Agent, the Note Registrar and any other agent of the Issuer may treat the Person in whose name this Note is registered on the Note Register as the absolute owner hereof for all purposes, whether or not this Note is overdue, and neither the Issuer, the Trustee, any Paying Agent, any Authenticating Agent, the Note Registrar nor any other such agent shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND DECLARED that all acts, conditions and things required to have happened, to exist and to have been performed precedent to and in the issuance of this Note have happened, do exist, and have been performed in regular and due time, form and manner as so required.

This Note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been signed by the Trustee or by the Authenticating Agent by the manual signature of one of its authorized representatives.

[EXECUTION PAGE FOLLOWS]

IN WITNESS WHEREOF, the Issuer has caused this Note to be executed in its name by the manual signature of its [\_\_\_\_\_].

Dated: \_\_\_\_\_

NORTHSTAR EDUCATION FINANCE, INC.

By \_\_\_\_\_  
Its: \_\_\_\_\_

[CERTIFICATE OF AUTHENTICATION FOLLOWS]



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CERTIFICATE OF AUTHENTICATION

This Note is one of the Auction Rate Notes of the series designated therein and issued under the provisions of the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

By \_\_\_\_\_  
Authorized Representative

[FORM OF ASSIGNMENT FOLLOWS]

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ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Note and irrevocably appoints \_\_\_\_\_, attorney-in-fact, to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

PLEASE INSERT SOCIAL SECURITY OR  
OTHER IDENTIFYING NUMBER OF ASSIGNEE:

\_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Note in every particular, without any alteration whatsoever.

SIGNATURE GUARANTEED:

\_\_\_\_\_

**EXHIBIT C**

**FORM OF SERIES 2004-1B NOTES**

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & Co., HAS AN INTEREST HEREIN.

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STUDENT LOAN ASSET-BACKED NOTE  
SUBORDINATE SERIES 2004-1B-1

No. R-\_\_\_\_\_ \$\_\_\_\_\_

STATED MATURITY DATE	DATE OF ORIGINAL ISSUE	INTEREST RATE	CUSIP
December 1, 2044	March __, 2004	Auction Rate	

REGISTERED HOLDER: CEDE & Co.

PRINCIPAL AMOUNT:

For Value Received, Northstar Education Finance, Inc., a Delaware nonstock nonprofit corporation (the “*Issuer*,” which term includes any successor under the Indenture hereinafter referred to), acknowledges itself indebted and hereby promises to pay to the registered holder specified above, or registered assigns (the “*Registered Holder*”), but solely from the revenues and receipts hereinafter specified and not otherwise, the Principal Amount specified above on the Stated Maturity Date specified above (subject to the right of prior redemption hereinafter mentioned), upon presentation and surrender of this Note at the Principal Office of the Trustee (as hereinafter defined), as Paying Agent for the Series 2004-1B Notes (as hereinafter defined), or a duly appointed successor Paying Agent, and to pay interest on said Principal Amount, but solely from the revenues and receipts hereinafter specified and not otherwise, to the Registered Holder hereof from the date hereof until the payment of said Principal Amount has been made or duly provided for, payable on each Interest Payment Date and at Maturity, at the Applicable Interest Rate (as hereinafter described), and at the same rate per annum (to the extent that the payment of such interest shall be legally enforceable) on overdue installments of interest. Payment of interest on this Note on each regularly scheduled Interest Payment Date shall be made by check or draft drawn upon the Paying Agent and mailed to the person who is the Registered Holder hereof as of 5:00 p.m. on the applicable Regular Record Date at the address of

such Registered Holder as it appears on the Note Register maintained by the Note Registrar, or, if the Registered Holder of this Note is the Registered Holder of Auction Rate Notes in the aggregate principal amount of \$1,000,000 or more (or, if less than \$1,000,000 in Principal Amount of Auction Rate Notes is outstanding, the Holder of all outstanding Auction Rate Notes), at the direction of such Registered Holder received by the Paying Agent by 5:00 p.m. on the last Business Day preceding the applicable Regular Record Date, by electronic transfer by the Paying Agent in immediately available funds to an account designated by such Registered Holder. In addition, interest on this Note is payable at the Maturity hereof in the same manner as the principal hereof, unless the date of such Maturity is a regularly scheduled Interest Payment Date, in which event interest is payable in the manner set forth in the preceding sentence. Interest accrued but not paid on any Interest Payment Date will be due on the next Interest Payment Date together with an amount equal to interest on the unpaid amount at the applicable rate on this Note. The principal of, premium, if any, and interest on this Note are payable in lawful money of the United States of America.

