

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

<b>Issuer</b>	Vermont Student Assistance Corporation
<b>Deal Name</b>	2008 C
<b>Distribution Date</b>	12/31/2010
<b>Collection Period</b>	10/1/10 - 12/31/10
<b>Contact Email</b>	investorrelations@vsac.org
<b>Website</b>	www.vvac.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 C1	92428C FK 5	Exempt	0.380%	\$12,000,000	\$12,000,000	\$1,910	\$0	\$12,000,000	\$12,000,000	6.00%	12/15/2025	
2008 C1	92428C FK 5	Exempt	0.380%	\$20,625,000	\$20,625,000	\$3,283	\$0	\$20,625,000	\$20,625,000	10.31%	12/15/2032	
2008 C1	92428C FK 5	Exempt	0.380%	\$25,000,000	\$25,000,000	\$3,979	\$0	\$25,000,000	\$25,000,000	12.50%	12/15/2034	
2008 C1	92428C FK 5	Exempt	0.380%	\$12,500,000	\$12,500,000	\$1,990	\$0	\$12,500,000	\$12,500,000	6.25%	12/15/2036	
2008 C1	92428C FK 5	Exempt	0.380%	\$29,875,000	\$29,875,000	\$4,755	\$0	\$29,875,000	\$29,875,000	14.94%	12/15/2040	
2008 C2	92428C FL 3	Exempt	0.330%	\$12,000,000	\$12,000,000	\$1,828	\$0	\$12,000,000	\$12,000,000	6.00%	12/15/2025	
2008 C2	92428C FL 3	Exempt	0.330%	\$20,625,000	\$20,625,000	\$3,142	\$0	\$20,625,000	\$20,625,000	10.31%	12/15/2032	
2008 C2	92428C FL 3	Exempt	0.330%	\$25,000,000	\$25,000,000	\$3,808	\$0	\$25,000,000	\$25,000,000	12.50%	12/15/2034	
2008 C2	92428C FL 3	Exempt	0.330%	\$12,500,000	\$12,500,000	\$1,904	\$0	\$12,500,000	\$12,500,000	6.25%	12/15/2036	
2008 C2	92428C FL 3	Exempt	0.330%	\$29,875,000	\$29,875,000	\$4,551	\$0	\$29,875,000	\$29,875,000	14.94%	12/15/2040	
<b>Total</b>				<b>\$200,000,000</b>	<b>\$200,000,000</b>	<b>\$31,151</b>	<b>\$0</b>	<b>\$200,000,000</b>	<b>\$200,000,000</b>	<b>100.00%</b>		

(a) Footnotes Last result in period  
(b) Footnotes

Funds and Accounts - Trust			
	Beg Balance	Activity	End Balance
Debt Service Account	\$2,000,000	\$0	\$2,000,000
Capitalized Interest Account	\$0	\$0	\$0
Reserve Amt Required	\$2,000,000	\$0	\$2,000,000
Capitalized Interest Amt Required	\$0	\$0	\$0
Rehab Default Reserve	\$50,000	\$0	\$50,000
Revenue Fund	\$2,803,601	\$143,561	\$2,947,162
Loan Acquisition Fund	\$8,717,338	(\$691,828)	\$8,025,510
<b>Total Accounts Balance</b>	<b>\$13,570,938</b>	<b>(\$548,267)</b>	<b>\$13,022,672</b>

