

**Student Loan Backed Reporting
Quarterly Distribution Report**

Issuer	Vermont Student Assistance Corporation
Deal Name	2008 B
Distribution Date	12/31/2011
Collection Period	10/1/11 - 12/31/11
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	0.110%	\$120,385,000	\$99,985,000	\$5,504	\$3,600,000	\$96,385,000	\$96,385,000	100.00%	12/15/2039
Total				\$120,385,000	\$99,985,000	\$5,504	\$3,600,000	\$96,385,000	\$96,385,000	100.00%	

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

Funds and Accounts - Trust			
	Beg Balance	Activity	End Balance
Debt Service Reserve Account	\$2,437,711	\$0	\$2,437,711
Capitalized Interest Account	\$0	\$0	\$0
Reserve Amt Required	\$1,233,861	\$0	\$1,233,861
Debt Service - Interest Account	\$41,145	(\$41,142)	\$3
Revenue Fund	\$237,544	\$59,123	\$296,667
Loan Acquisition Fund	\$2,351,359	(\$180,438)	\$2,170,920
Total Accounts Balance	\$5,067,759	(\$162,458)	\$4,905,301

(a) Footnotes
(b) Footnotes

Balance Sheet and Parity - Trust			
	Beg Balance	Activity	End Balance
Assets			
Loans Receivable	\$102,407,201	(\$3,279,204)	\$99,127,997
Allowance for Bad Debt	(\$197,615)	\$0	(\$197,615)
Accrued Interest Receivable on Loans	\$1,357,263	(\$83,156)	\$1,274,107
Accrued Interest on Investment	\$318	\$159	\$477
Accrued Interest Subsidy Payments	(\$627,305)	\$20,211	(\$607,093)
Student Loan Fees	(\$148)	\$27	(\$120)
Total Accounts/Funds Balance	\$5,067,759	(\$162,458)	\$4,905,301
Deferred Bond Issuance Costs	\$588,344	(\$42,908)	\$545,436
Prepaid Expenses	\$0	\$0	\$0
Total Assets	\$108,595,817	(\$3,547,328)	\$105,048,489
Liabilities			
Bonds Payable	\$99,985,000	(\$3,600,000)	\$96,385,000
Accrued Interest on Senior Bonds	\$41,145	(\$35,640)	\$5,504
Principal of Sub Bonds Outstanding	\$0	\$0	\$0
Accrued Interest on Sub Bonds Outstanding	\$0	\$0	\$0
Borrower Benefit Rebates Payable	\$106,643	\$102,280	\$208,923
Accrued Yield and Rebate - US Treasury	\$0	\$0	\$0
Due to US Dept. of Ed	\$0	\$0	\$0
Accounts Payable and Other Liabilities	\$2,903	\$2,822	\$5,725
Due To/From Operations	\$180,731	\$94,882	\$275,613
Total Liabilities	\$100,316,422	(\$3,435,658)	\$96,880,765
Senior Parity % (a)	108.26%		108.07%
Total Parity % (a)	108.26%		108.07%

(a) Footnotes Effective September 30, 2011 the Parity % calculation updated to exclude non-cash items
(b) Footnotes

Student Loans Receivable Activity	
Beginning Balance	\$102,407,201
Interest Caps	\$360,225
Borrower Payments	(\$1,850,566)
Claim Payments	(\$776,929)
Consolidation Payments	(\$997,375)
Disbursements	\$0
Refunds to Borrower	\$3,771
Borrower Benefit Rebates	\$122
School Refunds	\$0
Write-offs	(\$18,457)
Miscellaneous Adjustments	\$5
Ending Balance	\$99,127,997

Portfolio Summary - FFELP			
	Beg Balance	Activity	End Balance
Principal Balance	\$102,407,201	(\$3,279,204)	\$99,127,997
Accrued Interest	\$1,357,263	(\$83,156)	\$1,274,107
Total Pool Balance	\$103,764,464	(\$3,362,360)	\$100,402,104
Weighted Average Coupon (WAC)	4.75%		4.76%
Weighted Average Maturity (WAM) (in months)	176.7		178.0
Number of Loans	19,467	(559)	18,908
Number of Borrowers	14,330	(411)	13,919
Average Borrower Indebtedness	\$7,241	(\$28)	\$7,213