This Note is one of an authorized issue of Subordinate Notes (referred to herein as the "*Series 2004-1B Notes*"), issued and to be issued by issued by the Issuer pursuant to an Indenture of Trust, dated as of November 1, 2000 (as supplemented and amended previously and as supplemented and amended by the Sixth Supplemental Indenture of Trust, dated as of March 1, 2004 (the "*Sixth Supplemental Indenture*"), and as may be further supplemented and amended, the "*Indenture*"), from the Issuer and U.S. Bank National Association (successor to Firststar Bank National Association), as eligible lender trustee, to U.S. Bank National Association (successor to Firststar Bank National Association), as trustee (the "*Trustee*," which term includes any successor trustee under the Indenture).

Reference is hereby made to the Indenture, copies of which are on file in the Principal Office of the Trustee, and to all of the provisions of which any Registered Holder of this Note by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the security for the Notes and Other Obligations secured thereunder; the student loan acquisition program being financed by the issuance of the Notes; the revenues and other moneys pledged to the payment of the principal of and premium, if any, and interest on the Notes and the Other Obligations; the nature and extent and manner of enforcement of the pledge; the conditions upon which Notes may be issued or Other Obligations may be incurred by the Issuer thereunder, payable from such revenues and other moneys thereunder as Senior Obligations or Subordinate Obligations; the conditions upon which the Indenture may be amended or supplemented with or without the consent of the Holders of the Notes; the rights and remedies of the Registered Holder hereof with respect hereto and thereto, including the limitations upon the right of a Registered Holder hereof to institute any suit, action or proceeding in equity or at law with respect hereto and thereto; the rights, duties and obligations of the Issuer and the Trustee thereunder; the terms and provisions upon which the liens, pledges, charges, trusts and covenants made therein may be discharged at or prior to the maturity or redemption of this Note, and this Note thereafter no longer be secured by the Indenture, or be deemed to be Outstanding thereunder; and for the other terms and provisions thereof. Terms used with initial capital letters but not defined in this Note have the respective meanings given such terms in the Indenture.

The Notes and Other Obligations are limited obligations of the Issuer, payable solely from the Trust Estate created under the Indenture, consisting of certain revenues and Funds and Accounts pledged under the Indenture including, but not limited to, payments of principal and interest made by obligors of Financed Student Loans and available Note proceeds.

The Series 2004-1B Notes constitute Subordinate Notes under the Indenture which are subordinated in right of payment, the direction of remedies and certain other matters in accordance with the terms of the Indenture to the rights of the Holders of Senior Notes issued from time to time under the Indenture and Other Senior Beneficiaries thereunder (except termination payments due under swap agreements as a result of swap counterparty default). A failure to pay principal of and premium, if any, or interest on this Subordinate Note will not constitute an Event of Default under the Indenture if any Senior Obligation is Outstanding.

Interest payable on this Note shall be computed on the basis of a 360-day year for the number of days actually elapsed and accrue daily from the date hereof, and is payable on each regularly scheduled Interest Payment Date prior to the Maturity hereof and at the Maturity hereof. The interest payable on each Interest Payment Date for this Note shall be that interest which has accrued through the last day of the last complete Interest Period immediately preceding the Interest Payment Date or, in the case of the Maturity hereof, to and including the date of such Maturity. The Applicable Interest Rate shall be effective as of and on the first day (whether or not a Business Day) of the applicable Interest Period and be in effect thereafter through the end of such Interest Period.

The unpaid principal amount hereof from time to time outstanding shall bear interest at an Applicable Interest Rate, as described below, payable on each Interest Payment Date and at the Maturity hereof such interest to accrue from the later of the date hereof or the date through which interest has been paid or duly provided for.

