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Notice to holders of:

The National Collegiate Master Student Loan Trust I
The National Collegiate Student Loan Trust 2003-1
The National Collegiate Student Loan Trust 2004-1
The National Collegiate Student Loan Trust 2004-2
The National Collegiate Student Loan Trust 2005-1
The National Collegiate Student Loan Trust 2005-2
The National Collegiate Student Loan Trust 2005-3
The National Collegiate Student Loan Trust 2005-3
The National Collegiate Student Loan Trust 2006-1

The National Collegiate Student Loan Trust 2006-2
The National Collegiate Student Loan Trust 2006-3
The National Collegiate Student Loan Trust 2006-4
The National Collegiate Student Loan Trust 2007-1
The National Collegiate Student Loan Trust 2007-2
The National Collegiate Student Loan Trust 2007-3
The National Collegiate Student Loan Trust 2007-4

CUSIPS¹

63543NAL5	63543NAM3	63543NAN1	63543NAP6	63543NAQ4	63543NAR2	63543PAG1	63543PAJ5
63543PAK2	63543PAM8	63543PAN6	63543PAP1	63543PAQ9	63543PAR7	63543PAS5	63543PAT3
63543PAX4	63543PAY2	63543PBC9	63543PAZ9	63543PBA3	63543PBB1	63543PBG0	63543PBM7
63543PBN5	63543PBPO	63543PBK1	63543PBL9	63543PBT2	63543PBU9	63543PBY1	63543PBV7
63543PBW5	63543PBX3	63543TAD0	63543TAE8	63543TAF5	63543TAG3	63543TAH1	63543TAJ7
63543TAK4	63543PCC8	63543PCD6	63543PCF1	3543PCG9	63543MAC7	63543MAD5	63543MAF0
63543MAG8	63543VAC7	63543VAD5	63543VAE3	63543VAG8	63543VAH6	63543VAJ2	3543WAB7
63543WAC5	63543WAD3	63543WAF8	63543WAG6	63543WAH4	63543XAB5	63543XAC3	63543XAD1
63543XAF6	63543XAG4	63543XAH2	63543LAB1	63543LAC9	63543LAD7	63543LAF2	63543LAG0
63543LAH8	63544BAB2	63544DAE2	63544DAF9	63544DAG7	63544DAH5	63544DAJ1	63544DAK8
63544DAL6	63544BAC0	63544CAB0	63544EAE0	63544EAF7	63544EAG5	63544EAH3	63544EAJ9
63544EAK6	63544EAL4						

Please forward this notice to beneficial owners.

Dated: November 14, 2016

This notice (the "Notice") is given by U.S. Bank National Association, not in its individual capacity, but solely in its capacity as indenture trustee (the "Indenture Trustee") under indentures identified in Schedule 1 hereto (the "Indentures") related to the above-referenced trusts (the "Trusts") for which Wilmington Trust Company serves as owner trustee. The purpose of this Notice is to update and/or inform the holders of notes issued under the Indentures (the "Noteholders") of certain developments concerning the action commenced by the Trusts against servicer Pennsylvania Higher Education Assistance Agency ("PHEAA") in the Court of Chancery of the State of Delaware captioned, *National Collegiate Student Loan Master Trust, et al. v. Pennsylvania Higher Education Assistance Agency d/b/a American Education Services* (No. 12111-VCS) (the "Delaware Action"). The Delaware Action and other related matters have been described in prior notices dated June 7, 2016, August 11, 2016, and September 7, 2016 (collectively, the "Prior Notices").