(a) Footnotes
(b) Footnotes

Weighted Average Payments Made			
Current Status	Principal	% of Pool	W.A. Time until (a) Conversion to Repayment
In School	\$2,261,833	2.3%	(22.7) months
Grace	\$458,001	0.5%	(4.9) months
Total Not Converted	\$2,719,835	2.7%	
Current Status	Principal	% of Pool	W.A. Time since Conversion to Repayment
Repayment	\$73,642,150	74.3%	58.9 months
Reduced Payment	\$1,613,402	1.6%	66.4 months
Forbearance	\$4,166,615	4.2%	52.8 months
Deferment	\$16,305,404	16.4%	50.9 months
Claim Filed	\$680,591	0.7%	55.6 months
Total Converted	\$96,408,162	97.3%	
Total Portfolio	\$99,127,997	100%	

(a) Footnotes W.A. Time until Conversion to Repayment includes Grace period

**Student Loan Backed Reporting
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Portfolio by Loan Status - FFELP						
	# of Loans		Principal Balance		% of Balance	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
In School	817	755	\$2,457,085	\$2,261,833	2.4%	2.3%
Repayment	13,433	13,535	\$74,803,754	\$73,642,150	73.0%	74.3%
Reduced Payment	291	252	\$2,081,248	\$1,613,402	2.0%	1.6%
In Grace	548	146	\$1,773,874	\$458,001	1.7%	0.5%
Forbearance	662	552	\$4,672,329	\$4,166,615	4.6%	4.2%
Deferment	3,507	3,515	\$15,492,229	\$16,305,404	15.1%	16.4%
Claim Filed	209	153	\$1,126,682	\$680,591	1.1%	0.7%
Total Portfolio	19,467	18,908	\$102,407,201	\$99,127,997	100%	100%

(a) Footnotes
(b) Footnotes

Delinquency Status - FFELP						
	# of Loans		Principal Balance		% of Balance	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current	11,099	10,873	\$60,058,342	\$57,338,147	78.1%	76.2%
1-29 Days Delinquent	1,043	724	\$7,010,629	\$6,124,734	9.1%	8.1%
30-59 Days Delinquent	255	780	\$2,212,003	\$4,476,583	2.9%	5.9%
60-89 Days Delinquent	388	419	\$1,761,299	\$1,732,337	2.3%	2.3%
90-119 Days Delinquent	243	254	\$1,672,602	\$1,459,156	2.2%	1.9%
120-149 Days Delinquent	186	187	\$1,065,706	\$937,738	1.4%	1.2%
150-179 Days Delinquent	155	150	\$1,089,542	\$915,779	1.4%	1.2%
180-209 Days Delinquent	125	123	\$770,826	\$809,575	1.0%	1.1%
210-239 Days Delinquent	105	129	\$702,520	\$640,443	0.9%	0.9%
240-269 Days Delinquent	73	84	\$305,173	\$521,427	0.4%	0.7%
270+ Days Delinquent	52	64	\$236,361	\$299,632	0.3%	0.4%
Total Repayment (a)	13,724	13,787	\$76,885,002	\$75,255,552	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	1,615	1,557	\$6,137,579	\$5,979,323	6.0%	6.0%
Subsidized Stafford Loans	12,422	12,035	\$31,138,381	\$29,729,277	30.4%	30.0%
Grad / PLUS Loans	509	483	\$3,265,376	\$3,107,832	3.2%	3.1%
Consolidation Loans	4,915	4,828	\$61,857,083	\$60,300,825	60.4%	60.8%
Non-Guaranteed FFEL	6	5	\$8,782	\$10,739	0.0%	0.0%
Total Portfolio	19,467	18,908	\$102,407,201	\$99,127,997	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	2,758	2,664	\$7,118,238	\$6,804,738	7.0%	6.9%
4 Year	14,262	13,855	\$72,645,448	\$70,145,008	70.9%	70.8%
Foreign	141	140	\$924,252	\$912,906	0.9%	0.9%
Proprietary	561	543	\$2,152,797	\$2,086,242	2.1%	2.1%
Vocational	477	462	\$3,060,843	\$2,948,454	3.0%	3.0%
Other / Unknown (a)	1,268	1,244	\$16,505,622	\$16,230,648	16.1%	16.4%
Total Portfolio	19,467	18,908	\$102,407,201	\$99,127,997	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	12/31/2011
Collection Period	10/1/11 - 12/31/11

