

# National Collegiate Student Loan Trust 2006-4

Closing Date: December 7, 2006

Monthly Distribution Report

Collection Period **10/01/10** to **10/31/10**  
 Monthly Distribution Date **11/26/10**  
 Volume 46

<b>I Asset and Liability Summary</b>											
<b>A. Student Loan Portfolio</b>											
					<b>09/30/10</b>		<b>Change</b>			<b>10/31/10</b>	
1	Student Loan Principal				\$ 684,495,014.94		\$ 248,419.07			\$ 684,743,434.01	
2	Student Loan Accrued Interest				\$ 8,856,482.27		\$ (1,822,533.98)			\$ 7,033,948.29	
3	Pool Balance				\$ 693,351,497.21		\$ (1,574,114.91)			\$ 691,777,382.30	
4	Weighted Average Coupon (WAC)				5.73%		-0.05%			5.68%	
5	Weighted Average Maturity (WAM)				225.4 Months		-0.8 Months			224.6 Months	
6	Number of Loans				46,269		-174			46,095	
7	Number of Borrowers				44,671		-166			44,505	
<b>B. Trust Accounts and TERI Pledge Fund (at market value)</b>											
					<b>09/30/10</b>		<b>Change</b>			<b>10/31/10</b>	
1	Collection Account + Collections Receivable				\$ 3,920,422.01		\$ (119,025.03)			\$ 3,801,396.98	
2	Reserve Account				\$ 5,210,224.14		\$ (84,909.17)			\$ 5,125,314.97	
3	Total Trust Accounts				\$ 9,130,646.15		\$ (203,934.20)			\$ 8,926,711.95	
4	TERI Pledge Fund				\$ 19,617,060.55		\$ 2,528.47			\$ 19,619,589.02	
5	Total Trust Accounts + TERI Pledge Fund				\$ 28,747,706.70		\$ (201,405.73)			\$ 28,546,300.97	
6	Pool Balance + Trust Accounts				\$ 702,482,143.36		\$ (1,778,049.11)			\$ 700,704,094.25	
7	Pool Balance + Trust Accounts + TERI Pledge Fund				\$ 722,099,203.91		\$ (1,775,520.64)			\$ 720,323,683.27	
8	Deferred Claims Payable from TERI Pledge Fund, net of Recoveries <sup>(a) (c)</sup>				\$ 15,338,011.92		\$ (73,899.95)			\$ 15,264,111.97	
9	Estimated Recoveries on Unsecured Defaulted Loans <sup>(b)</sup>				\$ 23,474,683.26		\$ 672,588.41			\$ 24,147,271.66	
10	Reserve Account Balance:										
	Reserve Account Balance after the 10/25/10 Monthly Distribution Date was \$5,125,000.00.										
	Reserve Account Balance after the 11/26/10 Monthly Distribution Date will be \$5,125,000.00.										
	<sup>(a)</sup> See Section IX.13										
	<sup>(b)</sup> See Section VIII.K										
	<sup>(c)</sup> Reflects principal and interest at time of default, less recoveries and settlements.										
<b>C. Securities</b>											
	<b>Securities</b>	<b>Cusip</b>	<b>Index</b>	<b>Spread</b>	<b>Initial Debt Issued</b>	<b>09/30/10</b>	<b>Change</b>	<b>10/31/10</b>	<b>Change</b>	<b>11/26/10</b>	<b>% of Securities</b>
1	Class A-1	63543WAA9	1M LIBOR	0.03%	\$ 285,000,000.00	\$ 44,476,174.88	\$ (1,700,959.08)	\$ 42,775,215.80	\$ (1,420,623.35)	\$ 41,354,592.45	5.29%
2	Class A-2	63543WAB7	1M LIBOR	0.14%	\$ 256,000,000.00	\$ 256,000,000.00	\$ -	\$ 256,000,000.00	\$ -	\$ 256,000,000.00	32.76%
3	Class A-3	63543WAC5	1M LIBOR	0.26%	\$ 134,000,000.00	\$ 134,000,000.00	\$ -	\$ 134,000,000.00	\$ -	\$ 134,000,000.00	17.15%
4	Class A-4	63543WAD3	1M LIBOR	0.31%	\$ 200,000,000.00	\$ 200,000,000.00	\$ -	\$ 200,000,000.00	\$ -	\$ 200,000,000.00	25.60%
5	Class A-IO	63543WAE1	Fixed	6.35%	(a)	(a)	\$ -	(a)	\$ -	(a)	0.00%
6	Class B	63543WAF8	1M LIBOR	0.34%	\$ 52,000,000.00	\$ 52,000,000.00	\$ -	\$ 52,000,000.00	\$ -	\$ 52,000,000.00	6.66%
7	Class C	63543WAG6	1M LIBOR	0.45%	\$ 51,000,000.00	\$ 51,000,000.00	\$ -	\$ 51,000,000.00	\$ -	\$ 51,000,000.00	6.53%
8	Class D	63543WAH4	1M LIBOR	1.10%	\$ 47,000,000.00	\$ 47,000,000.00	\$ -	\$ 47,000,000.00	\$ -	\$ 47,000,000.00	6.02%
9	<b>Total Securities</b>				\$ 1,025,000,000.00	\$ 784,476,174.88	\$ (1,700,959.08)	\$ 782,775,215.80	\$ (1,420,623.35)	\$ 781,354,592.45	100.00%
	<sup>(a)</sup> The initial notional amount, in effect through the October 2011 Distribution Date, equals \$200,000,000.										

