

**ARKANSAS STUDENT LOAN AUTHORITY
STUDENT LOAN ASSET-BACKED NOTES**

SERIES 2010-1

(LIBOR FLOATING RATE NOTES)

DATE OF ISSUANCE: SEPTEMBER 16, 2010

CUSIP NO: 041150DJ9

2017 ANNUAL FINANCIAL INFORMATION

THIS 2017 ANNUAL FINANCIAL INFORMATION IS PROVIDED BY THE ARKANSAS STUDENT LOAN AUTHORITY (THE “AUTHORITY”) IN COMPLIANCE WITH THE CONTINUING DISCLOSURE AGREEMENT (THE “AGREEMENT”) DELIVERED IN CONNECTION WITH THE ISSUANCE OF THE ABOVE-REFERENCED NOTES.

THE AUDITED FINANCIAL STATEMENTS OF THE AUTHORITY FOR THE FISCAL YEAR ENDING JUNE 30, 2017 WERE FILED ON NOVEMBER 2, 2017.

UPDATE AND DISCUSSION OF THE FINANCIAL INFORMATION AND OPERATING DATA IN THE 2010 OFFERING MEMORANDUM UNDER THE HEADING “ARKANSAS STUDENT LOAN AUTHORITY”

A. ANNUAL FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA

Previously filed on November 2, 2017.

B. AN UPDATE AND DISCUSSION OF THE FINANCIAL INFORMATION AND OPERATING DATA IN THE OFFERING MEMORANDUM UNDER THE HEADING “ARKANSAS STUDENT LOAN AUTHORITY”

Membership

The Authorizing Act provides that the Issuer shall be composed of seven members appointed by the Governor for terms of four years each. Members of the Issuer serve without compensation, but are entitled to reimbursement for their reasonable and necessary expenses incurred in attending meetings of the Issuer. The following is a current list of the members of the Issuer, their term expiration dates and their occupations and places of business within the State:

Names and Position Held	Term Expires	Principal Occupation
Ben Pickard Chairman and Member	July 8, 2018	Retired, former Vice Chancellor of Student Affairs, Arkansas State University – Beebe, Searcy, AR
David Bush Secretary and Member	July 8, 2019	Retired, Senior Vice President, Bank Card Simmons Bank, Pine Bluff, AR
David Craig Member	July 8, 2019	Investment Advisor/Owner October Wealth Advisors, Inc.
Tracy Secretary and Member	Pending renewal	Chief Executive Officer Centennial Bank, Cabot, AR
Marvin Steele, Sr. Member	July 8, 2017	Owner, Steele-Guiltner Tire Pros West Memphis, AR
EdieArey Member	July 8, 2019	Director, Professional Relations Delta Dental of Arkansas, Little Rock, AR

Staff

The Authorizing Act empowers the Issuer to employ a director and such other professionals as are necessary to implement the programs of the Issuer. Tony W. Williams is employed as the Executive Director of the Authority and has the responsibility of directing the Issuer on a day-to-day basis. Mr. Williams was appointed Executive Director of the Issuer effective on July 1, 2004 by resolution of the Issuer adopted on December 9, 2003.

Prior to 2004 Mr. Williams was employed by Edfinancial in its Little Rock office, where he held the position of Business Development Manager since April 1998. Pursuant to the Program Administration Agreement between Edfinancial and the Issuer (see the caption "Program Agreement," below), Mr. Williams worked exclusively for the Issuer in the development, management and promotion of the Issuer's products and programs. Prior to his employment with Edfinancial, Mr. Williams was employed by the Issuer from 1987 to 1998 in various positions, including Vice President of Program Operations and Loan Operations Manager. Mr. Williams was employed from 1986 to 1987 by Union National Bank in Little Rock and is a 1986 graduate of the University of Central Arkansas.

Mark Conine serves as the Chief Financial Officer of the Issuer and is responsible for the management and day-to-day coordination of all financial activities and investor relations. Prior to joining the Issuer in January 2005, Mr. Conine served in the tax group of Ernst & Young, LLP specializing in the multi-state banking and transportation industries. Mr. Conine worked in the corporate tax department of a Fortune 500 telecommunications company prior to joining Ernst & Young, LLP. He received a B.A. in Accounting and Finance from Ouachita Baptist University in 1997 and is a licensed Certified Public Accountant.

The Issuer currently employs two persons in addition to Mr. Williams and Mr. Conine. The Issuer's mailing address is 3801 Woodland Heights, Suite 200, Little Rock, Arkansas 72212. The Issuer's telephone number is (501) 682-2952.