Collection Activity

Collection Account	12/31/2011
Available Funds at Beginning of Period	\$2,588,902
Collection Amount Received	\$3,544,050
Recoveries	\$0
Debt Service Reserve Account	\$2,437,711
Capitalized Interest Account	\$0
Debt Service Interest Account	\$41,145
Payments from Guarantor	\$815,818
Sale Proceeds	\$0
Investment Income	\$1,065
All Fees	\$0
Other Amounts Received in Collection	\$0
Consolidation Rebate Fee paid to Dept. of Ed	(\$215,689)
Excess Interest returned to Dept. of Ed	(\$318,653)
Excess Earnings Rebate paid to IRS	\$0
Total Available Funds	\$8,894,350

(a) Footnotes:
(b) Footnotes

Fees and Program Expenses Due for Current Period	12/31/2011
Indenture Trustee Fees	\$3,600
Remarketing Fees	\$0
Credit Enhancement Fees	\$171,307
Arbitrage Analysis Fees	\$0
Servicing Fees	\$144,404
Other Fees	\$0
Total Fees and Program Expenses	\$319,311

Cumulative Default Rate	12/31/2011
Current Period Defaults and Write-offs	\$815,818
Cumulative Defaults and Write-offs	\$10,496,369
Loans for which claims have been filed as of Distribution Date	\$2,482,563
Cumulative Default Rate	8.76%
Cumulative Recoveries (including reimbursements and collections)	
Payments from Guarantor	\$10,266,536
Borrower Recoveries	\$0
Recovery Rate	79.10%
Cumulative Net Loss	\$2,712,397
Cumulative Net Loss	1.83%

(a) Footnotes

Waterfall Activity

Waterfall for Distribution	Amount Due	Amount Remaining
Total Available Funds		\$8,894,350
First: Fees and Program Expenses transferred to Operating Account	\$319,311	\$8,575,038
Second: Semi-Annual Interest Due transferred to Debt Service - Interest Account 2008 B1	\$68,443	\$8,506,595
Third: For the 12 months preceding a stated maturity, equal installments of maturity amount transferred to Debt Service - Principal Account 2008 B1	\$0	\$8,506,595
Fourth: Payment to Debt Service Reserve Account if necessary to increase to minimum required	\$0	\$8,506,595
Fifth: Transfer to Retirement Account for non-scheduled retirement of bond principal and interest	\$3,601,294	\$4,905,301
Remaining Amount Released to Corporation if parity conditions met		\$4,905,301

(a) Footnotes
(b) Footnotes

Principal and Interest Distributions	As of Date	12/31/2011
Interest Accrued		\$75,241
Interest Due		\$69,737
Interest Paid		\$69,737
Interest Shortfall	N/A	
Accrued Interest Carryover		\$5,504
Interest Carryover Due		\$0
Interest Carryover Paid		\$0
Interest Carryover		\$5,504
Periodic Principal Distribution Amount Due		\$0
Periodic Principal Paid (a)		\$3,600,000
Principal Shortfall	N/A	
Total Distribution Amount		\$3,669,737

(a) Footnotes: Principal Distributions are voluntary early retirements
(b) Footnotes

