

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

**SERIES 2012-1**

**(LIBOR FLOATING RATE NOTES)**

**Date of Issuance: December 21, 2012**

**CUSIP No: 041150DK6**

**2021 ANNUAL FINANCIAL INFORMATION**

This 2016 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, 2021 were filed on December 27, 2021.

**UPDATE AND DISCUSSION OF THE FINANCIAL INFORMATION AND OPERATING DATA  
IN THE 2012 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 December 27, 2021.

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

**Membership**

On April 4, 2017, Governor Asa Hutchinson signed into law Act 824 of the 2017 Acts of Arkansas which by the terms of the Act and consequently the merger was effective July 1, 2017.

Pursuant to Subchapter 19 of the Act, the Arkansas Student Loan Financing Act, in Section 15-902(e), the Arkansas Development Finance Authority effective on that date assumed all the contracts and debt obligations of Arkansas Student Loan Authority that were outstanding as of that date.

Arkansas Development Finance Authority operates the functions of the Arkansas Student Loan Authority as a division of Arkansas Development Finance Authority. After the effective date of the Act, the Arkansas Student Loan Authority will be managed by the Board of Directors of the Arkansas Development Finance Authority and serve under its President.

**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 interim Chief Financial Officer (promoted to President in May 2021) 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 and Chartered Global Management Accountant.

The Issuer currently employs three 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.

## Characteristics of the Financed Student Loans

As of June 30, 2021, 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 \$40,600,361 due to rounding.

### Composition of the Financed Student Loan Portfolio (As of June 30, 2021)

Aggregate Outstanding Principal Balance	\$ 40,600,361
Number of Borrowers*	2,858
Average Outstanding Principal Balance Per Borrower	\$15,053
Number of Loans	10,762
Average Outstanding Principal Balance Per Loan	\$3,773
Weighted Average Remaining Term to Scheduled Maturity (Months)**	144.87
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, 2021)**

<b>Loan Type</b>	<b>Number of Loans</b>	<b>Outstanding Principal Balance</b>	<b>Percent of Loans by Outstanding Principal Balance</b>
Stafford-Unsubsidized	4,549	\$ 21,314,244	52.50%
Stafford-Subsidized	6,063	18,431,168	45.40
Consolidation-Unsubsidized			
Consolidation-Subsidized			
PLUS	150	854,949	2.10
SLS			
Total	<u>10,762</u>	<u>\$40,600,361</u>	<u>100.00%</u>

**Distribution of the Financed Student Loans by Range of Annual Borrower Interest Rate  
(As of June 30, 2021)**

<b>Range of Annual Borrower Interest Rate</b>	<b>Number of Loans</b>	<b>Outstanding Principal Balance</b>	<b>Percent of Loans by Outstanding Principal Balance</b>
Less than or equal to 2.00%	1,370	\$ 1,993,478	4.91%
2.01% - 3.00%	3,750	7,624,748	18.78
3.01% - 4.00%	1,408	8,562,616	21.09
4.01% - 5.00%	1,146	8,144,432	20.06
5.01% - 6.00%	1,137	4,299,578	10.59
6.01% - 7.00%	1,290	6,455,457	15.90
7.01% - 8.00%	540	3,016,607	7.43
Greater than 8.00%	121	503,444	1.24
Total	<u>10,762</u>	<u>\$40,600,361</u>	<u>100.00%</u>

**Distribution of the Financed Student Loans by School Type  
(As of June 30, 2021)**

<b>School Type</b>	<b>Number of Loans</b>	<b>Outstanding Principal Balance</b>	<b>Percent of Loans by Outstanding Principal Balance</b>
2-Year	2,426	\$ 8,245,590	20.31%
Graduate/4-Year +	8,135	31,774,437	78.26
Proprietary	201	580,334	1.43
Other/Unknown			
Total	<u>10,762</u>	<u>\$40,600,361</u>	<u>100.00%</u>

**Distribution of the Financed Student Loans by SAP Interest Rate Index  
(As of June 30, 2021)**

<b>SAP Interest Rate Index</b>	<b>Number of Loans</b>	<b>Outstanding Principal Balance</b>	<b>Percent of Loans by Outstanding Principal Balance</b>
1-month LIBOR Index	10,762	\$40,600,361	100.00%