The Delaware Action

On October 7, 2016, the Trusts filed a motion for a preliminary injunction in the Delaware Action (the "Preliminary Injunction Motion"), requesting that the court compel PHEAA to (i) allow the Trusts to conduct an audit of PHEAA pursuant

¹Any CUSIP numbers appearing in this Notice have been included solely for convenience. The Indenture Trustee assumes no responsibility for the selection or use of such numbers and makes no representations as to the correctness of the CUSIP numbers appearing herein.



to Section 7.01 of the Servicing Agreement² and an audit of PHEAA pursuant to Section 7.04 of the Servicing Agreement and (ii) convene an operations meeting pursuant to Section 4.09 of the Servicing Agreement ((i) and (ii) collectively, the “Proposed Actions”). Further, the Trusts requested that the court enjoin any other parties “in active concert” with PHEAA from interfering with the Proposed Actions and specifically requested that the court enjoin U.S. Bank National Association in its Indenture Trustee and/or successor special servicer capacity for the Trusts (collectively and solely in such capacities, “U.S. Bank”).

On November 7, 2016, U.S. Bank made a limited appearance in the Delaware Action and filed an opposition to the Preliminary Injunction Motion to the extent it seeks relief against U.S. Bank (the “Opposition”). Among other things, the Opposition reiterated that U.S. Bank has never taken, and does not take, a position concerning whether the Proposed Actions should or should not proceed and that U.S. Bank does not intend to interfere with either. Attached hereto as Annex 1 is a copy of the Opposition.

Noteholders should refer to the Opposition, the Prior Notices, and the publicly available docket for the Delaware Action for additional information. Any questions or comments concerning this Notice should be directed in writing to:

David Duclos
U.S. Bank National Association
One Federal Street, 3rd Floor
Boston, MA 02110
Email: david.duclos@usbank.com

Other Matters

Noteholders and other persons interested in the Trusts should not rely on the Indenture Trustee, its counsel or any other advisors that may be retained by the Indenture Trustee, as their sole source of information. Although this Notice contains a summary of certain information, this Notice is not a complete summary or statement of such information, of relevant law or of relevant legal procedures and the Indenture Trustee makes no representation and accepts no responsibility or liability as to the completeness or accuracy of the information provided herein. Noteholders with an interest in the status of the Delaware Action should consult the publicly available docket in that case on a regular basis. Noteholders should carefully consider the implications of the matters described in this Notice, their rights under the Indentures, including any right to direct the actions of the Indenture Trustee, and consult with their own legal and financial advisors.

Please note that this Notice is not intended and should not be construed as investment, accounting, financial, legal, tax or other advice by or on behalf of the Indenture Trustee, or its directors, officers, affiliates, agents, attorneys or employees. Each person or entity receiving this Notice should seek the advice of its own advisors in respect of the matters set forth herein.

Please be further advised that the Indenture Trustee reserves all of the rights, powers, claims, and remedies available to it under the Indentures and applicable law. No delay or forbearance by the Indenture Trustee to exercise any right or remedy accruing upon the occurrence of a default, or otherwise under the terms of the Indentures, other documentation relating thereto or under applicable law, shall impair any such right or remedy or constitute a waiver thereof or acquiescence therein.

² The “Servicing Agreement” refers to the Amended and Restated Private Student Loan Servicing Agreement between PHEAA and The First Marblehead Corporation, dated as of September 28, 2006 (as amended, supplemented, or modified from time to time).



The Indenture Trustee expressly reserves all rights in respect of the Indentures including, without limitation, its right to recover in full its fees and costs (including, without limitation, fees and costs incurred or to be incurred by it in performing its duties, indemnities owing or to become owing to it, compensation for its time spent and reimbursement for fees and costs of counsel and other agents it employs in performing its duties or to pursue remedies) and its right, prior to exercising any rights or powers in connection with the Indentures at the request or direction of any Noteholder, to receive security or indemnity satisfactory to it against all costs, expenses, and liabilities which might be incurred in compliance therewith, and all rights that may be available to it under applicable law or otherwise.

Prior to any distribution to Noteholders, to the extent permitted under the Indentures, funds held by the Indenture Trustee may be used first for payment of the fees and costs incurred or to be incurred by the Indenture Trustee in performing its duties, as well as for any indemnities owing or to become owing to the Indenture Trustee. This includes, but is not limited to, compensation for Indenture Trustee time spent and the fees and costs of counsel and other agents it employs, to pursue remedies or other actions, including the resolution of the issues described in this Notice.