Vermont Student Assistance Corporation

2008 B Indenture

Balance Sheet

	2008 B1 9/30/2011	2008 B1 12/31/2011
Assets		
Cash and Equivalents		
Operating	\$0.00	\$0.00
Revenue	\$237,543.77	\$296,666.50
Loan Acquisition	\$2,351,358.61	\$2,170,920.28
Debt Service Reserve	\$2,437,711.32	\$2,437,711.32
Cap Int	\$0.00	\$0.00
Debt Service - Interest	\$41,145.32	\$2.85
Total Cash and Equivalents	<u>\$5,067,759.02</u>	<u>\$4,905,300.95</u>
Receivables		
Investment Interest	\$317.57	\$476.83
Student Loans	\$102,407,200.63	\$99,127,996.78
Allowance for Bad Debt	(\$197,615.35)	(\$197,615.35)
Contra SLR - Alt Fees	\$1.86	\$1.81
Deferred Subsidized Fees	(\$149.72)	(\$122.22)
Student Loan Interest	\$1,357,263.14	\$1,274,106.77
FIB	\$322,547.77	\$305,137.41
SAP	(\$949,852.38)	(\$912,230.66)
Total Receivables	<u>\$102,939,713.52</u>	<u>\$99,597,751.37</u>
Other Assets		
Def Bond Issuance, Net	\$588,344.22	\$545,436.49
Prepaid Expenses	\$0.00	\$0.00
Total Other Assets	<u>\$588,344.22</u>	<u>\$545,436.49</u>
Total Assets	<u>\$108,595,816.76</u>	<u>\$105,048,488.81</u>
Liabilities and Net Assets		
Liabilities		
Senior Bonds Payable	\$99,985,000.00	\$96,385,000.00
Bond Interest Payable	\$41,144.51	\$5,504.02
VT Value Rebates Payable	\$106,643.30	\$208,922.84
Accrued Yield - US Treasury	\$0.00	\$0.00
Accrued Rebates - US Treasury	\$0.00	\$0.00
Due To US Department of Education	\$0.00	\$0.00
Accounts Payable and Other Liabilities	\$2,903.36	\$5,724.91
Due To/From Other Funds	\$180,731.03	\$275,612.81
Total Liabilities	<u>\$100,316,422.20</u>	<u>\$96,880,764.58</u>
Net Assets		
Restricted by Bond Resolution	<u>\$8,279,394.56</u>	<u>\$8,167,724.23</u>
Total Net Assets	<u>\$8,279,394.56</u>	<u>\$8,167,724.23</u>
Total Liabilities and Net Assets	<u>\$108,595,816.76</u>	<u>\$105,048,488.81</u>
Overall Parity Ratio	108.26%	108.07%

Vermont Student Assistance Corporation

2008B Trust

Quarterly Income Statement

2008 B
10/1/2011- 12/31/2011

Bond Direct Contribution		
Revenue		
	Federal Interest Benefits	\$150,869.49
	Special Allowance Payments	\$10,237.17
	Interest on Investments	\$1,224.13
	Interest and Fees/Student Loans	\$1,043,943.05
	Other Income	\$0.00
	Total Revenue	<u>\$1,206,273.84</u>
Bond Expenses		
	Bond/Note Interest	\$34,096.95
	Lender Fees and Consolidation Fees	\$215,688.63
	SAP Int Returned to DOE	\$459,548.62
	VT Value Rebate Expense	\$129,328.46
	Fees Paid on Borrower Behalf	(\$27.50)
	Yield Exp - US Treasury	\$0.00
	Yield Analysis	\$0.00
	Rebate Exp - US Treasury	\$0.00
	Rebate Analysis	\$0.00
	Bad Debt Expense	\$18,452.28
	Credit Enhancement	\$174,129.00
	Auction Agent	\$0.00
	Remarketing	\$0.00
	Trustee Fees	\$3,600.00
	Rating Agency Fees	\$0.00
	Total Interest Expenses	<u>\$1,034,816.44</u>
	Total Direct Contribution	<u>\$171,457.40</u>
Administrative Expense		
	Salaries and Benefits	\$79,104.00
	Other General and Admin	\$147.00
	Other Loan Finance Expense	\$0.00
	Amortization of Bond Issuance	\$42,907.73
	Subsidy Transfer to Ops	\$160,969.00
	Total Administrative	<u>\$283,127.73</u>
	Transfers	\$0.00
	BEGINNING NET ASSETS	\$8,279,394.56
	NET SURPLUS/(DEFICIT)	(\$111,670.33)
	ENDING NET ASSETS	<u>\$8,167,724.23</u>