During the Initial Interest Period, this Note shall bear interest at the Initial Interest Rate for the Series 2004-1B Notes. Thereafter until an Auction Period Adjustment, if any, this Note shall bear interest at an Applicable Interest Rate based on an Auction Period that shall initially consist of \_\_\_\_ days, as determined pursuant to the Sixth Supplemental Indenture.

The Applicable Interest Rate to be borne by this Note after the Initial Interest Period for each Auction Period until an Auction Period Adjustment, if any, shall be the least of (i) the Maximum Auction Rate in effect for such Auction Period, (ii) the Auction Rate determined in accordance with the applicable provisions of the Sixth Supplemental Indenture, (iii) the lesser of 18% per annum or the maximum rate permitted by law, (iv) the sum of One-Month LIBOR and 1.0% and (v) during the occurrence of a Net Loan Rate Restriction Period, the Net Loan Rate.

The Interest Period, the Applicable Interest Rate, the method of determining the Applicable Interest Rate on each of the Series 2004-1B Notes and the Auction Procedures related thereto, including, without limitation, required notices thereof to the Holders or Existing Holders of the Series 2004-1B Notes, an Auction Period Adjustment, a change in the Auction Date and the Interest Payment Dates will be determined in accordance with the terms, conditions and provisions of the Sixth Supplemental Indenture and the Auction Agent Agreement, to which

terms, conditions and provisions specific reference is hereby made, and all of which terms, conditions and provisions are hereby specifically incorporated herein by reference.

If the Maximum Rate for a series of Series 2004-1B Notes is less than the Auction Rate, then the Applicable Interest Rate applicable to such series for the related Interest Period will be the Maximum Rate. If the Applicable Interest Rate applicable to the Series 2004-1B Notes for any Interest Period is the Maximum Rate, the Trustee shall determine the Carry-Over Amount, if any, with respect to the Series 2004-1B Notes for such Interest Period. Such Carry-Over Amount shall bear interest calculated at a rate equal to One-Month LIBOR from the Interest Payment Date for the Interest Period with respect to which such Carry-Over Amount was calculated until paid. For purposes of this Note, any reference to “principal” or “interest” herein shall not include within the meaning of such words Carry-Over Amount or any interest accrued on any such Carry-Over Amount. Such Carry-Over Amount shall be separately calculated for each Series 2004-1B Note by the Trustee during such Interest Period in sufficient time for the Trustee to give notice to each Holder of such Carry-Over Amount as required in the next succeeding paragraph.

The Carry-Over Amount for the Series 2004-1B Notes shall be paid by the Trustee on Outstanding Series 2004-1B Notes on the first occurring Interest Payment Date for a subsequent Interest Period if and to the extent that (i) the Senior Asset Percentage would be at least 100% upon the application of such amounts, (ii) the Eligible Carry-Over Make-Up Amount with respect to such Interest Period is greater than zero, and (iii) moneys in the Collection Fund are available on the Monthly Calculation Date immediately preceding the month in which such Interest Payment Date occurs for transfer to the Interest Account for such purpose in accordance with the applicable provisions of the Indenture, after taking into account all other amounts payable from the Collection Fund on such Monthly Calculation Date. Any Carry-Over Amount (and any interest accrued thereon) with respect to a Series 2004-1B Note which is unpaid as of the Maturity of such Series 2004-1B Note shall be paid to the Holder thereof on the date of such Maturity to the extent that moneys are available therefor in accordance with the provisions of the preceding clause (ii); *provided, however*, that any Carry-Over Amount (and any interest accrued thereon) which is not so paid on the date of such Maturity shall be canceled with respect to such Series 2004-1B Note on the date of such Maturity and shall not be paid on any succeeding Interest Payment Date. To the extent that any portion of the Carry-Over Amount (and any interest accrued thereon) remains unpaid after payment of a portion thereof, such unpaid portion shall be paid in whole or in part as required hereunder until fully paid by the Trustee on the next occurring Interest Payment Date or Dates, as necessary, for a subsequent Interest Period or Periods, if and to the extent that the conditions in the first sentence of this paragraph are satisfied. On any Interest Payment Date on which the Trustee pays less than all of the Carry-Over Amount (and any interest accrued thereon) with respect to a Series 2004-1B Note, the Trustee shall give written notice in the manner set forth in the Sixth Supplemental Indenture to the Holder of such Series 2004-1B Note of the Carry-Over Amount remaining unpaid on such Series 2004-1B Note.