Recipients of this Notice are cautioned that this Notice is not evidence that the Indenture Trustee will recognize the recipient as a Noteholder. The Indenture Trustee may also conclude that a specific response to particular inquiries from individual Noteholders is not consistent with equal and full dissemination of information to all Noteholders.

U.S. BANK NATIONAL ASSOCIATION,
not in its individual capacity, but solely as Indenture Trustee



SCHEDULE 1

LIST OF INDENTURES

- Amended and Restated General Indenture, dated November 1, 2002 by and between the National Collegiate Master Student Loan Trust I and U.S. Bank National Association, successor to State Street Bank and Trust Company, as Trustee
- Indenture, dated December 1, 2003 by and between the National Collegiate Student Loan Trust 2003-1 and U.S. Bank National Association, as Indenture Trustee
- Indenture, dated June 1, 2004 by and between the National Collegiate Student Loan Trust 2004-1 and U.S. Bank National Association, as Indenture Trustee
- Indenture, dated October 1, 2004 by and between the National Collegiate Student Loan Trust 2004-2 and U.S. Bank National Association, as Indenture Trustee
- Indenture, dated February 1, 2005 by and between the National Collegiate Student Loan Trust 2005-1 and U.S. Bank National Association, as Indenture Trustee
- Indenture, dated June 1, 2005 by and between the National Collegiate Student Loan Trust 2005-2 and U.S. Bank National Association, as Indenture Trustee
- Indenture, dated October 1, 2005 by and between the National Collegiate Student Loan Trust 2005-3 and U.S. Bank National Association, as Indenture Trustee
- Indenture, dated March 1, 2006 by and between the National Collegiate Student Loan Trust 2006-1 and U.S. Bank National Association, as Indenture Trustee
- Indenture, dated June 1, 2006 by and between the National Collegiate Student Loan Trust 2006-2 and U.S. Bank National Association, as Indenture Trustee
- Indenture, dated September 1, 2006 by and between the National Collegiate Student Loan Trust 2006-3 and U.S. Bank National Association, as Indenture Trustee
- Indenture, dated December 1, 2006 by and between the National Collegiate Student Loan Trust 2006-4 and U.S. Bank National Association, as Indenture Trustee
- Indenture, dated March 1, 2007 by and between the National Collegiate Student Loan Trust 2007-1 and U.S. Bank National Association, as Indenture Trustee
- Indenture, dated June 1, 2007 by and between the National Collegiate Student Loan Trust 2007-2 and U.S. Bank National Association, as Indenture Trustee
- Indenture, dated September 1, 2007 by and between the National Collegiate Student Loan Trust 2007-3 and U.S. Bank National Association, as Indenture Trustee
- Indenture, dated September 1, 2007 by and between the National Collegiate Student Loan Trust 2007-4 and U.S. Bank National Association, as Indenture Trustee



ANNEX 1

COPY OF U.S. BANK'S OPPOSITION



SHAW KELLER

LLP

Jeffrey T. Castellano
300 Delaware Avenue, Suite 1120
Wilmington, DE 19801
(302) 298-0700
(302) 298-0703– Direct
jcastellano@shawkeller.com

November 7, 2016

BY FILE & SERVEXPRESS AND HAND DELIVERY

The Honorable Joseph R. Slights, III
Court of Chancery
500 North King Street
Wilmington, DE 19801

Re: *The National Collegiate Student Loan Master Trust, et al. v. Pennsylvania Higher Education Assistance Agency d/b/a American Educational Services, No. 12111-VCS (Del. Ch.)*

Dear Vice Chancellor Slights:

U.S. Bank National Association, solely in its separate capacities as indenture trustee (the “Indenture Trustee”) and as successor special servicer (the “Successor Special Servicer”) and collectively with the Indenture Trustee, “U.S. Bank”) to each of the trusts identified on Schedule I hereto (the “Trusts”), hereby appears as an interested non-party for the limited purpose of opposing the relief sought against U.S. Bank in the Trusts’ Motion for a Preliminary Injunction Directing PHEAA to Comply with §§ 7.01 and 7.04 of Servicing Agreement Regarding Audits and to Comply with § 4.09 of the Servicing Agreement Regarding Operations Meetings (the “Motion”) and the accompanying Opening Brief and Proposed Order

(collectively, the “Preliminary Injunction Documents”), each of which was filed on October 7, 2016 in the above-referenced action (the “Action”).

“[A] preliminary injunction is an extraordinary remedy which will not issue unless it has been earned and will be denied where the remedy sought is excessive in relation to, or unnecessary to prevent, the injury threatened.” *Aquila, Inc. v. Quanta Services, Inc.*, 805 A.2d 196, 202-203 (Del. Ch. 2002). The Proposed Order seeks, among other things, to enjoin any non-party “in active concert with” the defendant, servicer Pennsylvania Higher Education Assistance Agency (“PHEAA”). The Opening Brief asserts that U.S. Bank is such a non-party and, therefore, specifically should be enjoined from “interfering” with the Trusts’ requested audits and operations meeting concerning PHEAA. *See* Opening Brief at 29 & 36-37. As U.S. Bank has previously stressed, it takes no position with respect to the injunctive relief sought against PHEAA, and the Trusts’ attempt to enjoin U.S. Bank is factually baseless and legally insufficient.

In support of their claim for relief against U.S. Bank, the Trusts rely upon a single letter sent by the Indenture Trustee to Wilmington Trust Company as owner trustee of the Trusts (the “Owner Trustee”) dated August 31, 2016 (the “August 31 Letter”). *See* Opening Brief at Ex. 36. The Trusts allege that the August 31 Letter

“question[ed] the right” of the owners of the Trusts (the “Owners”) “to direct the Owner Trustee to take actions,” and they argue that the Indenture Trustee was thereby interfering with the audits and operations meeting. *Id.* at 25. There is no support for the notion that U.S. Bank was questioning the rights of the Owners or for the Trusts’ conclusion that U.S. Bank was attempting to prevent the audits and operations meeting from going forward.

Rather, the August 31 Letter was part of a continued dialogue with the Owner Trustee by which the Indenture Trustee attempted to coordinate a meeting to discuss certain open issues, and it was not intended, nor could it be fairly construed, to interfere with the audit or operations meeting processes. The August 31 Letter specifically explained that the Indenture Trustee’s prior “request for a call [with the Owner Trustee] to discuss the status of the audit . . . should not be construed to prejudge any of the Owner Trustee’s recent efforts in that regard,” and that the Indenture Trustee “merely [sought] to create a forum to gain an understanding of the scope and costs of the Owner Trustee’s work.” Opening Brief at Ex. 36. As to PHEAA’s allegations concerning the rights of the Owners to direct the Owner Trustee, the August 31 Letter merely stated, “It would be beneficial to the Indenture Trustee and, possibly, [holders of notes issued under the

related indentures], to understand the Owner Trustee’s position on this issue as well.” *Id.* This request cannot be understood as anything more than a reasonable request for information by a deal party. Indeed, the August 31 Letter takes no position on whether the audits or operations meeting should or should not occur, or on PHEAA’s allegations concerning the rights of the Owners. The Indenture Trustee’s attempt to open a dialogue with the Owner Trustee did not in any way impede the Trusts’ efforts to undertake those procedures. Moreover, PHEAA has unequivocally stated that it “is not working with . . . the Indenture Trustee to prevent the Trusts from conducting an audit or operations meeting,” and it had no knowledge of the August 31 Letter prior to the filing of the Motion.¹ PHEAA Opp. Brief at 18-19 (Nov. 1, 2016). *See* Aff. Shutter at ¶¶ 11-12 (Nov. 1, 2016) (“Prior to . . . when [the Trusts] filed their [Opening Brief], PHEAA had no