**Distribution of the Financed Student Loans by Borrower Payment Status  
(As of June 30, 2021)**

<b>Borrower Payment Status</b>	<b>Number of Loans</b>	<b>Outstanding Principal Balance</b>	<b>Percent of Loans by Outstanding Principal Balance</b>
In School	10	\$ 64,728	0.16%
Grace	2	4,375	0.01
Deferment	856	3,198,555	7.88
Forbearance	1,311	5,673,502	13.97
Repayment	7,220	31,357,629	77.24
Claims In Progress/Denied	<u>78</u>	<u>301,572</u>	<u>0.74</u>
Total	<u>10,762</u>	<u>\$40,600,361</u>	<u>100.00%</u>

**Distribution of the Financed Student Loans by Range of Days Delinquent  
(As of June 30, 2021)**

<b>Range of Days Delinquent</b>	<b>Number of Loans</b>	<b>Outstanding Principal Balance</b>	<b>Percent of Loans by Outstanding Principal Balance</b>
Not in Repayment	2,179	\$8,941,160	22.02%
0-30 days	7,220	25,731,154	63.38
31-60 days	275	979,307	2.41
61-90 days	260	1,225,158	3.02
91-120 days	138	670,766	1.65
121-180 days	224	1,006,787	2.48
181 days and above	<u>466</u>	<u>2,046,028</u>	<u>5.04</u>
Total	<u>10,762</u>	<u>\$40,600,361</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, 2021)**

Range of Date of Disbursement	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Pre April 1, 2006	7,444	\$22,663,122	55.82%
April 1, 2006 – September 30, 2007	2,462	15,078,974	37.14
October 1, 2007 and before July 1, 2010	<u>856</u>	<u>2,858,265</u>	<u>7.04</u>
Total	<u>10,762</u>	<u>\$40,600,361</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, 2021)**

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	3,398	\$15,517,458	38.22%
October 1, 1993 – June 30, 2006	7,234	24,985,462	61.54
Pre October 1, 1993	<u>130</u>	<u>97,441</u>	<u>0.24</u>
Total	<u>10,762</u>	<u>\$40,600,361</u>	<u>100.00%</u>

Student loans disbursed prior to October 1, 1993 are 100% guaranteed by the guarantee 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, 2021)**

Range of Outstanding Principal Balance	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Less than \$500	772	\$ 97,441	0.24%
\$500 to \$999	728	272,022	0.67
\$1,000 to \$1,999	1,791	2,330,461	5.74
\$2,000 to \$2,999	1,755	3,081,567	7.59
\$3,000 to \$3,999	1,250	2,614,663	6.44
\$4,000 to \$5,999	1,405	3,524,111	8.68
\$6,000 to \$7,999	617	2,358,881	5.81
\$8,000 to \$9,999	449	2,350,761	5.79
\$10,000 to \$14,999	744	5,919,533	14.58
\$15,000 to \$19,999	427	3,771,774	9.29
\$20,000 to \$24,999	261	2,614,663	6.44
\$25,000 to \$29,999	168	2,476,622	6.10
\$30,000 to \$34,999	120	2,058,438	5.07
\$35,000 to \$39,999	80	1,518,454	3.74
\$40,000 to \$49,999	67	1,542,814	3.80
\$50,000 to \$59,999	37	1,161,170	2.86
\$60,000 to \$69,999	21	539,985	1.33
\$70,000 to \$79,999	19	491,264	1.21
\$80,000 to \$89,999	15	426,304	1.05
\$90,000 to \$99,999	13	495,324	1.22
\$100,000 to \$109,999	7	332,923	0.82
\$110,000 to \$149,999	12	458,784	1.13
\$150,000 or more	<u>2</u>	<u>161,401</u>	<u>0.40</u>
Total	<u>10,762</u>	<u>\$40,600,361</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, 2021)**