The Interest Payment Date on which such Carry-Over Amount for the Series 2004-1B Notes shall be paid shall be determined by the Trustee in accordance with the provisions of the immediately preceding paragraph, and the Trustee shall make payment of the Carry-Over

Amount (and any interest accrued thereon) in the same manner as it pays interest on the Series 2004-1B Notes on an Interest Payment Date.

By purchasing Series 2004-1B Notes, whether in an Auction or otherwise, each purchaser of the Series 2004-1B Notes, or its Broker-Dealer, must agree and shall be deemed by such purchase to have agreed (i) to participate in Auctions on the terms described in the Sixth Supplemental Indenture, (ii) to have its beneficial ownership of the Series 2004-1B Notes maintained at all times in Book-Entry Form for the account of its Participant, which in turn will maintain records of such beneficial ownership, and (iii) to authorize such Participant to disclose to the Auction Agent such information with respect to such beneficial ownership as the Auction Agent may request. So long as the ownership of Series 2004-1B Notes is maintained in Book-Entry Form by the Securities Depository, an Existing Holder may sell, transfer or otherwise dispose of Series 2004-1B Notes only pursuant to a Bid or Sell Order placed in an Auction or otherwise sell, transfer or dispose of Series 2004-1B Notes through a Broker-Dealer, *provided* that, in the case of all transfers other than pursuant to Auctions, such Existing Holder, its Broker-Dealer or its Participant advises the Auction Agent of such transfer.

The determination of the Applicable Interest Rate by the Auction Agent or any other authorized Person pursuant to the provisions of the Sixth Supplemental Indenture shall be conclusive and binding on the Holders of the Series 2004-1B Notes to which such Applicable Interest Rate applies, and the Issuer and the Trustee may rely thereon for all purposes.

Notwithstanding any provision of this Note to the contrary, in no event shall the cumulative amount of interest paid or payable on this Note (including interest calculated as provided herein, plus any other amounts that constitute interest on this Note under applicable law, which are contracted for, charged, reserved, taken or received pursuant to this Note or related documents) calculated from the date of issuance of this Note through any subsequent day during the term of this Note or otherwise prior to payment in full of this Note exceed the amount permitted by applicable law. If the applicable law is ever judicially interpreted so as to render usurious any amount called for under this Note or related documents or otherwise contracted for, charged, reserved, taken or received in connection with this Note, or if the redemption or acceleration of the Maturity of this Note results in payment to or receipt by the Registered Holder or any former Registered Holder hereof of any interest in excess of that permitted by applicable law, then notwithstanding any provision of this Note or related documents to the contrary all excess amounts theretofore paid or received with respect to this Note shall be credited on the principal balance of this Note (or, if this Note has been paid or would thereby be paid in full, refunded by the recipient thereof), and the provisions of this Note and related documents shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for under this Note and under the related documents.

Subject to compliance with the provisions of the Indenture relating to certain asset requirements, Outstanding Series 2004-1B Notes shall be redeemed, in part, on the first regularly scheduled Interest Payment Date for such series for which notice can be given in accordance with the requirements of the Sixth Supplemental Indenture, at a redemption price equal to 100%

of the principal amount of Series 2004-1B Notes so redeemed, from revenues deposited in the Collection Fund in excess of amounts necessary to pay or provide for the payment of certain program operating expenses, interest on the Notes and certain other obligations payable from the Debt Service Fund.

Subject to compliance with the provisions of the Indenture relating to certain asset requirements and certain other requirements, Outstanding Series 2004-1B Notes may, at the option of the Issuer, be redeemed on any regularly scheduled Interest Payment Date, in whole or in part, at a redemption price equal to 100% of the principal amount thereof to be redeemed.

If not all Series 2004-1B Notes are to be redeemed, the particular Series 2004-1B Notes to be redeemed are to be selected as provided in the Indenture and the Sixth Supplemental Indenture.

