

**Student Loan Backed Reporting**  
**Quarterly Distribution Report**

<b>Issuer</b>	Vermont Student Assistance Corporation
<b>Deal Name</b>	2008 B
<b>Distribution Date</b>	9/30/2011
<b>Collection Period</b>	7/1/11 - 9/30/11
<b>Contact Email</b>	<a href="mailto:investorrelations@vsac.org">investorrelations@vsac.org</a>
<b>Website</b>	<a href="http://www.vsac.org">www.vsac.org</a>

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	0.170%	\$120,385,000	\$102,985,000	\$41,145	\$3,000,000	\$99,985,000	\$99,985,000	100.00%	12/15/2039
<b>Total</b>				<b>\$120,385,000</b>	<b>\$102,985,000</b>	<b>\$41,145</b>	<b>\$3,000,000</b>	<b>\$99,985,000</b>	<b>\$99,985,000</b>	<b>100.00%</b>	

(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	\$4,768	\$36,377	\$41,145
Revenue Fund	\$100,843	\$136,701	\$237,544
Loan Acquisition Fund	\$1,772,922	\$578,436	\$2,351,359
<b>Total Accounts Balance</b>	<b>\$4,316,245</b>	<b>\$751,514</b>	<b>\$5,067,759</b>

(a) Footnotes  
(b) Footnotes

Balance Sheet and Parity - Trust			
	Beg Balance	Activity	End Balance
<b>Assets</b>			
Loans Receivable	\$105,881,772	(\$3,474,572)	\$102,407,201
Allowance for Bad Debt	(\$197,615)	\$0	(\$197,615)
Accrued Interest Receivable on Loans	\$1,341,263	\$16,000	\$1,357,263
Accrued Interest on Investment	\$330	(\$13)	\$318
Accrued Interest Subsidy Payments	(\$624,875)	(\$2,429)	(\$627,305)
Student Loan Fees	(\$175)	\$27	(\$148)
Total Accounts/Funds Balance	\$4,316,245	\$751,514	\$5,067,759
Deferred Bond Issuance Costs	\$593,903	(\$5,559)	\$588,344
Prepaid Expenses	\$0	\$0	\$0
<b>Total Assets</b>	<b>\$111,310,848</b>	<b>(\$2,715,031)</b>	<b>\$108,595,817</b>
<b>Liabilities</b>			
Bonds Payable	\$102,985,000	(\$3,000,000)	\$99,985,000
Accrued Interest on Senior Bonds	\$4,712	\$36,433	\$41,145
Principal of Sub Bonds Outstanding	\$0	\$0	\$0
Accrued Interest on Sub Bonds Outstanding	\$0	\$0	\$0
Borrower Benefit Rebates Payable	\$0	\$106,643	\$106,643
Accrued Yield and Rebate - US Treasury	\$0	\$0	\$0
Due to US Dept. of Ed	\$0	\$0	\$0
Accounts Payable and Other Liabilities	\$0	\$2,903	\$2,903
Due To/From Operations	\$75,304	\$105,427	\$180,731
<b>Total Liabilities</b>	<b>\$103,065,016</b>	<b>(\$2,748,594)</b>	<b>\$100,316,422</b>
Senior Parity % (a)	108.00%		107.86%
Total Parity % (a)	108.00%		107.86%

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

Portfolio Summary - FFELP			
	Beg Balance	Activity	End Balance
Principal Balance	\$105,881,772	(\$3,474,572)	\$102,407,201
Accrued Interest	\$1,341,263	\$16,000	\$1,357,263
<b>Total Pool Balance</b>	<b>\$107,223,036</b>	<b>(\$3,458,572)</b>	<b>\$103,764,464</b>
Weighted Average Coupon (WAC)	4.77%		4.75%
Weighted Average Maturity (WAM) (in months)	176.7		176.7
Number of Loans	19,988	(521)	19,467
Number of Borrowers	14,694	(364)	14,330
Average Borrower Indebtedness	\$7,297	(\$56)	\$7,241