Use of Proceeds

The proceeds were used as described in the original offering memorandum.

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Characteristics of the Financed Student Loans

As of June 30, 2017, the aggregate outstanding principal balance of the student loans in each of the following tables includes the principal balance due from borrowers, which does not include total accrued interest. The percentages set forth in the tables below may not always add to 100% and the balances may not always add to \$117,075,114 due to rounding.

Composition of the Financed Student Loan Portfolio (As of June 30, 2017)

Aggregate Outstanding Principal Balance	\$ 117,075,114
Number of Borrowers*	6,411
Average Outstanding Principal Balance Per Borrower	\$18,262
Number of Loans	13,380
Average Outstanding Principal Balance Per Loan	\$8,750
Weighted Average Remaining Term to Scheduled Maturity (Months)**	167.95
Weighted Average Payments Made (Months)	Unknown
Weighted Average Annual Borrower Interest Rate***	Unknown
Weighted Average Special Allowance Payment Repayment Margin to 3-Month Commercial Paper	Unknown
Weighted Average Special Allowance Payment Repayment Margin to 91-Day Treasury Bill	Unknown

* A single borrower can have more than one account if such borrower had different types of underlying FFELP loans with certain characteristics.

** The weighted average remaining term to scheduled maturity shown in the table above was determined from the statistical cut-off date to the scheduled maturity date of the applicable student loan, including any current deferral or forbearance periods, but without giving effect to any deferral or forbearance periods that may be granted in the future.

*** The weighted average annual borrower interest rate shown in the table above was determined without including any special allowance payments or any rate reductions that may be earned by borrowers in the future.

**Distribution of the Financed Student Loans by Loan Type
(As of June 30, 2017)**

Loan Type	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Stafford-Unsubsidized	2,133	\$ 9,014,784	7.70%
Stafford-Subsidized	3,909	10,536,760	9.00
Consolidation-Unsubsidized	3,564	51,524,758	44.01
Consolidation-Subsidized	3,644	45,366,607	38.75
PLUS	128	608,791	0.52
SLS	<u>2</u>	<u>23,415</u>	<u>0.02</u>
Total	<u>13,380</u>	<u>\$117,075,114</u>	<u>100.00%</u>

**Distribution of the Financed Student Loans by Range of Annual Borrower Interest Rate
(As of June 30, 2017)**

Range of Annual Borrower Interest Rate	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Less than or equal to 2.00%	1,703	\$ 6,193,274	5.29%
2.01% - 3.00%	4,662	21,939,876	18.74
3.01% - 4.00%	1,751	24,023,813	20.52
4.01% - 5.00%	1,424	23,379,900	19.97
5.01% - 6.00%	1,414	12,714,374	10.86
6.01% - 7.00%	1,604	18,170,058	15.52
7.01% - 8.00%	671	9,131,859	7.80
Greater than 8.00%	<u>151</u>	<u>1,521,976</u>	<u>1.30</u>
Total	<u>13,380</u>	<u>\$117,075,114</u>	<u>100.00%</u>

**Distribution of the Financed Student Loans by School Type
(As of June 30, 2017)**

School Type	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
2-Year	1,701	\$ 6,802,064	5.81%
Graduate/4-Year +	11,476	108,306,188	92.51
Proprietary	172	1,006,846	0.86
Other/Unknown	<u>31</u>	<u>960,016</u>	<u>0.82</u>
Total	<u>13,380</u>	<u>\$117,075,114</u>	<u>100.00%</u>

**Distribution of the Financed Student Loans by SAP Interest Rate Index
(As of June 30, 2017)**

SAP Interest Rate Index	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
3-month LIBOR Index	13,380	\$117,075,114	100.00%

**Distribution of the Financed Student Loans by Borrower Payment Status
(As of June 30, 2017)**

Borrower Payment Status	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
In School	16	\$ 35,122	0.03%
Grace	2	11,708	0.01
Deferment	1,130	6,158,151	5.26
Forbearance	1,492	10,489,930	8.96
Repayment	10,701	100,040,685	85.45
Claims In Progress/Denied	<u>39</u>	<u>339,518</u>	<u>0.29</u>
Total	<u>13,380</u>	<u>\$117,075,114</u>	<u>100.00%</u>

**Distribution of the Financed Student Loans by Range of Days Delinquent
(As of June 30, 2017)**

Range of Days Delinquent	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Not in Repayment	3,012	\$22,649,652	18.82%
0-30 days	9,052	98,503,542	75.80
31-60 days	400	5,431,094	1.38
61-90 days	382	2,397,942	1.09
91-120 days	168	966,413	0.87
121-180 days	166	1,480,153	0.67
181 days and above	<u>200</u>	<u>1,533,232</u>	<u>1.37</u>
Total	<u>13,380</u>	<u>\$117,075,114</u>	<u>100.00%</u>