Notice of redemption shall be given by first-class mail mailed not less than 10 days before the redemption date to each Holder of Series 2004-1B Notes to be redeemed at his last address appearing on the Note Register; but no defect in or failure to give such notice of redemption shall affect the validity of proceedings for redemption of any Note not affected by such defect or failure. All Series 2004-1B Notes so called for redemption will cease to bear interest on such Redemption Date, provided funds for their redemption have been duly deposited, and, except for the purpose of payment, shall no longer be protected by the Indenture and shall not be deemed Outstanding thereunder.

It is provided in the Sixth Supplemental Indenture that Series 2004-1B Notes of a denomination larger than \$50,000 may be redeemed in part (\$50,000 or a multiple thereof) and that upon any partial redemption of any such Series 2004-1B Note the same shall be surrendered in exchange for one or more new Series 2004-1B Notes in authorized form for the unredeemed portion of principal.

If provision is made for the payment of principal of and premium, if any, and interest on this Note in accordance with the Indenture, this Note shall no longer be deemed Outstanding under the Indenture, shall cease to be entitled to the benefits of the Indenture and shall thereafter be payable solely from the funds provided for such payment.

If an Event of Default shall occur, the principal of all the Outstanding Notes may and, under certain circumstances, shall be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Issuer and the rights of the Holders of the Notes and Other Beneficiaries under the Indenture at any time by the Issuer with, among other things, the consent of the Holders of two-thirds of the aggregate principal amount of Senior Notes at the time Outstanding, if affected thereby, and with the consent of the Holders of two-thirds of the aggregate principal amount of Subordinate Notes at the time Outstanding, if affected thereby. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Senior Notes at the time Outstanding or Other



Senior Beneficiaries or, if no Senior Obligations are Outstanding, the Holders of specified percentages in aggregate principal amount of the Subordinate Notes at the time Outstanding or Other Subordinate Beneficiaries, on behalf of the Holders of all the Notes, to waive certain past defaults under the Indenture and their consequences. Any such consent or waiver shall be conclusive and binding upon the Registered Holder of this Note and upon all future Registered Holders hereof and of any Note issued in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

This Note is transferable by the Registered Holder hereof upon surrender of this Note for transfer at the Principal Office of the Note Registrar (which shall be the Trustee unless and until an Authenticating Agent becomes the Note Registrar under the Indenture) or at the Principal Office of a duly appointed Authenticating Agent (the "*Authenticating Agent*," which term includes any successor Authenticating Agent under the Indenture), duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Note Registrar or the Authenticating Agent, as the case may be, and executed by the Registered Holder hereof or his attorney duly authorized in writing, with signature guarantees satisfactory to the Note Registrar or the Authenticating Agent, as the case may be. Thereupon the Issuer shall execute and the Trustee or the Authenticating Agent, as the case may be, shall authenticate and deliver, in exchange for this Note, one or more new fully registered Notes in the name of the transferee, of an authorized denomination, in aggregate principal amount equal to the principal amount of this Note, of the same series and bearing interest at the same rate. This Note may also be exchanged for one or more other Notes of the same series upon surrender hereof at the Principal Office of the Note Registrar or the Principal Office of an Authenticating Agent. No Authenticating Agent will be initially appointed with respect to the Series 2004-1B Notes. Notwithstanding the foregoing provisions of this paragraph, no Series 2004-1B Note shall be required to be transferred, (i) during a period beginning at the opening of business fifteen days before any selection of Series 2004-1B Notes for redemption and ending at the close of business on the day of such selection, or (ii) if such Series 2004-1B Note has been selected for redemption in whole or in part.

The Issuer may require payment by the Registered Holder hereof of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of this Note, other than certain exchanges specifically exempted under the Indenture and not involving any transfer.

The Issuer, the Trustee, each Paying Agent, any Authenticating Agent, the Note Registrar and any other agent of the Issuer may treat the Person in whose name this Note is registered on the Note Register as the absolute owner hereof for all purposes, whether or not this Note is overdue, and neither the Issuer, the Trustee, any Paying Agent, any Authenticating Agent, the Note Registrar nor any other such agent shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND DECLARED that all acts, conditions and things required to have happened, to exist and to have been performed precedent to and in the issuance of this Note have happened, do exist, and have been performed in regular and due time, form and manner as so required.