(a) Footnotes  
(b) Footnotes

Balance Sheet and Parity - Trust			
	Beg Balance	Activity	End Balance
<b>Assets</b>			
Loans Receivable	\$196,930,441	\$891,079	\$197,821,520
Allowance for Bad Debt	(\$362,928)	\$0	(\$362,928)
Student Loan Accrued Interest and Subsidy	\$3,955,651	(\$130,022)	\$3,825,629
Accrued Interest on Investment	\$2,750	(\$964)	\$1,786
Student Loan Fees	\$25,454	(\$1,995)	\$23,459
Total Accounts/Funds Balance	\$13,570,938	(\$548,267)	\$13,022,672
Deferred Bond Issuance Costs	\$998,880	(\$8,255)	\$990,625
Prepaid Expenses	\$0	\$0	\$0
<b>Total Assets</b>	<b>\$215,121,186</b>	<b>\$201,577</b>	<b>\$215,322,762</b>
<b>Liabilities</b>			
Bonds Payable	\$200,000,000	\$0	\$200,000,000
Accrued Interest on Senior Bonds	\$176,192	(\$145,041)	\$31,151
Excess SAP due to the Department	\$2,206,526	\$66,222	\$2,272,748
Borrower Benefit Rebates Payable	\$124,434	\$167,210	\$291,644
Accrued Yield and Rebate - US Treasury	\$0	\$0	\$0
Due to US Dept. of Ed	\$57,664	(\$41,918)	\$15,746
Accounts Payable and Other Liabilities	\$490,549	(\$3,999)	\$486,550
Due To/From Operations	\$58,031	\$81,164	\$139,194
<b>Total Liabilities</b>	<b>\$203,113,395</b>	<b>\$123,637</b>	<b>\$203,237,033</b>
Senior Parity %	105.56%		105.60%
Total Parity %	105.56%		105.60%

(a) Footnotes  
(b) Footnotes

Portfolio Summary - FFELP			
	Beg Balance	Activity	End Balance
Principal Balance	\$196,930,259	\$891,261	\$197,821,520
Accrued Interest	\$2,759,116	(\$59,962)	\$2,699,153
<b>Total Pool Balance</b>	<b>\$199,689,375</b>	<b>\$831,299</b>	<b>\$200,520,673</b>
Weighted Average Coupon (WAC)	5.40%		5.40%
Weighted Average Maturity (WAM) (in months)	169.9		169.5
Number of Loans	30,620	368	30,988
Number of Borrowers	20,916	96	21,012
Average Borrower Indebtedness	\$9,547	(\$4)	\$9,543

(a) Footnotes  
(b) Footnotes

Weighted Average Payments Made - FFELP		
	% of Pool	Weighted Average Months to Maturity (a)
In School	8.7%	141
Grace	1.6%	124
Deferment	14.0%	170
Forbearance (b)	5.4%	205
Repayment	69.8%	174
<b>Portfolio Weighted Average</b>		<b>171</b>

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

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

<b>Issuer</b>	Vermont Student Assistance Corporation
<b>Deal Name</b>	2008 C
<b>Distribution Date</b>	12/31/2010
<b>Collection Period</b>	10/1/10 - 12/31/10
<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>