**Distribution of the Financed Student Loans by Range of Date of Disbursement
(Dates Correspond to Changes in Special Allowance Payment)
(As of June 30, 2017)**

Range of Date of Disbursement	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Pre April 1, 2006	9,261	\$62,459,573	53.35%
April 1, 2006 – September 30, 2007	3,059	42,158,749	36.01
October 1, 2007 and before July 1, 2010	<u>1,060</u>	<u>12,456,792</u>	<u>10.64</u>
Total	<u>13,380</u>	<u>\$117,075,114</u>	<u>100.00%</u>

For FFELP loans disbursed on or after April 1, 2006 and before July 1, 2010, if the stated interest rate is higher than the rate applicable to such FFELP loan including Special Allowance Payments, the holder of the FFELP loan must credit the difference to the Department of Education. FFELP loans disbursed on or after October 1, 2007 have a higher SAP margin for eligible not-for-profit lenders such as the Issuer than for for-profit lenders, but have a 40 bps to 70 bps lower Special Allowance Payment margin than loans originated on or after January 1, 2000 and before October 1, 2007.

**Distribution of the Financed Student Loans by Range of Date of Disbursement
(Dates Correspond to Changes in Guaranty Percentages)
(As of June 30, 2017)**

Range of Date of Disbursement	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
July 1, 2006 and before July 1, 2010	4,197	\$46,268,085	39.52%
October 1, 1993 – June 30, 2006	8,999	70,327,021	60.07
Pre October 1, 1993	<u>184</u>	<u>480,008</u>	<u>0.41</u>
Total	<u>13,380</u>	<u>\$117,075,114</u>	<u>100.00%</u>

Student loans disbursed prior to October 1, 1993 are 100% guaranteed by the guaranty agency. Student loans disbursed on or after October 1, 1993 and before July 1, 2006 are 98% guaranteed by the applicable guaranty agency. Student loans for which the first disbursement is made on or after July 1, 2006 and before July 1, 2010 are 97% guaranteed by the applicable guaranty agency.

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**Distribution of the Financed Student Loans by Range of Outstanding Principal Balance
(As of June 30, 2017)**

Range of Outstanding Principal Balance	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Less than \$500	960	\$ 257,565	0.22%
\$500 to \$999	905	831,233	0.71
\$1,000 to \$1,999	2,226	6,638,159	5.67
\$2,000 to \$2,999	2,181	9,166,981	7.83
\$3,000 to \$3,999	1,554	7,633,297	6.52
\$4,000 to \$5,999	1,747	11,555,314	9.87
\$6,000 to \$7,999	767	6,345,471	5.42
\$8,000 to \$9,999	559	6,146,443	5.25
\$10,000 to \$14,999	927	14,353,409	12.26
\$15,000 to \$19,999	531	11,730,926	10.02
\$20,000 to \$24,999	325	8,394,286	7.17
\$25,000 to \$29,999	209	6,907,432	5.90
\$30,000 to \$34,999	150	4,788,372	4.09
\$35,000 to \$39,999	100	4,132,752	3.53
\$40,000 to \$49,999	83	4,694,712	4.01
\$50,000 to \$59,999	46	2,903,463	2.48
\$60,000 to \$69,999	26	1,756,127	1.50
\$70,000 to \$79,999	24	2,060,522	1.76
\$80,000 to \$89,999	19	2,001,984	1.71
\$90,000 to \$99,999	17	1,826,372	1.56
\$100,000 to \$109,999	9	948,308	0.81
\$110,000 to \$149,999	15	1,908,324	1.63
\$150,000 or more	<u>1</u>	<u>93,660</u>	<u>0.08</u>
Total	<u>13,380</u>	<u>\$117,075,114</u>	<u>100.00%</u>

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**Distribution of the Financed Student Loans by Range of
Remaining Term to Scheduled Maturity
(As of June 30, 2017)**

Range of Remaining Term to Scheduled Maturity (in months)	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Less than or equal to 24	643	\$ 643,913	0.55%
25 – 36	435	854,648	0.73
37 – 48	451	1,112,214	0.95
49 – 60	507	1,674,174	1.43
61 – 72	600	2,095,645	1.79
73 – 84	675	3,324,933	2.84
85 – 96	662	4,343,487	3.71
97 – 108	1,004	8,382,578	7.16
109 – 120	3,255	16,413,931	14.02
121 – 144	1,805	9,518,207	8.13
145 – 168	622	7,808,910	6.67
169 – 192	642	8,183,550	6.99
193 – 220	350	10,396,270	8.88
221 – 300	1,505	25,217,980	21.54
Greater than 300	<u>225</u>	<u>17,104,674</u>	<u>14.61</u>
Total	<u>13,380</u>	<u>\$117,075,114</u>	<u>100.00%</u>

