

**Education Funding Capital Trust-II**  
**Statements to Noteholders**  
**October 31, 2008**  
(per Section 11.04)

**Payments on each Series of Notes during the month ended:**

October 31, 2008

	Principal	Interest	Carryover Interest
Series A-1	-	-	-
Series A-2	-	-	-
Series A-3	-	-	-
Series A-4	-	238,000.00	-
Series A-5	-	232,575.00	-
Series A-6	-	317,333.33	-
Series A-7	-	383,366.67	-
Series A-8	-	580,844.45	-
Series B-1	-	294,000.00	-
	-	2,046,119.45	-

**Information on Each Series of Notes as of:**

October 31, 2008

	Outstanding Principal	Pool Factor	Effective Interest Rate	Carryover Interest
<b>LIBOR Floaters (3-month LIBOR):</b>				
Series A-1	-	-	N/A	N/A
Series A-2	-	-	N/A	N/A
Series A-3	138,227,769.13	0.5008253	3.11875%	N/A
<b>Auction Rate Notes (28-day ARS):</b>				
Series A-4	75,000,000.00	1.0000000	4.08000%	52,643.84
Series A-5	75,000,000.00	1.0000000	4.08000%	88,027.40
Series A-6	100,000,000.00	1.0000000	4.08000%	54,246.58
Series A-7	100,000,000.00	1.0000000	4.08000%	86,063.01
Series A-8	100,000,000.00	1.0000000	4.08000%	-
Series B-1	50,000,000.00	1.0000000	4.08000%	147,004.46
	638,227,769.13			427,985.29

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**Statements to Noteholders**  
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(per Section 11.04)

Value of the Trust Estate as of:	October 31, 2008
Principal Balance of Financed Student Loans	617,001,749.97
Accrued Interest on Financed Student Loans	7,356,887.24
Cash and Investment Balance	15,706,805.64
Accrued Interest on Cash and Investments	26,526.24
	<u>640,091,969.09</u>
Accrued Interest and Fees with respect to the Notes	<u>1,157,402.70</u>
Pool Balance	<u>617,001,749.97</u>
Parity Percentage	<u>100.11%</u>
Senior Parity Percentage	<u>108.62%</u>

Rollforward of Indenture Funds during month ended:	October 31, 2008																									
	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;"></th> <th style="width: 15%; text-align: center;">Distribution Account</th> <th style="width: 15%; text-align: center;">Acquisition Account</th> <th style="width: 15%; text-align: center;">Reserve Account</th> <th style="width: 15%; text-align: center;">Capitalized Interest Account</th> </tr> </thead> <tbody> <tr> <td>Beginning Balance</td> <td style="text-align: right;">1,610,941.27</td> <td style="text-align: right;">(0.00)</td> <td style="text-align: right;">6,382,277.69</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Withdrawals</td> <td style="text-align: right;">(2,874,687.67)</td> <td style="text-align: right;">-</td> <td style="text-align: right;">(28.42)</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Deposits</td> <td style="text-align: right;">2,509,396.59</td> <td style="text-align: right;">-</td> <td style="text-align: right;">28.42</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Ending Balance</td> <td style="text-align: right;"><u>1,245,650.19</u></td> <td style="text-align: right;"><u>(0.00)</u></td> <td style="text-align: right;"><u>6,382,277.69</u></td> <td style="text-align: right;"><u>-</u></td> </tr> </tbody> </table>		Distribution Account	Acquisition Account	Reserve Account	Capitalized Interest Account	Beginning Balance	1,610,941.27	(0.00)	6,382,277.69	-	Withdrawals	(2,874,687.67)	-	(28.42)	-	Deposits	2,509,396.59	-	28.42	-	Ending Balance	<u>1,245,650.19</u>	<u>(0.00)</u>	<u>6,382,277.69</u>	<u>-</u>
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Ending Balance	<u>1,245,650.19</u>	<u>(0.00)</u>	<u>6,382,277.69</u>	<u>-</u>																						

Amounts allocated during month ended:	October 31, 2008
Servicing fees	143,498.33
Administration fee	25,882.89
Auction agent fee	5,055.56
Broker dealer fee	75,833.34
Calculation agent fee	-
Trustee fee	333.33
	<u>250,603.45</u>

Activity on Financed Student Loans during month ended:	October 31, 2008
Recoveries of Principal	<u>3,268,999.13</u>
Recoveries of Interest	<u>1,520,751.97</u>
Acquisitions of Financed Student Loans	<u>-</u>
Sales of Financed Student Loans	<u>-</u>
Initial federal reimbursement claims	<u>675,907.96</u>
Rejected federal reimbursement claims	<u>-</u>

**Education Funding Capital Trust-II**  
**Statements to Noteholders**  
**Portfolio Statistics**  
**October 31, 2008**  
(per Section 11.04)

	Number of Borrowers	Outstanding Balance		ABI
		Dollars	Percentage	
<b>Portfolio Breakdown:</b>				
In-School	0	0	0.00%	0
Grace	0	0	0.00%	0
<b>Total Interim</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>
Repayment - Current	18,939	417,533,993	67.67%	22,046
Repayment - Delinquent	2,797	76,649,272	12.42%	27,404
Forbearance	1,372	54,615,546	8.85%	39,807
Deferment	2,551	68,202,938	11.05%	26,736
<b>Total Repayment</b>	<b>25,659</b>	<b>617,001,750</b>	<b>100.00%</b>	<b>24,046</b>
<b>Total Portfolio</b>	<b>25,659</b>	<b>617,001,750</b>	<b>100.00%</b>	<b>24,046</b>
<b>Breakdown of Delinquent:</b>				
11 - 30 days	1,225	31,618,383	5.12%	25,811
31 - 60 days	642	18,069,141	2.93%	28,145
61 - 90 days	264	7,552,685	1.22%	28,609
91 - 120 days	180	5,341,733	0.87%	29,676
121 - 150 days	147	4,659,458	0.76%	31,697
151 - 180 days	85	2,085,488	0.34%	24,535
181 - 210 days	72	1,942,853	0.31%	26,984
211 - 240 days	48	1,453,377	0.24%	30,279
241 - 270 days	36	1,058,381	0.17%	29,399
Over 270 days	18	503,198	0.08%	27,955
Claim Filed	80	2,364,576	0.38%	29,557
<b>Total Delinquent</b>	<b>2,797</b>	<b>76,649,272</b>	<b>12.42%</b>	<b>27,404</b>
<b>Loan Type:</b>				
Stafford	0	0	0.00%	0
PLUS	0	0	0.00%	0
Consolidation	25,659	617,001,750	100.00%	24,046
<b>Total</b>	<b>25,659</b>	<b>617,001,750</b>	<b>100.00%</b>	<b>24,046</b>