# National Collegiate Student Loan Trust 2006-4

II Transactions and Accruals		From 10/01/10 to 10/31/10
<b>A. Student Loan Cash Principal Activity</b>		
1	Principal Payments Received	\$ (1,382,875.77)
2	Principal Claims from Guarantor	\$ -
3	Repurchased Principal	\$ -
4	New Loan Additions	\$ -
5	Other Adjustments (cancellations, consolidations and other)	\$ (60,142.23)
6	<b>Total Principal Collections</b>	<b>\$ (1,443,018.00)</b>
<b>B. Student Loan Non-Cash Principal Activity</b>		
1	Capitalized Interest	\$ 3,502,368.32
2	Non-Cash Claims on Unsecured Defaults <sup>(a)</sup>	\$ (1,810,945.61)
3	Deferred Claims Payable from TERI Pledge Fund <sup>(a) (b)</sup>	\$ -
4	Realized Losses	\$ -
5	Repurchased Principal	\$ -
6	New Loan Additions	\$ -
7	Other Adjustments	\$ 14.36
8	<b>Total Non-Cash Principal Activity</b>	<b>\$ 1,691,437.07</b>
<b>C. Total Student Loan Principal Activity (II.A.6 + II.B.8)</b>		<b>\$ 248,419.07</b>
<b>D. Student Loan Cash Interest Activity</b>		
1	Interest Payments Received	\$ (1,528,269.50)
2	Interest Claims from Guarantor	\$ -
3	Repurchased Interest	\$ -
4	New Loan Additions	\$ -
5	Other Adjustments (cancellations, consolidations and other)	\$ (293.46)
6	<b>Total Interest Collections</b>	<b>\$ (1,528,562.96)</b>
<b>E. Student Loan Non-Cash Interest Activity</b>		
1	Interest Accruals	\$ 3,308,943.52
2	Non-Cash Claims on Unsecured Defaults <sup>(a)</sup>	\$ (96,225.01)
3	Deferred Claims Payable from TERI Pledge Fund <sup>(a) (b)</sup>	\$ -
4	Capitalized Interest	\$ (3,502,368.32)
5	Realized Losses	\$ -
6	Repurchased Interest	\$ -
7	Other Adjustments	\$ (4,321.21)
8	<b>Total Non-Cash Interest Activity</b>	<b>\$ (293,971.02)</b>
<b>F. Total Student Loan Interest Activity (II.D.6 + II.E.8)</b>		<b>\$ (1,822,533.98)</b>
<b>G. Student Loan Late Fees Activity</b>		
1	Cash Late Fees	\$ (7,513.44)
2	Non-Cash Late Fees	\$ 10,523.34
3	<b>Net Late Fees Activity (II.G.1 + II.G.2)</b>	<b>\$ 3,009.90</b>
<sup>(a)</sup> Collections efforts, by the Trust, on these loans will continue and be reflected in Section VIII.		
<sup>(b)</sup> See Section IX.13		