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The following chart shows the geographic distribution of the student loans based on the permanent billing addresses of the borrowers as shown on the Servicers' records:

**Distribution of the Financed Student Loans by Geographic Location
(As of June 30, 2017)**

Geographic Location	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Alabama	53	\$ 515,131	0.44%
Alaska	21	187,320	0.16
Arizona	32	351,225	0.30
Arkansas	10,425	86,038,501	73.49
California	125	1,053,676	0.90
Colorado	64	725,866	0.62
Connecticut	11	175,613	0.15
Delaware	1	105,368	0.09
District of Columbia	9	70,245	0.06
Florida	95	1,311,241	1.12
Georgia	105	1,205,874	1.03
Hawaii	10	468,300	0.40
Idaho	4	11,708	0.01
Illinois	81	702,451	0.60
Indiana	36	515,131	0.44
Iowa	12	93,660	0.08
Kansas	44	433,178	0.37
Kentucky	25	316,103	0.27
Louisiana	145	1,194,166	1.02
Maine	2	58,538	0.05
Maryland	43	456,593	0.39
Massachusetts	19	304,395	0.26
Michigan	27	398,055	0.34
Minnesota	20	222,443	0.19
Mississippi	100	960,016	0.82
Missouri	265	1,838,079	1.57
Montana	2	46,830	0.04
Nebraska	17	128,783	0.11
Nevada	11	187,320	0.16
New Hampshire	7	35,123	0.03
New Jersey	22	257,565	0.22
New Mexico	12	245,858	0.21
New York	29	374,640	0.32
North Carolina	45	749,281	0.64
North Dakota	6	210,735	0.18
Ohio	19	269,273	0.23
Oklahoma	189	1,451,731	1.24
Oregon	18	386,348	0.33
Pennsylvania	30	292,688	0.25
Puerto Rico	2	23,415	0.02
Rhode Island	5	23,415	0.02
South Carolina	27	257,565	0.22
South Dakota	2	11,708	0.01
Tennessee	283	2,915,170	2.49

**Distribution of the Financed Student Loans by Geographic Location
(As of June 30, 2017)**

Geographic Location	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Texas	716	6,345,471	5.42
Utah	10	819,526	0.70
Vermont	7	878,063	0.75
Virginia	48	351,225	0.30
Washington	32	339,518	0.29
West Virginia	12	128,783	0.11
Wisconsin	19	199,028	0.17
Wyoming	2	11,708	0.01
Armed Forces	9	81,953	0.07
Armed Forces Pacific	5	35,123	0.03
Unknown	<u>25</u>	<u>304,395</u>	<u>0.26</u>
Total	<u>13,380</u>	<u>\$117,075,114</u>	<u>100.00%</u>

**Distribution of the Financed Student Loans by Servicer
(As of June 30, 2017)**

Servicer	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Edfinancial Services, LLC	12,018	\$105,255,802	89.90%
Nelnet Servicing, LLC	<u>1,362</u>	<u>11,819,312</u>	<u>10.10</u>
Total	<u>13,380</u>	<u>\$117,075,114</u>	<u>100.00%</u>

**Distribution of the Financed Student Loans by Guaranty Agency
(As of June 30, 2017)**

Guaranty Agency	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Great Lakes (purchased SLGFA)	12,820	\$112,778,457	96.33%
Other	<u>562</u>	<u>4,296,657</u>	<u>3.67</u>
Total	<u>13,380</u>	<u>\$117,075,114</u>	<u>100.00%</u>

C. INDENTURE INFORMATION

Balances in the:

CAPITALIZED INTEREST FUND	\$0
COLLECTION FUND	\$2,818,873
DEPARTMENT REBATE FUND	\$0
RESERVE FUND	\$500,000

Outstanding principal amount of the Notes issued under the Indenture (excludes bond discounts):

\$101,350,433

D. CHANGES TO THE HIGHER EDUCATION ACT HAVING A SPECIAL FINANCIAL IMPACT ON THE PROGRAM OF THE ISSUER FINANCED BY THE SERIES 2010-1 NOTES WHICH IS NOT GENERALLY EXPERIENCED IN STUDENT LOAN SECTOR

None.