(a) Footnotes  
(b) Footnotes

Weighted Average Payments Made			
Current Status	Principal	% of Pool	W.A. Time until (a) Conversion to Repayment
In School	\$2,457,085	2.4%	(24.6) months
Grace	\$1,773,874	1.7%	(2.3) months
<b>Total Not Converted</b>	<b>\$4,230,959</b>	<b>4.1%</b>	
Current Status	Principal	% of Pool	W.A. Time since Conversion to Repayment
Repayment	\$74,803,754	73.0%	57.0 months
Reduced Payment	\$2,081,248	2.0%	57.2 months
Forbearance	\$4,672,329	4.6%	51.9 months
Deferment	\$15,492,229	15.1%	47.1 months
Claim Filed	\$1,126,682	1.1%	55.3 months
<b>Total Converted</b>	<b>\$98,176,241</b>	<b>95.9%</b>	
<b>Total Portfolio</b>	<b>\$102,407,201</b>	<b>100%</b>	

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

**Student Loan Backed Reporting**  
**Quarterly Distribution Report**

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**Portfolio by Loan Status - FFELP**

	# of Loans		Principal Balance		% of Balance	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
In School	952	817	\$2,819,955	\$2,457,085	2.7%	2.4%
Repayment	13,926	13,433	\$77,535,691	\$74,803,754	73.2%	73.0%
Reduced Payment	268	291	\$1,530,281	\$2,081,248	1.4%	2.0%
In Grace	469	548	\$1,572,321	\$1,773,874	1.5%	1.7%
Forbearance	622	662	\$5,048,769	\$4,672,329	4.8%	4.6%
Deferment	3,565	3,507	\$16,484,614	\$15,492,229	15.6%	15.1%
Claim Filed	186	209	\$890,142	\$1,126,682	0.8%	1.1%
<b>Total Portfolio</b>	<b>19,988</b>	<b>19,467</b>	<b>\$105,881,772</b>	<b>\$102,407,201</b>	<b>100%</b>	<b>100%</b>

(a) Footnotes  
(b) Footnotes

**Delinquency Status - FFELP**

	# of Loans		Principal Balance		% of Balance	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current	11,518	11,099	\$61,852,717	\$60,058,342	78.2%	78.1%
1-29 Days Delinquent	1,111	1,043	\$7,511,600	\$7,010,629	9.5%	9.1%
30-59 Days Delinquent	299	255	\$2,537,722	\$2,212,003	3.2%	2.9%
60-89 Days Delinquent	308	388	\$1,867,619	\$1,761,299	2.4%	2.3%
90-119 Days Delinquent	224	243	\$985,930	\$1,672,602	1.2%	2.2%
120-149 Days Delinquent	230	186	\$1,271,609	\$1,065,706	1.6%	1.4%
150-179 Days Delinquent	56	155	\$649,166	\$1,089,542	0.8%	1.4%
180-209 Days Delinquent	121	125	\$625,795	\$770,826	0.8%	1.0%
210-239 Days Delinquent	138	105	\$1,018,944	\$702,520	1.3%	0.9%
240-269 Days Delinquent	125	73	\$513,338	\$305,173	0.6%	0.4%
270+ Days Delinquent	64	52	\$231,534	\$236,361	0.3%	0.3%
<b>Total Repayment (a)</b>	<b>14,194</b>	<b>13,724</b>	<b>\$79,065,972</b>	<b>\$76,885,002</b>	<b>100%</b>	<b>100%</b>

(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	1,670	1,615	\$6,419,000	\$6,137,579	6.1%	6.0%
Subsidized Stafford Loans	12,776	12,422	\$32,491,538	\$31,138,381	30.7%	30.4%
Grad / PLUS Loans	521	509	\$3,495,921	\$3,265,376	3.3%	3.2%
Consolidation Loans	5,016	4,915	\$63,466,387	\$61,857,083	59.9%	60.4%
Non-Guaranteed FFEL	5	6	\$8,926	\$8,782	0.0%	0.0%
<b>Total Portfolio</b>	<b>19,988</b>	<b>19,467</b>	<b>\$105,881,772</b>	<b>\$102,407,201</b>	<b>100%</b>	<b>100%</b>