III Prepayment Data	12/31/09	06/30/10
Prepayment Rate <sup>(1)</sup>	0.56%	0.81%
<sup>(1)</sup> Prepayment Rate will be updated in the July and January Monthly Distribution Reports for the 6-month periods ending June and December, respectively.		

National Collegiate Student Loan Trust 2006-4

IV Collection Account Activity		From 10/01/10 to 10/31/10			
<b>A. Collection Account</b>					
1	Collections by Servicers			\$	2,971,580.96
2	Claim Payments from Guarantor			\$	-
3	Liquidation Proceeds and Recoveries			\$	176,901.66
4	Sale Proceeds			\$	-
5	Investment Earnings on Trust Accounts <sup>(a)</sup>			\$	1,432.00
6	Excess of Required Reserve Amount Balance			\$	-
7	Other Receipts (Late Fees and Other)			\$	7,729.60
8	Prior Month Allocation and Adjustments			\$	168,526.94
9	Advances or Reimbursements			\$	-
10	Opening Balance and Post Sale Settlement			\$	-
11	<b>Total Available Funds</b>			\$	<b>3,326,171.16</b>
<sup>(a)</sup> Includes GIC interest from 10/22/10 - 11/23/10					
<b>B. Allocations through 10/31/10 with Payments and Distributions for 11/26/10</b>					
		<b>Total Available</b>	<b>Remaining</b>		<b>Reserve Transfer</b>
		<b>Funds</b>	<b>Funds</b>		
		\$ 3,326,171.16	\$ 3,326,171.16		
1	Payment of Trustee, Servicers, Administrators & Paying Agent Fees & Expenses:				
	(a) Payment of Trustee Fees & Expenses	\$ 36,656.78	\$ 3,289,514.38	\$	-
	(b) Payment of Servicing Fees & Expenses	\$ 224,311.25	\$ 3,065,203.13	\$	-
	(c) Payment of Administration Fees & Expenses	\$ 38,523.10	\$ 3,026,680.03	\$	-
	(d) Payment of Irish Paying Agent Fees & Expenses	\$ -	\$ 3,026,680.03	\$	-
	(e) Payment of Back-up Administration Fees & Expenses	\$ 1,000.00	\$ 3,025,680.03	\$	-
2	Allocation of Trustee, Servicers, Administrators & Paying Agent Fees & Expenses:				
	(a) Allocation of Trustee Fees & Expenses	\$ -	\$ 3,025,680.03	\$	-
	(b) Allocation of Servicing Fees & Expenses	\$ 167,274.98	\$ 2,858,405.05	\$	-
	(c) Allocation of Administration Fees & Expenses	\$ -	\$ 2,858,405.05	\$	-
	(d) Allocation of Irish Paying Agent Fees & Expenses	\$ -	\$ 2,858,405.05	\$	-
	(e) Allocation of Back-up Administration Fees & Expenses	\$ -	\$ 2,858,405.05	\$	-
3	Payment to TERI Pledge Fund, additional Guaranty Fees	\$ -	\$ 2,858,405.05	\$	-
4	Payment of Interest Distribution Amount to Class A Securities:				
	(a) Class A-1	\$ 10,883.92	\$ 2,847,521.13	\$	-