Portfolio by Loan Status - FFELP						
	# of Loans		Principal Balance		% of Balance	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
In School	5,479	5,005	\$18,585,525	\$17,127,795	9.4%	8.7%
Repayment	16,511	19,365	\$126,949,782	\$138,162,014	64.5%	69.8%
Reduced Payment	385	350	\$3,495,113	\$3,276,819	1.8%	1.7%
In Grace	2,990	910	\$11,804,542	\$3,126,342	6.0%	1.6%
Forbearance	662	737	\$6,879,546	\$7,485,697	3.5%	3.8%
Deferment	4,417	4,496	\$28,128,659	\$27,651,232	14.3%	14.0%
Claim Filed	176	125	\$1,087,093	\$991,621	0.6%	0.5%
<b>Total Portfolio</b>	<b>30,620</b>	<b>30,988</b>	<b>\$196,930,259</b>	<b>\$197,821,520</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	14,039	15,921	\$108,919,694	\$112,841,741	83.1%	79.8%
1-29 Days Delinquent	1,273	1,175	\$10,508,423	\$11,671,569	7.5%	8.3%
30-59 Days Delinquent	336	1,132	\$2,982,394	\$7,123,296	2.0%	5.0%
60-89 Days Delinquent	411	534	\$2,869,269	\$3,811,776	2.4%	2.7%
90-119 Days Delinquent	218	249	\$1,432,561	\$1,399,717	1.3%	1.0%
120-149 Days Delinquent	196	159	\$1,034,848	\$1,211,343	1.2%	0.9%
150-179 Days Delinquent	128	188	\$726,829	\$1,163,660	0.8%	0.8%
180-209 Days Delinquent	126	105	\$975,285	\$714,761	0.7%	0.5%
210-239 Days Delinquent	68	122	\$533,372	\$646,204	0.4%	0.5%
240-269 Days Delinquent	44	71	\$208,681	\$396,785	0.3%	0.3%
270+ Days Delinquent	57	59	\$253,538	\$457,981	0.3%	0.3%
<b>Total Repayment (a)</b>	<b>16,896</b>	<b>19,715</b>	<b>\$130,444,894</b>	<b>\$141,438,833</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	5,236	5,724	\$18,839,465	\$20,610,016	9.6%	10.4%
Subsidized Stafford Loans	14,018	13,815	\$49,038,615	\$47,640,557	24.9%	24.1%
Grad / PLUS Loans	906	944	\$5,619,062	\$5,726,976	2.9%	2.9%
Consolidation Loans	10,458	10,495	\$123,429,754	\$123,811,941	62.7%	62.6%
Non-Guaranteed FFEL	2	10	\$3,363	\$32,030	0.0%	0.0%
<b>Total Portfolio</b>	<b>30,620</b>	<b>30,988</b>	<b>\$196,930,259</b>	<b>\$197,821,520</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	4,335	4,448	\$16,742,535	\$16,996,247	8.5%	8.6%
4 Year	22,729	22,914	\$147,203,084	\$146,990,333	74.7%	74.3%
Foreign	168	166	\$2,037,065	\$2,088,215	1.0%	1.1%
Proprietary	822	845	\$4,138,428	\$4,215,972	2.1%	2.1%
Vocational	724	742	\$5,378,178	\$5,552,308	2.7%	2.8%
Other / Unknown (a)	1,842	1,873	\$21,430,969	\$21,978,445	10.9%	11.1%
<b>Total Portfolio</b>	<b>30,620</b>	<b>30,988</b>	<b>\$196,930,259</b>	<b>\$197,821,520</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**

Distribution Date	12/31/2010
Collection Period	10/1/10 - 12/31/10

**Collection Activity**

Collection Account	12/31/2010
<b>Available Funds at Beginning of Period (a)</b>	\$11,570,938
Collection Amount Received	\$6,506,030
Recoveries	\$0
Reserve Account	\$2,000,000
Capitalized Interest Account	\$0
Payments from Guarantor	\$1,076,394
Sale Proceeds	\$0
Investment Income	\$6,618
Loan Purchases and Originations	(\$6,251,635)
All Fees	\$704
Other Amounts Received in Collection	\$0
Consolidation Rebate Fee paid to Dept. of Ed	(\$326,566)
Excess Interest returned to Dept. of Ed	(\$510,294)
Excess Earnings Rebate paid to IRS	\$0
<b>Total Available Funds</b>	<b>\$14,072,189</b>
(a) Footnotes:	
(b) Footnotes:	

Fees and Program Expenses Due for Current Period	12/31/2010
Indenture Trustee Fees	\$3,600
Remarketing Fees	\$0
Credit Enhancement Fees	\$490,549
Arbitrage Analysis Fees	\$0
Servicing Fees	\$259,834
Other Fees	\$0
<b>Total Fees and Program Expenses</b>	<b>\$753,983</b>

Cumulative Default Rate	12/31/2010
Current Period Defaults and Write-offs	\$1,076,394
Cumulative Defaults and Write-offs	\$7,470,952
Loans for which claims have been filed as of Distribution Date	\$3,134,510
<b>Cumulative Default Rate</b>	<b>4.38%</b>
Cumulative Recoveries (including reimbursements and collections)	
Payments from Guarantor	\$7,301,372
Borrower Recoveries	\$0
<b>Recovery Rate</b>	<b>68.85%</b>
Cumulative Net Loss	\$3,304,090
<b>Cumulative Net Loss</b>	<b>1.36%</b>
(a) Footnotes:	