¹ U.S. Bank disagrees with PHEAA’s statement that the October 28 Letter (defined below and attached hereto as Exhibit A) or U.S. Bank’s limited appearance in this Action indicate “legitimate concerns . . . about the actions of the Owner Trustee and purported beneficial interest holder.” PHEAA Opp. Brief at 19 (Nov. 1, 2016). As expressed in the October 28 Letter, U.S. Bank takes no position regarding the audits, the operations meeting, or PHEAA’s allegations concerning the Owners’ authority to direct the Owner Trustee. *See* Ex. A at 2 & 4.

knowledge of the communications from the . . . Indenture Trustee to the Owner Trustee attached to [the Opening Brief]”).

The Trusts also set forth baseless and irrelevant allegations with respect to U.S. Bank as Successor Special Servicer. For example, the Trusts critically fail to acknowledge that a disruption in handling borrower exception requests on defaulted loans arose directly out of a dispute between the Trusts and PHEAA. *See* Ex. A at 3-4 (defined below). U.S. Bank disputes all of the Trusts’ allegations with respect to the Successor Special Servicer. More importantly, these allegations do nothing to support the Trusts’ claim for relief against U.S. Bank, as they allege no interference with the audits or operations meeting.

Finally, in an effort to clarify any misunderstanding by the Trusts and to eliminate the need for U.S. Bank to appear in this Action unnecessarily, U.S. Bank sent a letter to the Trusts dated October 28, 2016, attached hereto as Exhibit A (the “October 28 Letter”).² The October 28 Letter reaffirmed that U.S. Bank has never taken, and does not take, a position concerning whether the audits or the operations meeting should or should not proceed and that U.S. Bank does not intend to

² The October 28 Letter was previously entered into the record as Exhibit G to PHEAA’s Brief in Opposition and is attached hereto for ease of reference.

interfere with either. Further, it reiterated that U.S. Bank has not and does not take a position on PHEAA's allegations regarding the Owners' authority to act on the Trusts' behalf because the Indenture Trustee has a contractual right to rely upon the Owner Trustee's certifications that it is acting pursuant to valid directions from the Owners. *See* Ex. A at 2. The October 28 Letter also detailed U.S. Bank's concerns regarding the Trusts' allegations as to the Successor Special Servicer and requested that the Trusts withdraw these allegations and their claim for relief against U.S. Bank. *Id.* at 3-4. The Trusts declined this request and, as a result, it is necessary for U.S. Bank to submit this letter.³

Accordingly, for the reasons stated herein, U.S. Bank respectfully requests that the Court deny the Trusts' claim for relief to the extent it applies to U.S. Bank, and refrain from identifying U.S. Bank in any order concerning the Preliminary Injunction Documents.

³ U.S. Bank does not waive, and expressly reserves, any and all rights that it or holders of notes under the related indentures may have, including without limitation any rights to further appear in this Action and any rights to further address the Preliminary Injunction Documents and any allegations or events related thereto.

Respectfully submitted,

/s/ Jeffrey T. Castellano (No. 4837)

Jeffrey T. Castellano (No. 4837)
On behalf of U.S. BANK NATIONAL ASSOCIATION,
as Indenture Trustee and Successor Special Servicer of
the Trusts

- cc. Register in Chancery (via File & ServeXPress)
Stacey A. Scrivani (via File & ServeXPress)
Stuart M. Grant (via File & ServeXPress)
Michael T. Manuel (via File & ServeXPress)
James Sabella (via File & ServeXPress)