	(b) Class A-2	\$ 90,168.89	\$ 2,757,352.24	\$	-
	(c) Class A-3	\$ 61,491.11	\$ 2,695,861.13	\$	-
	(d) Class A-4	\$ 100,666.67	\$ 2,595,194.46	\$	-
	(e) Class A-IO	\$ 1,058,333.33	\$ 1,536,861.13	\$	-
5	Payment of Interest Distribution Amount to Class B Securities	\$ 27,560.00	\$ 1,509,301.13	\$	-
6	Payment of Interest Distribution Amount to Class C Securities	\$ 32,016.67	\$ 1,477,284.46	\$	-
7	Payment of Interest Distribution Amount to Class D Securities	\$ 56,661.11	\$ 1,420,623.35	\$	-
8	Transfer to Reinstate Reserve Account up to Required Reserve Amount Balance	\$ -	\$ 1,420,623.35	\$	-
9	Payment to TERI, to Purchase Rehabilitated Loans	\$ -	\$ 1,420,623.35	\$	-
10	Payment of Principal Distribution:				
	(a) Class A-1	\$ 1,420,623.35	\$ -	\$	-
	(b) Class A-2	\$ -	\$ -	\$	-
	(c) Class A-3	\$ -	\$ -	\$	-
	(d) Class A-4	\$ -	\$ -	\$	-
	(e) Class B Interest Carryover Shortfall	\$ -	\$ -	\$	-
	(f) Class B	\$ -	\$ -	\$	-
	(g) Class C Interest Carryover Shortfall	\$ -	\$ -	\$	-
	(h) Class C	\$ -	\$ -	\$	-
	(i) Class D Interest Carryover Shortfall	\$ -	\$ -	\$	-
	(j) Class D	\$ -	\$ -	\$	-
11	Payment of any remaining Interest Carryover Shortfall to Class B Noteholders	\$ -	\$ -	\$	-
12	Payment of any remaining Interest Carryover Shortfall to Class C Noteholders	\$ -	\$ -	\$	-
13	Payment of any remaining Interest Carryover Shortfall to Class D Noteholders	\$ -	\$ -	\$	-
14	Payment of the following:				
	(a) Unreimbursed Advances	\$ -	\$ -	\$	-
	(b) Payment of Indenture Trustee Fees & Expenses, in excess of maximum amounts specified	\$ -	\$ -	\$	-
	(c) Payment of Irish Paying Agent Fees & Expenses, in excess of maximum amounts specified	\$ -	\$ -	\$	-
	(d) Payment of Owner Trustee Fees & Expenses, in excess of maximum amounts specified	\$ -	\$ -	\$	-
	(e) Payment of Back-up Administration Fees & Expenses, in excess of maximum amounts specified	\$ -	\$ -	\$	-
	(f) Payment of Indemnities, Fees & Expenses of the Servicers	\$ -	\$ -	\$	-
	(g) Payment of Administration Fees & Expenses allocated to the Notes	\$ -	\$ -	\$	-
15	Remaining Amounts of Principal, if a Turbo Trigger is in effect	\$ -	\$ -	\$	-
16	Payment of any Prepayment Penalties to Class A-IO Noteholders previously unpaid	\$ -	\$ -	\$	-
17	Payment of structuring advisory fees and then to the Certificateholders, any remaining amounts	\$ -	\$ -	\$	-