This Note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been signed by the Trustee or by the Authenticating Agent by the manual signature of one of its authorized representatives.

[EXECUTION PAGE FOLLOWS]

IN WITNESS WHEREOF, the Issuer has caused this Note to be executed in its name by the manual signature of its [\_\_\_\_\_].

Dated: \_\_\_\_\_

NORTHSTAR EDUCATION FINANCE, INC.

By \_\_\_\_\_  
Title: \_\_\_\_\_

[CERTIFICATE OF AUTHENTICATION FOLLOWS]

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CERTIFICATE OF AUTHENTICATION

This Note is one of the Series 2004-1B Notes of the series designated therein and issued under the provisions of the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By \_\_\_\_\_  
Authorized Representative

[FORM OF ASSIGNMENT FOLLOWS]

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ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Note and irrevocably appoints \_\_\_\_\_, attorney-in-fact, to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

PLEASE INSERT SOCIAL SECURITY OR  
OTHER IDENTIFYING NUMBER OF ASSIGNEE:

\_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Note in every particular, without any alteration whatsoever.

SIGNATURE GUARANTEED:

\_\_\_\_\_

**EXHIBIT D**

**NOTICE OF A PAYMENT DEFAULT**

**NORTHSTAR EDUCATION FINANCE, INC.  
STUDENT LOAN ASSET-BACKED NOTES  
[SENIOR SERIES 2004-1A-\_\_\_\_\_] ]  
[SUBORDINATE SERIES 2004-1B-1]**

NOTICE IS HEREBY GIVEN that a Payment Default has occurred and not been cured with respect to the Notes identified above. Determination of the Applicable Interest Rate pursuant to the Auction Procedures will be suspended. The Applicable Interest Rate on each series of the Auction Rate Notes for each Auction Period commencing after the date of Payment Default with respect thereto will equal the Non-Payment Rate, as it is determined by the Trustee on the first day of such Auction Period until \_\_\_\_\_.

Terms used herein have the meanings set forth in the Sixth Supplemental Indenture of Trust relating to the above-referenced Notes.

Dated: \_\_\_\_\_

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

By \_\_\_\_\_

**EXHIBIT E**

**NOTICE OF CURE OF PAYMENT DEFAULT**

**NORTHSTAR EDUCATION FINANCE, INC.  
STUDENT LOAN ASSET-BACKED NOTES  
[SENIOR SERIES 2004-1A-\_\_\_\_\_] ]  
[SUBORDINATE SERIES 2004-1B]**

NOTICE IS HEREBY GIVEN that a Payment Default with respect to the Notes identified above has been waived or cured. The next Interest Payment Date is \_\_\_\_\_ and the next Auction Date is \_\_\_\_\_.

Terms used herein have the meanings set forth in the Sixth Supplemental Indenture of Trust relating to the above-referenced Notes.

Dated: \_\_\_\_\_

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

By \_\_\_\_\_

**EXHIBIT F**

**NOTICE OF PROPOSED AUCTION PERIOD ADJUSTMENT**

**NORTHSTAR EDUCATION FINANCE, INC.  
STUDENT LOAN ASSET-BACKED NOTES  
[SENIOR SERIES 2004-1A-\_\_\_\_\_] ]  
[SUBORDINATE SERIES 2004-1B]**

Notice is hereby given that Northstar Education Finance, Inc. proposes to change the length of one or more Auction Periods with respect to the Notes identified above, pursuant to the Sixth Supplemental Indenture of Trust relating to such Notes (the "*Sixth Supplemental Indenture*"), as follows:

1. The change shall take effect on the Interest Payment Date for the current Auction Period and the date of commencement of the next Auction Period (the "*Effective Date*").

2. The Auction Period Adjustment in Paragraph 1 shall take place only if (A) the Trustee and the Auction Agent receive, by 11:00 a.m., New York City time, on the Business Day before the Auction Date for the Auction Period commencing on the Effective Date, a certificate from the Market Agent, as required by the Sixth Supplemental Indenture, authorizing the change in length of one or more Auction Periods and confirmation from each Rating Agency that it will not reduce or withdraw its ratings on the Series 2004-1 Notes on account of such Auction Period Adjustment, and (B) Sufficient Bids exist on the Auction Date for the Auction Period commencing on the Effective Date.