SCHEDULE I

The Trusts

1. National Collegiate Master Student Loan Trust I
2. National Collegiate Student Loan Trust 2003-1
3. National Collegiate Student Loan Trust 2004-1
4. National Collegiate Student Loan Trust 2004-2
5. National Collegiate Student Loan Trust 2005-1
6. National Collegiate Student Loan Trust 2005-2
7. National Collegiate Student Loan Trust 2005-3
8. National Collegiate Student Loan Trust 2006-1
9. National Collegiate Student Loan Trust 2006-2
10. National Collegiate Student Loan Trust 2006-3
11. National Collegiate Student Loan Trust 2006-4
12. National Collegiate Student Loan Trust 2007-1
13. National Collegiate Student Loan Trust 2007-2
14. National Collegiate Student Loan Trust 2007-3
15. National Collegiate Student Loan Trust 2007-4



EXHIBIT A

JONES DAY

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DIRECT NUMBER: (617) 449-6923
MMARTEL@JONESDAY.COM

October 28, 2016

BY EMAIL & FIRST CLASS MAIL

Grant & Eisenhofer P.A.
c/o James J. Sabella, Esq.
123 Justison Street
Wilmington, DE 19801

Re: *The National Collegiate Student Loan Master Trust, et al. v. Pennsylvania Higher Education Assistance Agency d/b/a American Educational Services, No. 12111-VCS (Del. Ch.)*

Dear Mr. Sabella:

On behalf of U.S. Bank National Association, solely in its separate capacities as indenture trustee (the “Indenture Trustee”) and as successor special servicer (the “Successor Special Servicer” and collectively with the Indenture Trustee, “U.S. Bank”) to each of the trusts as described on Schedule I hereto (the “Trusts”), I write with respect to the Trusts’ (i) Motion for a Preliminary Injunction Directing Defendant to Comply with §§ 7.01 and 7.04 of Servicing Agreement¹ Regarding Audits and to Comply with § 4.09 of the Servicing Agreement Regarding Operations Meetings (the “Motion”), (ii) Opening Brief in support of the Motion (the “Opening Brief”), and (iii) [Proposed] Order Granting Plaintiffs’ Motion for a Preliminary Injunction (collectively, the “Preliminary Injunction Documents”), each of which was filed on October 7, 2016 in the above-referenced action (the “Action”).

Improper Request For Injunctive Relief Against U.S. Bank

The Trusts assert that U.S. Bank should be enjoined from “interfering” with the requested audits and operations meeting concerning the defendant, servicer Pennsylvania Higher Education Assistance Agency (“PHEAA”). See Opening Brief at 29 & 36-37. The Trusts allege, among other things, that the Indenture Trustee (with PHEAA and the administrator of the Trusts) has “engaged in a series of actions” to prevent the audits and operations meeting from occurring.

¹ “Servicing Agreement” refers to the Amended and Restated Private Student Loan Servicing Agreement between Pennsylvania Higher Education Assistance Agency and First Marblehead Corporation dated as of September 28, 2006, as amended, supplemented, or modified from time to time.

James J. Sabella, Esq.
October 28, 2016
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Id. at 3. The only specific allegation of interference appears to be that the Indenture Trustee sent a letter to Wilmington Trust Company, as owner trustee of the Trusts (the “Owner Trustee”), on August 31, 2016 (the “August 31 Letter”). *Id.* at 25 & Ex. 36.

The August 31 Letter, however, simply reminded the Owner Trustee that the audits and operations meeting may impact the rights of the Indenture Trustee and the holders of notes (the “Noteholders”) issued under the indentures related to the Trusts (the “Indentures”) and sought to open a meaningful dialogue with the Owner Trustee (which the Owner Trustee declined). In connection with the requested dialogue, the August 31 Letter also noted, among other things, that PHEAA’s allegations that VCG Securities LLC and its affiliates (collectively, “VCG”) lack the authority to act on behalf of the Trusts, if true, could have an impact on the activities undertaken by the Owner Trustee and VCG. But, the Indenture Trustee has never taken, and does not take, a position concerning the merits of PHEAA’s allegations.² Further, there is nothing in the August 31 Letter, or any other communication, suggesting (or which could be reasonably construed as suggesting) that the Indenture Trustee takes a position concerning whether the audits or the operations meeting should or should not proceed or that the Indenture Trustee would somehow interfere with either.

