

\$438,000,000
STATE OF NORTH CAROLINA
STATE EDUCATION ASSISTANCE AUTHORITY
STUDENT LOAN BACKED NOTES
2010-1 SERIES

CUSIP: 658262 FX3

NOTICE OF RATING CHANGE

NOTICE IS HEREBY GIVEN that, on October 7, 2011, Standard & Poor's (S&P) took action to change the rating it had assigned to the State Education Assistance Authority's Student Loan Backed Notes, 2010-1 Series, from "AAA(sf)/Watch Neg" to "AA+(sf)." The press release entitled, "117 Ratings From 70 Student Loan FFELP ABS Transactions Lowered To 'AA+(sf)'; 1 Sub Bond Cut To 'AA (sf)'; 32 Affirmed Following U.S. Sovereign Downgrade," published October 7, 2011," explains S&P's action.

STATE EDUCATION ASSISTANCE AUTHORITY,
a political subdivision of the State of North Carolina

By Julia B. Hoke
Its Director of Legal Affairs & General Counsel