

Student Loan Backed Reporting
Quarterly Distribution Report

Issuer	Vermont Student Assistance Corporation
Deal Name	2008 B
Distribution Date	9/30/2010
Collection Period	7/1/10 - 9/30/10
Contact Email	investorrelations@vsac.org
Website	www.vsac.org

Notes/Bonds											
Class	CUSIP	IRS Status	Rate(a)	Original Balance	Beg Princ Bal	Interest Accrual	Principal Paid	End Princ Bal	Bal after Waterfall	% of Securities	Maturity
2008 B1	92428C FJ 8	Exempt	0.270%	\$120,385,000	\$120,385,000	\$99,144	\$7,300,000	\$113,085,000	\$113,085,000	100.00%	12/15/2039
Total				\$120,385,000	\$120,385,000	\$99,144	\$7,300,000	\$113,085,000	\$113,085,000	100.00%	

(a) Footnotes: Most recent auction result
(b) Footnotes

Funds and Accounts - Trust			
	Beg Balance	Activity	End Balance
Debt Service Account	\$2,437,711	\$0	\$2,437,711
Capitalized Interest Account	\$1,100,000	(\$1,100,000)	\$0
Reserve Amt Required	\$1,233,861	\$0	\$1,233,861
Capitalized Interest Amt Required	\$0	\$0	\$0
Revenue Fund	\$516,938	(\$352,924)	\$164,013
Loan Acquisition Fund	\$4,590,412	(\$2,850,572)	\$1,739,840
Total Accounts Balance	\$8,645,061	(\$4,303,496)	\$4,341,565

(a) Footnotes
(b) Footnotes

Balance Sheet and Parity - Trust			
	Beg Balance	Activity	End Balance
Assets			
Loans Receivable	\$119,375,782	(\$3,253,071)	\$116,122,711
Allowance for Bad Debt	(\$217,166)	\$0	(\$217,166)
Accrued Interest Receivable on Loans	\$1,423,290	\$53,275	\$1,476,565
Accrued Interest on Investment	\$2,072	(\$1,272)	\$799
Accrued Interest Subsidy Payments	(\$538,218)	\$2,301	(\$535,917)
Student Loan Fees	(\$283)	\$25	(\$258)
Total Accounts/Funds Balance	\$8,645,061	(\$4,303,496)	\$4,341,565
Deferred Bond Issuance Costs	\$718,606	(\$6,090)	\$712,516
Prepaid Expenses	\$0	\$0	\$0
Total Assets	\$129,409,144	(\$7,508,328)	\$121,900,816
Liabilities			
Bonds Payable	\$120,385,000	(\$7,300,000)	\$113,085,000
Accrued Interest on Senior Bonds	\$17,217	\$81,928	\$99,144
Principal of Sub Bonds Outstanding	\$0	\$0	\$0
Accrued Interest on Sub Bonds Outstanding	\$0	\$0	\$0
Borrower Benefit Rebates Payable	\$0	\$120,237	\$120,237
Accrued Yield and Rebate - US Treasury	\$0	\$0	\$0
Due to US Dept. of Ed	(\$0)	(\$1)	(\$2)
Accounts Payable and Other Liabilities	\$210,229	\$430	\$210,658
Due To/From Operations	\$429,592	(\$407,514)	\$22,079
Total Liabilities	\$121,042,038	(\$7,504,921)	\$113,537,117
Senior Parity %	106.91%		107.37%
Total Parity %	106.91%		107.37%

(a) Footnotes
(b) Footnotes

Portfolio Summary - FFELP			
	Beg Balance	Activity	End Balance
Principal Balance	\$119,373,456	(\$3,250,744)	\$116,122,711
Accrued Interest	\$1,423,255	\$53,310	\$1,476,565
Total Pool Balance	\$120,796,711	(\$3,197,434)	\$117,599,277
Weighted Average Coupon (WAC)	4.75%		4.75%
Weighted Average Maturity (WAM) (in months)	176.8		176.5
Number of Loans	22,066	(447)	21,619
Number of Borrowers	16,251	(338)	15,913
Average Borrower Indebtedness	\$7,433	(\$43)	\$7,390

(a) Footnotes
(b) Footnotes

Weighted Average Payments Made - FFELP		
	% of Pool	Weighted Average Months to Maturity (a)
In School	4.4%	145
Grace	3.3%	123
Deferment	17.0%	182
Forbearance (b)	6.9%	211
Repayment	67.7%	178
Portfolio Weighted Average		178

(a) Footnotes: Includes Grace Period
(b) Footnotes: Includes loans in Reduced Payment Forbearance