<b>Range of Remaining Term to Scheduled Maturity (in months)</b>	<b>Number of Loans</b>	<b>Outstanding Principal Balance</b>	<b>Percent of Loans by Outstanding Principal Balance</b>
Less than or equal to 24	517	\$ 182,702	0.45%
25 – 36	350	251,722	0.62
37 – 48	363	292,323	0.72
49 – 60	408	568,405	1.40
61 – 72	482	783,587	1.93
73 – 84	543	1,230,191	3.03
85 – 96	532	1,441,313	3.55
97 – 108	807	3,032,847	7.47
109 – 120	2,618	6,167,195	15.19
121 – 144	1,452	3,252,089	8.01
145 – 168	500	2,570,003	6.33
169 – 192	516	2,639,023	6.50
193 – 220	282	3,418,550	8.42
221 – 300	1,211	9,021,400	22.22
Greater than 300	<u>181</u>	<u>5,749,011</u>	<u>14.16</u>
Total	<u>10,762</u>	<u>\$40,600,361</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, 2021)**

Geographic Location	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Alabama	42	\$ 101,501	0.25%
Alaska	17	40,600	0.10
Arizona	26	85,261	0.21
Arkansas	8,385	29,812,845	73.43
California	101	316,683	0.78
Colorado	52	284,203	0.70
Connecticut	8	24,360	0.06
Delaware	0	20,300	0.05
District of Columbia	7	28,420	0.07
Florida	76	487,204	1.20
Georgia	84	462,844	1.14
Hawaii	8	138,041	0.34
Idaho	3	4,060	0.01
Illinois	65	243,602	0.60
Indiana	29	170,522	0.42
Iowa	9	44,660	0.11
Kansas	35	227,362	0.56
Kentucky	20	138,041	0.34
Louisiana	117	511,565	1.26
Maine	2	158,341	0.39
Maryland	35	170,522	0.42
Massachusetts	15	101,501	0.25
Michigan	22	117,741	0.29
Minnesota	16	69,021	0.17
Mississippi	80	365,403	0.90
Missouri	213	669,906	1.65
Montana	2	121,801	0.30
Nebraska	14	4,060	0.01
Nevada	9	64,961	0.16
New Hampshire	5	12,180	0.03
New Jersey	17	60,901	0.15
New Mexico	9	85,261	0.21
New York	23	146,161	0.36
North Carolina	36	255,782	0.63
North Dakota	5	85,261	0.21
Ohio	15	97,441	0.24
Oklahoma	152	560,285	1.38
Oregon	14	138,041	0.34
Pennsylvania	24	89,321	0.22
Puerto Rico	2	4,060	0.01

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, 2021)**

Geographic Location	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Rhode Island	4	8,120	0.02
South Carolina	21	89,321	0.22
South Dakota	2	4,060	0.01
Tennessee	227	998,769	2.46
Texas	577	2,034,078	5.01
Utah	8	227,362	0.56
Vermont	5	267,962	0.66
Virginia	38	89,321	0.22
Washington	25	125,861	0.31
West Virginia	10	40,600	0.10
Wisconsin	15	56,841	0.14
Wyoming	2	4,060	0.01
Armed Forces	7	32,480	0.08
Armed Forces Pacific	4	8,120	0.02
Unknown	<u>20</u>	<u>93,381</u>	<u>0.23</u>
Total	<u>10,762</u>	<u>\$40,600,361</u>	<u>100.00%</u>

**Distribution of the Financed Student Loans by Servicer  
(As of June 30, 2021)**

Servicer	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Edfinancial Services, LLC	10,762	\$40,600,361	100.00%

**Distribution of the Financed Student Loans by Guaranty Agency  
(As of June 30, 2021)**

Guaranty Agency	Number of Loans	Outstanding Principal Balance	Percent of Loans by Outstanding Principal Balance
Great Lakes (formerly SLGFA)	10,762	\$40,600,361	100.00%

**C. INDENTURE INFORMATION**

Balances in the:

CAPITALIZED INTEREST FUND	\$0
COLLECTION FUND	\$172,101
DEPARTMENT REBATE FUND	\$0
RESERVE FUND	\$300,000

Outstanding principal amount of the Notes issued under the Indenture:

\$27,085,998

**D. CHANGES TO THE HIGHER EDUCATION ACT HAVING A SPECIAL FINANCIAL IMPACT ON THE PROGRAM OF THE ISSUER FINANCED BY THE SERIES 2012-1 NOTES WHICH IS NOT GENERALLY EXPERIENCED IN STUDENT LOAN SECTOR**

None.