**National Collegiate Student Loan Trust 2006-4**

V Parity Calculations			
		Parity	
		09/30/10	10/31/10
1	Senior Parity ((Pool Balance + Trust Accounts) / Class A Securities)	110.72%	110.74%
2	Total Parity ((Pool Balance + Trust Accounts) / Securities) <sup>(a)</sup>	89.55%	89.52%
<sup>(a)</sup> Parity ratio calculations include all Securities.			

Pro Forma Parity Calculations			
		Parity with Deferred Claims Payable and Estimated Recoveries on Unsecured Defaulted Loans <sup>(a)</sup>	
		09/30/10	10/31/10
1	Senior Parity	116.84%	116.96%
2	Total Parity	94.50%	94.55%
<sup>(a)</sup> Pro Forma Parity Calculations include balances in Section I.B.8 and I.B.9			

VI Portfolio Characteristics by Payment Status										
Payment Status	WAC		# of Loans		%		Principal Amount		%	
	09/30/10	10/31/10	09/30/10	10/31/10	09/30/10	10/31/10	09/30/10	10/31/10	09/30/10	10/31/10
<b>Interim <sup>(1)</sup></b>										
In School	5.82%	5.79%	12,812	12,665	27.69%	27.48%	\$ 215,298,066.48	\$ 216,737,257.31	31.45%	31.65%
<b>Total Interim</b>			12,812	12,665	27.69%	27.48%	\$ 215,298,066.48	\$ 216,737,257.31	31.45%	31.65%
<b>Repayment</b>										
<b>Active</b>										
Current	5.56%	5.52%	28,339	28,412	61.25%	61.64%	\$ 378,318,280.40	\$ 377,574,206.61	55.27%	55.14%
31-60 Days Delinquent	6.23%	6.07%	1,063	939	2.30%	2.04%	\$ 18,111,349.70	\$ 16,311,303.99	2.65%	2.38%
61-90 Days Delinquent	6.21%	6.19%	751	670	1.62%	1.45%	\$ 12,959,699.71	\$ 11,892,835.42	1.89%	1.74%
91-120 Days Delinquent	6.19%	6.17%	502	547	1.08%	1.19%	\$ 9,011,374.58	\$ 9,281,300.96	1.32%	1.36%
121-150 Days Delinquent	6.27%	6.12%	285	396	0.62%	0.86%	\$ 4,888,627.44	\$ 7,118,656.58	0.71%	1.04%
151-180 Days Delinquent	6.31%	6.21%	249	223	0.54%	0.48%	\$ 4,294,222.22	\$ 3,898,913.16	0.63%	0.57%
> 180 Days Delinquent	6.33%	6.28%	585	665	1.26%	1.44%	\$ 10,441,704.61	\$ 11,972,595.27	1.53%	1.75%
<b>Forbearance</b>	6.05%	6.02%	1,683	1,578	3.64%	3.42%	\$ 31,171,689.80	\$ 29,956,364.71	4.55%	4.37%
<b>Total Repayment</b>			33,457	33,430	72.31%	72.52%	\$ 469,196,948.46	\$ 468,006,176.70	68.55%	68.35%
<b>Grand Total</b>			46,269	46,095	100.00%	100.00%	\$ 684,495,014.94	\$ 684,743,434.01	100.00%	100.00%

<sup>(1)</sup> Loans in Interim Status have not yet had a scheduled payment.

VII Portfolio Characteristics by Borrower Type and Program Type					
Borrower Type		09/30/10		10/31/10	
		Principal Amount	%	Principal Amount	%
1	Creditworthy Cosigned Loans	\$ 578,003,781.04	84.44%	\$ 578,313,098.50	84.46%
2	Creditworthy Non-Cosigned Loans	\$ 105,944,190.36	15.48%	\$ 105,885,621.60	15.46%
3	Creditready Loans	\$ 547,043.54	0.08%	\$ 544,713.91	0.08%
<b>Total</b>		\$ 684,495,014.94	100.00%	\$ 684,743,434.01	100.00%
Program Type		09/30/10		10/31/10	
		Principal Amount	%	Principal Amount	%
1	Continuing Education	\$ 16,038,378.08	2.34%	\$ 15,940,248.30	2.33%
2	Graduate	\$ 66,687,898.44	9.74%	\$ 66,679,552.68	9.74%
3	K-12	\$ 8,834,782.47	1.29%	\$ 8,803,486.11	1.29%
4	Medical	\$ 2,285,799.11	0.33%	\$ 2,280,327.14	0.33%
5	Undergraduate	\$ 590,155,603.48	86.22%	\$ 590,548,317.41	86.24%
6	Consolidation, Parent, Other	\$ 492,553.36	0.07%	\$ 491,502.37	0.07%
<b>Total</b>		\$ 684,495,014.94	100.00%	\$ 684,743,434.01	100.00%