In all events, the Owner Trustee has repeatedly certified to the Indenture Trustee and other deal parties that the Owner Trustee is permitting VCG to act on behalf of the Trusts pursuant to valid directions from VCG. The Indenture Trustee has no duty to investigate the Owner Trustee’s actions in this respect, including whether such directions are actually valid.³ Moreover, the Indenture Trustee is entitled to rely upon, and has relied upon, the Owner Trustee’s certifications and will continue to do so to the extent such certifications remain consistent with the Indentures.⁴ The Trusts’ request for injunctive relief against U.S. Bank is thus plainly unnecessary and improper.

² Don Uderitz of VCG also sent an email on October 28, 2016 to U.S. Bank claiming that U.S. Bank is taking a position concerning PHEAA’s authority allegations through certain subpoenas sent by U.S. Bank to the Owner Trustee and VCG. These subpoenas are merely information requests in a related litigation. They are not intended to convey U.S. Bank’s position with respect to PHEAA’s authority allegations and should not be construed as such.

³ *See, e.g.*, Indenture by and between The National Collegiate Student Loan Trust 2006-2 and Indenture Trustee, dated as of June 1, 2006, at § 6.02(a) (“The Indenture Trustee may rely on any document believed by it to be genuine and to have been signed or presented by the proper Person. The Indenture Trustee need not investigate any fact or matter stated in such document.”).

⁴ *See id.*

James J. Sabella, Esq.
October 28, 2016
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Unsupported Factual Allegations Against The Successor Special Servicer

The Preliminary Injunction Documents contain various allegations of servicing and special servicing issues related to the Trusts. These allegations suggest that U.S. Bank contributed to problems relating to the handling of exception requests for defaulted loans and that such problems arose when U.S. Bank became Successor Special Servicer and “purported to alter the arrangements without amending the [Servicing Agreement] or obtaining proper direction from the Trusts.” *Id.* at 15-16. The Preliminary Injunction Documents appear to suggest that the Successor Special Servicer’s retention of subservicer Turnstile Capital Management, LLC did not satisfy the requirements of the Servicing Agreement. *Id.* at 6-7, 15-16. These allegations are unsupported and wrong.

Under the Special Servicing Agreement by and among First Marblehead Education Resources, Inc., the Successor Special Servicer, and the Trusts dated March 1, 2009 (the “Special Servicing Agreement”), the Trusts appointed the Successor Special Servicer as “Back-Up Special Servicer.” The Special Servicing Agreement sets forth the rights and duties of the Back-Up Special Servicer in the event that the special servicer resigns (which it did), including that the Back-Up Special Servicer automatically succeeds to the role of the special servicer and may retain subservicers, both without amendment to the Special Servicing Agreement or consent of any other party.⁵ Accordingly, there was nothing improper in the Successor Special Servicer’s retention of Turnstile Capital Management, LLC.

With respect to issues related to exception requests, the Preliminary Injunction Documents crucially fail to acknowledge that a disruption in the handling of such requests arose as a direct result of a dispute between the Trusts and PHEAA. In a letter from the Owner Trustee to PHEAA dated October 20, 2015, the Trusts asserted that “the Owners or the Issuer through the Owner Trustee” are the only parties empowered to consent to exception requests. Thereafter, PHEAA stated that it would continue to send exception requests to the Trusts unless it received a different direction from the Trusts. The Trusts have since taken a potentially conflicting position with respect to how exception requests should be handled, and, as a result, certain issues remain