**Waterfall Activity**

Waterfall for Distribution	Amount Due	Amount Remaining
<b>Total Available Funds</b>		\$14,072,189
<b>First:</b> Fees and Program Expenses transferred to Operating Account	\$753,983	\$13,318,206
<b>Second:</b> Semi-Annual Interest Due transferred to Debt Service - Interest Account 2008 C	\$295,534	\$13,022,672
<b>Third:</b> For the 12 months preceding a stated maturity, equal installments of maturity amount transferred to Debt Service - Principal Account 2008 C	\$0	\$13,022,672
<b>Fourth:</b> Transfer to Debt Service Reserve Account if necessary to increase to minimum required	\$0	\$13,022,672
<b>Fifth:</b> Transfer to Retirement Account for non-scheduled retirement of bond principal and interest	\$0	\$13,022,672
<b>Remaining Amount Released to Corporation if parity conditions met</b>		\$13,022,672
(a) Footnotes:		
(b) Footnotes:		

Principal and Interest Distributions	As of Date	12/31/2010
Interest Accrued		\$326,685
Interest Due		\$295,534
Interest Paid		\$295,534
Interest Shortfall	N/A	
Accrued Interest Carryover		\$31,151
Interest Carryover Due		\$0
Interest Carryover Paid		\$0
Interest Carryover		\$31,151
<b>Total Distribution Amount</b>		<b>\$295,534</b>

# Vermont Student Assistance Corporation

1/19/2011

## 2008 C Indenture

### Balance Sheet

	<b>2008 C</b>	<b>2008 C</b>
	<b>9/30/2010</b>	<b>12/31/2010</b>
<b>Assets</b>		
Cash and Equivalents		
Operating	\$0.00	\$0.00
Revenue	\$2,803,600.72	\$2,947,162.18
Loan Acquisition	\$8,717,337.76	\$8,025,509.64
Debt Service Reserve	\$2,000,000.00	\$2,000,000.00
Cap Int	\$0.00	\$0.00
Rehab Default Reserve	\$50,000.00	\$50,000.00
Total Cash and Equivalents	<u>\$13,570,938.48</u>	<u>\$13,022,671.82</u>
Receivables		
Investment Interest	\$2,749.63	\$1,785.97
Student Loans	\$196,930,440.50	\$197,821,519.99
Allowance for Bad Debt	(\$362,928.11)	(\$362,928.11)
Contra SLR - Alt Fees	\$0.00	\$0.00
Deferred Subsidized Fees	\$25,454.02	\$23,458.95
Student Loan Interest	\$2,759,152.81	\$2,699,153.31
FIB	\$1,196,497.92	\$1,126,475.40
SAP	(\$2,206,525.65)	(\$2,272,747.65)
Total Receivables	<u>\$198,344,841.12</u>	<u>\$199,036,717.86</u>
Other Assets		
Def Bond Issuance, Net	\$998,880.33	\$990,625.14
Prepaid Expenses	\$0.00	\$0.00
Total Other Assets	<u>\$998,880.33</u>	<u>\$990,625.14</u>
Total Assets	<u>\$212,914,659.93</u>	<u>\$213,050,014.82</u>
<b>Liabilities and Net Assets</b>		
Liabilities		
Senior Bonds Payable	\$200,000,000.00	\$200,000,000.00
Bond Interest Payable	\$176,191.78	\$31,150.68
VT Value Rebates Payable	\$124,434.26	\$291,643.95
Accrued Yield - US Treasury	\$0.00	\$0.00
Accrued Rebates - US Treasury	\$0.00	\$0.00
Due To US Department of Education	\$57,663.91	\$15,746.12
Accounts Payable and Other Liabilities	\$490,548.99	\$486,549.94
Due To/From Other Funds	\$58,030.68	\$139,194.36
Total Liabilities	<u>\$200,906,869.62</u>	<u>\$200,964,285.05</u>
Net Assets		
Restricted by Bond Resolution	\$12,007,790.31	\$12,085,729.77
Total Net Assets	<u>\$12,007,790.31</u>	<u>\$12,085,729.77</u>
Total Liabilities and Net Assets	<u>\$212,914,659.93</u>	<u>\$213,050,014.82</u>