## National Collegiate Student Loan Trust 2006-4

<b>VIII Default Information, TERI Claims, Net Losses and Related Information</b>			
<b>TERI Claims, Net Losses</b>		<b>09/30/10</b>	<b>10/31/10</b>
		<b>Principal Amount</b>	<b>Principal Amount</b>
A.	Cumulative Defaulted Loans <sup>(1)</sup>	\$ 113,973,617.23	\$ 116,831,893.32
B.	Cumulative Cash Claim Payments Made	\$ 29,186,527.61	\$ 29,186,527.61
C.	Cumulative Non-Cash Claims on Unsecured Defaults	\$ 59,891,149.76	\$ 61,702,095.37
D.	Cumulative Deferred Claims Payable from TERI Pledge Fund <sup>(2)</sup>	\$ 14,826,284.76	\$ 14,826,284.76
E.	Cumulative Realized Losses on Settlements <sup>(8)</sup>	\$ -	\$ -
F.	Claims in Process at Servicer	\$ 10,069,655.10	\$ 11,116,985.58
<b>Unsecured Claims Detail</b>			
G.	Cumulative Non-Cash Claims on Unsecured Defaults	\$ 59,891,149.76	\$ 61,702,095.37
H.	Coverage from TERI Pledge Fund (Section I.B.4 and IX.13)	\$ -	\$ -
I.	Total Unsecured Claims (processed in excess of the TERI Pledge Fund)	\$ 59,891,149.76	\$ 61,702,095.37
J.	Cumulative Liquidation Proceeds and Recoveries	\$ (1,204,441.62)	\$ (1,333,916.21)
K.	Cumulative Realized Losses <sup>(3) (7)</sup>	\$ 58,686,708.14	\$ 60,368,179.16
<b>Deferred Claims Detail</b>			
L.	Cumulative Deferred Claims Payable from TERI Pledge Fund <sup>(2)</sup>	\$ 14,826,284.76	\$ 14,826,284.76
M.	Cumulative Liquidation Proceeds and Recoveries	\$ (390,909.52)	\$ (434,853.14)
N.	Cumulative Realized Losses and Other Adjustments	\$ (53,449.80)	\$ (83,406.13)
O.	Cumulative Net Receivable on Deferred Claims <sup>(4)</sup>	\$ 14,381,925.44	\$ 14,308,025.49
<b>Default Rates</b>			
P.	Cumulative Default Rate as a percentage of Loans in Repayment <sup>(5)</sup>	17.22%	17.60%
Q.	Cumulative Default Rate as a percentage of Financed Student Loans at Closing Date <sup>(6)</sup>	16.04%	16.45%
<b>Related Information</b>			
R.	Cumulative Principal and Interest Recoveries on Unsecured Defaulted Loans, after Collection Costs	\$ 1,143,719.26	\$ 1,275,720.37
S.	Cumulative Principal and Interest Recoveries on Deferred Claim Defaulted Loans, after Collection Costs	\$ 417,949.50	\$ 462,850.05
T.	Has a Material Change to Charge-Off Method Occurred?	No	No
U.	Has a Material Change to Asset Terms, Fees, Penalties or Payments Occurred?	No	No
V.	Has a Material Breach of Pool Asset Representations or Warranties or Transaction Covenants Occurred	No	No
(1)	Cumulative Principal Balance of Student Loans subject to a TERI guaranty event as of the last day of the Collection Period, less cumulative claims cancelled and returned to non-default status.		
(2)	See Section IX.13		
(3)	The sum of Section VIII.I and VIII.J.		
(4)	The sum of Section VIII.L, VIII.M and VIII.N.		
(5)	Section VIII.A divided by the Principal Balance of all Student Loans that have entered repayment status plus cumulative principal payments received by the Trust.		
(6)	Section VIII.A divided by the Principal Balance of Financed Student Loans as of Closing Date - \$710,438,731.81.		
(7)	Does not include Claims in Process at Servicer		
(8)	Write off amount on settlement of delinquent loans removed from the Pool Balance.		