⁵ See, e.g., Special Servicing Agreement at § 2(b) (special servicer “shall take such actions as it shall deem reasonably necessary or appropriate to administer and oversee . . . the enforcement and collection of Delinquent Loans and Defaulted Loans,” including “[r]etaining and entering into agreements with licensed collection agencies and other legally authorized persons . . . engaged in providing default prevention services,” and “[r]eplacing any Subservicer who, in the sole judgment of the Special Servicer, is deemed deficient or negligent in performing the duties outlined in its subservicing agreement with the Special Servicer”); *Id.* at § 8(a) (Back-Up Special Servicer “shall have no liability hereunder or otherwise in the event that it is unable to engage one or more Subservicers, . . . so long as the Back-Up Special Servicer shall have taken commercially reasonable efforts to engage one or more Subservicers to perform such Special Services.”); *Id.* at § 8(b) (“The Back-Up Special Servicer as successor Special Servicer may employ and act through agents, attorneys, and independent contractors . . .”).

James J. Sabella, Esq.
October 28, 2016
Page 4 of 5

that purportedly can only be resolved by VCG through the Trusts. These issues were not created by the Successor Special Servicer or its subservicers and their resolution is outside of the Successor Special Servicer's control.

The Trusts Should Withdraw Their Allegations And Requested Relief Against U.S. Bank

The allegations relating to the Successor Special Servicer do not accurately reflect the facts and are extraneous. As to the requested relief, U.S. Bank does not take a position concerning whether the audits or the operations meeting should or should not proceed, and U.S. Bank does not intend to interfere with either. To the extent the Trusts' actions remain consistent with the Indentures, U.S. Bank likewise does not anticipate taking a future position concerning the audits or operations meeting absent a valid direction from Noteholders or a controlling party (which has not been received to date). Neither the allegations nor the requested relief as to U.S. Bank are necessary. U.S. Bank thus respectfully requests and urges the Trusts to strike the allegations and requested relief in the Preliminary Injunction Documents relating to U.S. Bank as Indenture Trustee and as Successor Special Servicer.

Please confirm on or before November 1, 2016 whether the Trusts will agree to the foregoing request. If the Trusts will not agree, U.S. Bank respectfully requests that the Trusts and PHEAA (also a recipient of this letter) consent to its appearance in the Action, as, unfortunately, it will be necessary for U.S. Bank to correct the issues identified herein. This level of involvement would be costly to the Trusts and ultimately Noteholders, and U.S. Bank asks that you bear this in mind in considering its request.⁶

Very truly yours,

U.S. BANK NATIONAL ASSOCIATION,
as Indenture Trustee and Successor Special Servicer of the Trusts,
by its counsel Jones Day



By: Matthew A. Martel

⁶ U.S. Bank does not waive, and expressly reserves, any and all rights that it or Noteholders may have, including without limitation any rights under the Indentures, Servicing Agreement, Special Servicing Agreement, any other document, or any law, and the right to provide a further response at a later date concerning the Preliminary Injunction Documents and any allegations or events related thereto.

James J. Sabella, Esq.
October 28, 2016
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cc (by email and first class mail):

PHEAA:

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sasc@stevenslee.com

GSS Data Services, Inc.:

Neil L. Arney
Kutak Rock LLP
1801 California Street, Suite 3000
Denver, CO 80202-2626
neil.arney@kutakrock.com

Owner Trustee:

Dorri Costello
Vice President
Wilmington Trust Company
Rodney Square North
1100 North Market Street
Wilmington, DE 19890
dcostello@wilmingtontrust.com

SCHEDULE I

The Trusts¹

1. National Collegiate Master Student Loan Trust I
2. National Collegiate Student Loan Trust 2003-1
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14. National Collegiate Student Loan Trust 2007-3
15. National Collegiate Student Loan Trust 2007-4

¹ U.S. Bank is indenture trustee but is not successor special servicer to National Collegiate Master Student Loan Trust I, National Collegiate Student Loan Trust 2007-3, and National Collegiate Student Loan Trust 2007-4.