3. If the condition referred to in (A) above is not met, the Auction Rate for the Auction Period commencing on the Effective Date will be determined pursuant to the Auction Procedures and the Auction Period shall be the Auction Period determined without reference to the proposed change. If the condition referred to in (A) is met but the condition referred to in (B) above is not met, the Auction Rate for the Auction Period commencing on the Effective Date shall be the Maximum Auction Rate and the Auction Period shall be the Auction Period determined without reference to the proposed change.

Terms used herein have the meanings set forth in the Sixth Supplemental Indenture.

Dated: \_\_\_\_\_

NORTHSTAR EDUCATION FINANCE, INC.

By \_\_\_\_\_



**EXHIBIT G**

**NOTICE ESTABLISHING AUCTION PERIOD ADJUSTMENT**

**NORTHSTAR EDUCATION FINANCE, INC.  
STUDENT LOAN ASSET-BACKED NOTES  
[SENIOR SERIES 2004-1A-\_\_\_\_\_ ]  
[SUBORDINATE SERIES 2004-1B]**

Notice is hereby given that Northstar Education Finance, Inc. hereby establishes new lengths for one or more Auction Periods with respect to the Notes identified above pursuant to the Sixth Supplemental Indenture of Trust relating to such Notes (the "*Sixth Supplemental Indenture*"):

1. The change shall take effect on \_\_\_\_\_, the Interest Payment Date for the current Auction Period and the date of commencement of the next Auction Period (the "*Effective Date*").

2. For the Auction Period commencing on the Effective Date, the Interest Payment Date shall be \_\_\_\_\_, or the next succeeding Business Day if such date is not a Business Day.

3. For Auction Periods occurring after the Auction Period the Interest Payment Dates shall be [ \_\_\_\_\_ (date) and every \_\_\_\_\_ (number) \_\_\_\_\_ (day of week) thereafter] [every \_\_\_\_\_ (number) (day of week) after the date set forth in paragraph 2 above], or the next Business Day if any such day is not a Business Day; *provided, however*, that the length of subsequent Auction Periods shall be subject to further change hereafter as provided in Section 11 of the Sixth Supplemental Indenture.

4. The changes described in paragraphs 2 and 3 above shall take place only upon delivery of this Notice and the satisfaction of other conditions set forth in Section 10 of the Sixth Supplemental Indenture and our prior notice dated \_\_\_\_\_ regarding the proposed change.

Terms used herein have the meanings set forth in the Sixth Supplemental Indenture.

Dated: \_\_\_\_\_

NORTHSTAR EDUCATION FINANCE, INC.

By \_\_\_\_\_

**EXHIBIT H**

**NOTICE OF CHANGE IN AUCTION DATE**

**NORTHSTAR EDUCATION FINANCE, INC.  
STUDENT LOAN ASSET-BACKED NOTES  
[SENIOR SERIES 2004-1A-\_\_\_\_\_ ]  
[SUBORDINATE SERIES 2004-1B]**

Notice is hereby given by \_\_\_\_\_, as Market Agent for the Notes identified above, that, with respect to such Notes, the Auction Date is hereby changed as follows:

1. With respect to such Notes, the definition of "*Auction Date*" shall be deemed amended by substituting "\_\_\_\_\_ (number) Business Day" in the third and fourth lines thereof and by substituting "\_\_\_\_\_ (number) Business Days" for "two (2) Business Days" in subsection (d) thereof.

2. This change shall take effect on \_\_\_\_\_, which shall be the Auction Date for the Auction Period commencing on \_\_\_\_\_.

3. The Auction Date for such Notes shall be subject to further change hereafter as provided in the Sixth Supplemental Indenture of Trust relating to such Notes (the "*Sixth Supplemental Indenture*").

Terms used herein have the meanings set forth in the Sixth Supplemental Indenture.

Dated: \_\_\_\_\_

\_\_\_\_\_  
as Market Agent

By \_\_\_\_\_