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Portfolio by Loan Status - FFELP						
	# of Loans		Principal Balance		% of Balance	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
In School	1,815	1,651	\$5,671,894	\$5,145,934	4.8%	4.4%
Repayment	14,068	13,433	\$82,535,231	\$78,635,051	69.1%	67.7%
Reduced Payment	382	327	\$1,923,315	\$1,824,884	1.6%	1.6%
In Grace	1,187	1,266	\$3,500,322	\$3,786,475	2.9%	3.3%
Forbearance	622	672	\$5,496,836	\$6,178,983	4.6%	5.3%
Deferment	3,868	4,096	\$19,613,475	\$19,753,761	16.4%	17.0%
Claim Filed	124	174	\$634,709	\$797,624	0.5%	0.7%
Total Portfolio	22,066	21,619	\$119,375,782	\$116,122,711	100%	100%

(a) Footnotes
(b) Footnotes

Delinquency Status - FFELP						
	# of Loans		Principal Balance		% of Balance	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current	11,449	10,816	\$65,158,337	\$62,743,839	79.2%	78.0%
1-29 Days Delinquent	1,371	1,130	\$9,953,559	\$7,733,145	9.5%	9.6%
30-59 Days Delinquent	304	301	\$2,399,251	\$2,385,987	2.1%	3.0%
60-89 Days Delinquent	336	464	\$1,962,824	\$2,093,989	2.3%	2.6%
90-119 Days Delinquent	284	270	\$1,286,734	\$1,769,776	2.0%	2.2%
120-149 Days Delinquent	248	204	\$1,244,284	\$1,173,905	1.7%	1.5%
150-179 Days Delinquent	47	177	\$446,781	\$675,950	0.3%	0.8%
180-209 Days Delinquent	153	161	\$813,766	\$701,159	1.1%	0.9%
210-239 Days Delinquent	125	100	\$654,300	\$592,615	0.9%	0.7%
240-269 Days Delinquent	97	61	\$451,292	\$318,734	0.7%	0.4%
270+ Days Delinquent	36	76	\$87,419	\$270,834	0.2%	0.3%
Total Repayment (a)	14,450	13,760	\$84,458,546	\$80,459,935	100%	100%

(a) Footnotes Total Repayment includes Reduced Payment Loans
(b) Footnotes

Portfolio by Loan Type - FFELP						
	# of Loans		Principal Balance		% of Balance	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Unsubsidized Stafford Loans	1,842	1,814	\$7,128,164	\$7,002,849	6.0%	6.0%
Subsidized Stafford Loans	14,184	13,878	\$38,434,711	\$37,113,213	32.2%	32.0%
Grad / PLUS Loans	603	582	\$4,356,160	\$4,137,035	3.6%	3.6%
Consolidation Loans	5,433	5,343	\$69,454,421	\$67,867,417	58.2%	58.4%
Non-Guaranteed FFEL	4	2	\$2,327	\$2,198	0.0%	0.0%
Total Portfolio	22,066	21,619	\$119,375,782	\$116,122,711	100%	100%

(a) Footnotes
(b) Footnotes

Portfolio by School Type - FFELP						
	# of Loans		Principal Balance		% of Balance	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
2 Year	3,167	3,110	\$8,571,810	\$8,392,056	7.2%	7.2%
4 Year	16,122	15,797	\$85,399,509	\$82,875,788	71.5%	71.4%
Foreign	145	144	\$1,008,401	\$993,646	0.8%	0.9%
Proprietary	672	660	\$2,725,470	\$2,640,491	2.3%	2.3%
Vocational	563	545	\$3,560,754	\$3,488,720	3.0%	3.0%
Other / Unknown (a)	1,397	1,363	\$18,109,838	\$17,732,011	15.2%	15.3%
Total Portfolio	22,066	21,619	\$119,375,782	\$116,122,711	100%	100%

(a) Footnotes Includes Consolidation loans for which no School Code is maintained
(b) Footnotes

**Student Loan Backed Reporting Mixed Deal
Monitoring Waterfall and Collections**

Distribution Date	9/30/2010
Collection Period	7/1/10 - 9/30/10

Collection Activity

Collection Account	9/30/2010
Available Funds at Beginning of Period (a)	\$6,207,349
Collection Amount Received	\$3,875,934
Recoveries	\$0
Reserve Account	\$2,437,711
Capitalized Interest Account	\$0
Payments from Guarantor	\$510,047
Sale Proceeds	\$0
Investment Income	\$5,639
All Fees	\$0
Other Amounts Received in Collection	\$0
Consolidation Rebate Fee paid to Dept. of Ed	(\$180,907)
Excess Interest returned to Dept. of Ed	(\$291,236)
Excess Earnings Rebate paid to IRS	\$0
Total Available Funds	\$12,564,537
(a) Footnotes:	
(b) Footnotes:	

Fees and Program Expenses Due for Current Period	9/30/2010
Indenture Trustee Fees	\$3,600
Remarketing Fees	\$0
Credit Enhancement Fees	\$207,597
Arbitrage Analysis Fees	\$0
Servicing Fees	\$707,896
Other Fees	\$0
Total Fees and Program Expenses	\$919,093