(a) Footnotes  
(b) Footnotes

**Portfolio by School Type - FFELP**

	# of Loans		Principal Balance		% of Balance	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
2 Year	2,854	2,758	\$7,435,886	\$7,118,238	7.0%	7.0%
4 Year	14,607	14,262	\$75,014,972	\$72,645,448	70.8%	70.9%
Foreign	142	141	\$944,273	\$924,252	0.9%	0.9%
Proprietary	588	561	\$2,431,011	\$2,152,797	2.3%	2.1%
Vocational	501	477	\$3,268,804	\$3,060,843	3.1%	3.0%
Other / Unknown (a)	1,296	1,268	\$16,786,826	\$16,505,622	15.9%	16.1%
<b>Total Portfolio</b>	<b>19,988</b>	<b>19,467</b>	<b>\$105,881,772</b>	<b>\$102,407,201</b>	<b>100%</b>	<b>100%</b>

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

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

<b>Distribution Date</b>	9/30/2011
<b>Collection Period</b>	7/1/11 - 9/30/11

**Collection Activity**

Collection Account	9/30/2011
<b>Available Funds at Beginning of Period</b>	\$1,873,765
Collection Amount Received	\$3,392,348
Recoveries	\$0
Debt Service Reserve Account	\$2,437,711
Capitalized Interest Account	\$0
Debt Service Interest Account	\$4,768
Payments from Guarantor	\$1,085,146
Sale Proceeds	\$0
Investment Income	\$881
All Fees	\$0
Other Amounts Received in Collection	\$0
Consolidation Rebate Fee paid to Dept. of Ed	(\$110,524)
Excess Interest returned to Dept. of Ed	(\$306,222)
Excess Earnings Rebate paid to IRS	\$0
<b>Total Available Funds</b>	<b>\$8,377,874</b>

(a) Footnotes:  
(b) Footnotes

Fees and Program Expenses Due for Current Period	9/30/2011
Indenture Trustee Fees	\$3,600
Remarketing Fees	\$0
Credit Enhancement Fees	\$177,097
Arbitrage Analysis Fees	\$3,750
Servicing Fees	\$125,029
Other Fees	\$0
<b>Total Fees and Program Expenses</b>	<b>\$309,476</b>

Cumulative Default Rate	9/30/2011
Current Period Defaults and Write-offs	\$1,085,146
Cumulative Defaults and Write-offs	\$9,661,943
Loans for which claims have been filed as of Distribution Date	\$3,055,858
<b>Cumulative Default Rate</b>	<b>8.59%</b>
Cumulative Recoveries (including reimbursements and collections)	
Payments from Guarantor	\$9,450,718
Borrower Recoveries	\$0
<b>Recovery Rate</b>	<b>74.31%</b>
Cumulative Net Loss	\$3,267,082
<b>Cumulative Net Loss</b>	<b>2.21%</b>

(a) Footnotes

**Waterfall Activity**

Waterfall for Distribution	Amount Due	Amount Remaining
<b>Total Available Funds</b>		\$8,377,874
<b>First:</b> Fees and Program Expenses transferred to Operating Account	\$309,476	\$8,068,398
<b>Second:</b> Semi-Annual Interest Due transferred to Debt Service - Interest Account 2008 B1	\$0	\$8,068,398
<b>Third:</b> For the 12 months preceding a stated maturity, equal installments of maturity amount transferred to Debt Service - Principal Account 2008 B1	\$0	\$8,068,398
<b>Fourth:</b> Payment to Debt Service Reserve Account if necessary to increase to minimum required	\$0	\$8,068,398
<b>Fifth:</b> Transfer to Retirement Account for non-scheduled retirement of bond principal and interest	\$3,000,639	\$5,067,759
<b>Remaining Amount Released to Corporation if parity conditions met</b>		\$5,067,759

(a) Footnotes  
(b) Footnotes

Principal and Interest Distributions	As of Date	9/30/2011
Interest Accrued		\$41,783
Interest Due		\$639
Interest Paid		\$639
Interest Shortfall	N/A	
Accrued Interest Carryover		\$41,145
Interest Carryover Due		\$0
Interest Carryover Paid		\$0
Interest Carryover		\$41,145
Periodic Principal Distribution Amount Due		\$0
Periodic Principal Paid (a)		\$3,000,000
Principal Shortfall	N/A	
<b>Total Distribution Amount</b>		<b>\$3,000,639</b>