## National Collegiate Student Loan Trust 2006-4

### IX Triggers and Other Information

- 1 Has a change occurred in the notional amount of the Class A-IO? No - next change date is Nov 2011
- 2 Has Prepayment Penalty occurred on Class A-IO Notes? (The scheduled Reference Amount exceeds the notional amount on Distribution Date)? No - next change date is November 2011
- 3 Has a Required Reserve Amount Balance date occurred? Yes
- 4 Has the Stepdown Date of February 25, 2013 occurred (On or after Stepdown Date and if a Subordinate Note Trigger is in effect, Principal Distribution method will change)? No.
- 5 Note Parity Trigger (Pool Balance plus Reserve Account, at end of Collection period, is less than 101% of Outstanding Debt and Liquidity Notes after payments on Distribution Date on or after the Stepdown Date).
  - Has Note Parity Trigger occurred? No
  - If so, the date such trigger occurred.
  - Is Note Parity Trigger currently in effect? No
- 6 Class B and C Note Interest Triggers (Cumulative Default Rate equals or exceeds set rates)(a)
  - Has a Class B Note Interest Trigger occurred? No
  - If so, the date the Class B Note Interest Trigger occurred.
  - Is a Class B Note Interest Trigger currently in effect? No
  - Has a Class C Note Interest Trigger occurred? No
  - If so, the date the Class C Note Interest Trigger occurred.
  - Is a Class C Note Interest Trigger currently in effect? No
- 7 Class D Note Interest Trigger
  - Has a Class D Note Interest Trigger occurred? No
  - If so, the date the Class D Note Interest Trigger occurred.
  - Is a Class D Note Interest Trigger currently in effect? No
- 8 Subordinate Note Principal Trigger (Note Parity Trigger has occurred or Cumulative Default Rate greater than 10% and TERI is no longer paying claims)(a)
  - Has a Subordinate Note Principal Trigger occurred? Yes
  - If so, the date such trigger occurred. The trigger occurred on the 10/26/09 Distribution Report.
  - Is a Subordinate Note Principal Trigger currently in effect? Yes, however, since the Stepdown Date has not been reached there is no impact.
- 9 Turbo Trigger (Principal Balance of loans is equal to or less than 10% of the Principal Balance as of the Cutoff date or Cumulative Default Rate is greater than 10% and TERI is no longer paying claims)(a)
  - Has a Turbo Trigger occurred? Yes
  - If so, the date such trigger occurred. The trigger occurred on the 10/26/09 Distribution Report.
  - Is a Turbo Trigger currently in effect? Yes, however, since the Stepdown Date has not been reached there is no impact.
- 10 Has an Event of Default occurred? No
- 11 Has the Parity Ratio reached its release point of 103%? No
- 12 Has Trust exceeded annual fees or expense cap to Service Providers? No
- 13 On October 29, 2010, the Bankruptcy Court entered an order confirming the Modified Fourth Amended Joint Plan of Reorganization of TERI and the Official Committee of Unsecured Creditors (the Plan). The Plan will become effective on a date established by the Creditors Committee, provided that all conditions precedent to effectiveness set forth in the Plan have been met. As of November 17, 2010, the Plan had not yet been declared effective. The Plan states that on the effective date, or as soon as practicable thereafter, the Trust will receive (i) all of its Pledge Fund and (ii) all defaulted loans purchased from the Trust by TERI prior to April 7, 2008 from funds in the Pledge Fund and all recoveries realized or to be realized in respect of such loans, except for certain recoveries received by TERI prior to April 7, 2008 and not deposited in the Pledge Fund. All defaulted loans purchased from the Trust by TERI after April 7, 2008 and all recoveries in respect of such loans will be transferred to a liquidating trust established for the benefit of creditors, including the Trust. The claims estimation methodology developed by the Creditors Committee formed the basis for estimating the Trust's future default claims and to the extent those claims exceed the collateral being returned by TERI to the Trust, the excess will be treated as an unsecured claim of the Trust against TERI's estate in an amount specified in the Plan. In addition, on the effective date, TERI will release its claim against the Trust for payment of accrued and future guaranty fees and the litigation with the Creditors Committee will be dismissed with prejudice against the indenture trustee, the Trust and the administrator, FMDS. Copies of the Plan and all other filings made in the TERI bankruptcy proceedings may be obtained at <http://chapter11.epiqsystems.com> and if not available on such case website, then such filings may be obtained by contacting the Clerk at the Bankruptcy Court.

(a) See VIII. Default Information, TERI Claims, Net Losses and Related Information (above) for Cumulative Default Rate and calculation.