Cumulative Default Rate	9/30/2010
Current Period Defaults and Write-offs	\$510,047
Cumulative Defaults and Write-offs	\$6,272,285
Loans for which claims have been filed as of Distribution Date	\$2,001,875
Cumulative Default Rate	5.57%
Cumulative Recoveries (including reimbursements and collections)	
Payments from Guarantor	\$6,129,702
Borrower Recoveries	\$0
Recovery Rate	74.08%
Cumulative Net Loss	\$2,144,458
Cumulative Net Loss	1.44%
(a) Footnotes:	

Waterfall Activity

Waterfall for Distribution	Amount Due	Amount Remaining
Total Available Funds		\$12,564,537
First: Fees and Program Expenses transferred to Operating Account	\$919,093	\$11,645,444
Second: Equal Installments of Semi-Annual Interest Due transferred to Debt Service - Interest Account 2008 B1	\$0	\$11,645,444
Third: For the 12 months preceding a stated maturity, equal installments of maturity amount transferred to Debt Service - Principal Account 2008 B1	\$0	\$11,645,444
Fourth: Payment to Debt Service Reserve Account if necessary to increase to minimum required	\$0	\$11,645,444
Fifth: Transfer to Retirement Account for non-scheduled retirement of bond principal and interest	\$7,303,880	\$4,341,565
Remaining Amount Released to Corporation if parity conditions met		\$4,341,565
(a) Footnotes:		
(b) Footnotes:		

Principal and Interest Distributions	As of Date	9/30/2010
Interest Accrued		\$103,024
Interest Due		\$0
Interest Paid		\$3,880
Interest Shortfall	N/A	
Accrued Interest Carryover		\$99,144
Interest Carryover Due		\$0
Interest Carryover Paid		\$0
Interest Carryover		\$99,144
Total Distribution Amount		\$3,880

Vermont Student Assistance Corporation

2008 B Indenture

Balance Sheet

	2008 B1 6/30/2010	2008 B1 9/30/2010
Assets		
Cash and Equivalents		
Operating	\$0.00	\$0.00
Revenue	\$516,937.60	\$164,013.45
Loan Acquisition	\$4,590,411.79	\$1,739,840.01
Debt Service Reserve	\$2,437,711.32	\$2,437,711.32
Cap Int	\$1,100,000.00	\$0.00
Total Cash and Equivalents	<u>\$8,645,060.71</u>	<u>\$4,341,564.78</u>
Receivables		
Investment Interest	\$2,071.70	\$799.22
Student Loans	\$119,375,782.38	\$116,122,711.49
Allowance for Bad Debt	(\$217,165.52)	(\$217,165.52)
Contra SLR - Alt Fees	\$2.23	\$2.19
Deferred Subsidized Fees	(\$285.12)	(\$259.85)
Student Loan Interest	\$1,423,290.08	\$1,476,565.05
FIB/SAP	(\$538,218.47)	(\$535,917.22)
Total Receivables	<u>\$120,045,477.28</u>	<u>\$116,846,735.36</u>
Other Assets		
Def Bond Issuance, Net	\$718,606.17	\$712,516.29
Prepaid Expenses	\$0.00	\$0.00
Total Other Assets	<u>\$718,606.17</u>	<u>\$712,516.29</u>
Total Assets	<u>\$129,409,144.16</u>	<u>\$121,900,816.43</u>
Liabilities and Net Assets		
Liabilities		
Senior Bonds Payable	\$120,385,000.00	\$113,085,000.00
Bond Interest Payable	\$17,216.70	\$99,144.47
VT Value Rebates Payable	\$0.00	\$120,236.87
Accrued Yield - US Treasury	\$0.00	\$0.00
Accrued Rebates - US Treasury	\$0.00	\$0.00
Due To US Department of Education	(\$0.01)	(\$1.50)
Accounts Payable and Other Liabilities	\$210,228.71	\$210,658.24
Due To/From Other Funds	\$429,592.35	\$22,078.59
Total Liabilities	<u>\$121,042,037.75</u>	<u>\$113,537,116.67</u>
Net Assets		
Restricted by Bond Resolution	\$8,367,106.41	\$8,363,699.76
Total Net Assets	<u>\$8,367,106.41</u>	<u>\$8,363,699.76</u>
Total Liabilities and Net Assets	<u>\$129,409,144.16</u>	<u>\$121,900,816.43</u>
Total Net Assets	<u>\$61,323,015.45</u>	<u>\$71,160,615.89</u>
Total Liabilities and Net Assets	<u>\$1,639,417,432.94</u>	<u>\$1,604,265,227.68</u>
Overall Parity Ratio	106.91%	107.37%
Senior Parity Ratio	106.91%	107.37%