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

# Vermont Student Assistance Corporation

## 2008 B Indenture

### Balance Sheet

	2008 B1 6/30/2011	2008 B1 9/30/2011
Assets		
Cash and Equivalents		
Operating	\$0.00	\$0.00
Revenue	\$100,843.14	\$237,543.77
Loan Acquisition	\$1,772,922.23	\$2,351,358.61
Debt Service Reserve	\$2,437,711.32	\$2,437,711.32
Cap Int	\$0.00	\$0.00
Debt Service - Interest	\$4,768.35	\$41,145.32
Total Cash and Equivalents	<u>\$4,316,245.04</u>	<u>\$5,067,759.02</u>
Receivables		
Investment Interest	\$330.49	\$317.57
Student Loans	\$105,881,772.40	\$102,407,200.63
Allowance for Bad Debt	(\$197,615.35)	(\$197,615.35)
Contra SLR - Alt Fees	\$1.92	\$1.86
Deferred Subsidized Fees	(\$177.23)	(\$149.72)
Student Loan Interest	\$1,341,263.37	\$1,357,263.14
FIB	\$350,899.25	\$322,547.77
SAP	(\$975,774.71)	(\$949,852.38)
Total Receivables	<u>\$106,400,700.14</u>	<u>\$102,939,713.52</u>
Other Assets		
Def Bond Issuance, Net	\$593,902.95	\$588,344.22
Prepaid Expenses	\$0.00	\$0.00
Total Other Assets	<u>\$593,902.95</u>	<u>\$588,344.22</u>
Total Assets	<u>\$111,310,848.13</u>	<u>\$108,595,816.76</u>
Liabilities and Net Assets		
Liabilities		
Senior Bonds Payable	\$102,985,000.00	\$99,985,000.00
Bond Interest Payable	\$4,711.92	\$41,144.51
VT Value Rebates Payable	\$0.00	\$106,643.30
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	\$0.00	\$2,903.36
Due To/From Other Funds	\$75,303.80	\$180,731.03
Total Liabilities	<u>\$103,065,015.72</u>	<u>\$100,316,422.20</u>
Net Assets		
Restricted by Bond Resolution	<u>\$8,245,832.41</u>	<u>\$8,279,394.56</u>
Total Net Assets	<u>\$8,245,832.41</u>	<u>\$8,279,394.56</u>
Total Liabilities and Net Assets	<u>\$111,310,848.13</u>	<u>\$108,595,816.76</u>
Overall Parity Ratio	108.00%	107.86%

# Vermont Student Assistance Corporation

## 2008B Trust

### Quarterly Income Statement

		<b>2008B Trust</b>
		<b><u>7/1/2011- 9/30/2011</u></b>
Bond Direct Contribution		
Revenue		
	Federal Interest Benefits	\$154,267.92
	Special Allowance Payments	\$10,671.34
	Interest on Investments	\$868.12
	Interest and Fees/Student Loans	\$1,077,239.87
	Other Income	\$0.00
	Total Revenue	<u>\$1,243,047.25</u>
Bond Expenses		
	Bond/Note Interest	\$37,071.49
	Lender Fees and Consolidation Fees	\$110,524.20
	SAP Int Returned to DOE	\$473,590.55
	VT Value Rebate Expense	\$134,087.66
	Fees Paid on Borrower Behalf	(\$27.51)
	Yield Exp - US Treasury	\$0.00
	Yield Analysis	\$2,750.00
	Rebate Exp - US Treasury	\$0.00
	Rebate Analysis	\$1,000.00
	Bad Debt Expense	\$19,634.98
	Credit Enhancement	\$181,250.00
	Auction Agent	\$0.00
	Remarketing	\$0.00
	Trustee Fees	\$3,600.00
	Rating Agency Fees	\$0.00
	Total Interest Expenses	<u>\$963,481.37</u>
	Total Direct Contribution	<u>\$279,565.88</u>
Administrative Expense		
	Salaries and Benefits	\$102,685.00
	Other General and Admin	\$227.00
	Other Loan Finance Expense	\$250.00
	Amortization of Bond Issuance	\$5,558.73
	Subsidy Transfer to Ops	\$137,283.00
	Total Administrative	<u>\$246,003.73</u>
	Transfers	\$0.00
	<b>BEGINNING NET ASSETS</b>	<b>\$8,245,832.41</b>
	<b>NET SURPLUS/(DEFICIT)</b>	<b>\$33,562.15</b>
	<b>ENDING NET ASSETS</b>	<b><u>\$8,279,394.56</u></b>