

Student Loan Backed Reporting
Quarterly Distribution Report

Issuer	Vermont Student Assistance Corporation
Deal Name	2008 C
Distribution Date	6/30/2011
Collection Period	4/1/11 - 6/30/11
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 C1	92428C FK 5	Exempt	0.110%	\$12,000,000	\$12,000,000	\$563	\$7,000,000	\$5,000,000	\$5,000,000	2.69%	12/15/2025	
2008 C1	92428C FK 5	Exempt	0.110%	\$20,625,000	\$20,625,000	\$967	\$0	\$20,625,000	\$20,625,000	11.09%	12/15/2032	
2008 C1	92428C FK 5	Exempt	0.110%	\$25,000,000	\$25,000,000	\$1,173	\$0	\$25,000,000	\$25,000,000	13.44%	12/15/2034	
2008 C1	92428C FK 5	Exempt	0.110%	\$12,500,000	\$12,500,000	\$586	\$0	\$12,500,000	\$12,500,000	6.72%	12/15/2036	
2008 C1	92428C FK 5	Exempt	0.110%	\$29,875,000	\$29,875,000	\$1,401	\$0	\$29,875,000	\$29,875,000	16.06%	12/15/2040	
2008 C2	92428C FL 3	Exempt	0.100%	\$12,000,000	\$12,000,000	\$608	\$7,000,000	\$5,000,000	\$5,000,000	2.69%	12/15/2025	
2008 C2	92428C FL 3	Exempt	0.100%	\$20,625,000	\$20,625,000	\$1,046	\$0	\$20,625,000	\$20,625,000	11.09%	12/15/2032	
2008 C2	92428C FL 3	Exempt	0.100%	\$25,000,000	\$25,000,000	\$1,268	\$0	\$25,000,000	\$25,000,000	13.44%	12/15/2034	
2008 C2	92428C FL 3	Exempt	0.100%	\$12,500,000	\$12,500,000	\$634	\$0	\$12,500,000	\$12,500,000	6.72%	12/15/2036	
2008 C2	92428C FL 3	Exempt	0.100%	\$29,875,000	\$29,875,000	\$1,515	\$0	\$29,875,000	\$29,875,000	16.06%	12/15/2040	
Total				\$200,000,000	\$200,000,000	\$9,761	\$14,000,000	\$186,000,000	\$186,000,000	100.00%		

(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	\$3,428,940	(\$2,413,269)	\$1,015,671
Loan Acquisition Fund	\$11,551,991	(\$8,081,857)	\$3,470,134
Total Accounts Balance	\$17,030,930	(\$10,495,126)	\$6,535,805

(a) Footnotes
(b) Footnotes

Balance Sheet and Parity - Trust			
	Beg Balance	Activity	End Balance
Assets			
Loans Receivable	\$194,060,130	(\$3,971,635)	\$190,088,495
Allowance for Bad Debt	(\$362,928)	\$6,516	(\$356,412)
Student Loan Accrued Interest and Subsidy	\$3,798,022	(\$117,053)	\$3,680,969
Accrued Interest on Investment	\$2,160	(\$966)	\$1,193
Student Loan Fees	\$21,911	(\$1,521)	\$20,389
Total Accounts/Funds Balance	\$17,030,930	(\$10,495,126)	\$6,535,805
Deferred Bond Issuance Costs	\$982,370	(\$76,443)	\$905,927
Prepaid Expenses	\$0	\$0	\$0
Total Assets	\$215,532,595	(\$14,656,229)	\$200,876,366
Liabilities			
Bonds Payable	\$200,000,000	(\$14,000,000)	\$186,000,000
Accrued Interest on Senior Bonds	\$164,603	(\$154,842)	\$9,761
Excess SAP due to the Department	\$2,251,400	(\$34,333)	\$2,217,067
Borrower Benefit Rebates Payable	\$430,941	(\$430,941)	\$0
Accrued Yield and Rebate - US Treasury	\$0	\$0	\$0
Due to US Dept. of Ed	\$92	(\$131)	(\$38)
Accounts Payable and Other Liabilities	\$471,887	\$10,718	\$482,604
Due To/From Operations	\$115,395	(\$91,501)	\$23,893
Total Liabilities	\$203,434,317	(\$14,701,031)	\$188,733,287
Senior Parity %	105.61%		106.11%
Total Parity %	105.61%		106.11%

(a) Footnotes
(b) Footnotes

Portfolio Summary - FFELP			
	Beg Balance	Activity	End Balance
Principal Balance	\$194,060,130	(\$3,971,635)	\$190,088,495
Accrued Interest	\$2,794,468	(\$38,443)	\$2,756,025
Total Pool Balance	\$196,854,598	(\$4,010,078)	\$192,844,520
Weighted Average Coupon (WAC)	5.39%		5.39%
Weighted Average Maturity (WAM) (in months)	169.8		169.5
Number of Loans	30,607	(349)	30,258
Number of Borrowers	20,649	(329)	20,320
Average Borrower Indebtedness	\$9,533	(\$43)	\$9,490

(a) Footnotes
(b) Footnotes

Weighted Average Payments Made			
	Principal	% of Pool	W.A. Time until (a) Conversion to Repayment
In School	\$8,799,845	4.6%	(25.1) months
Grace	\$7,421,856	3.9%	(4.7) months
Total Not Converted	\$16,221,701	8.5%	
	Principal	% of Pool	W.A. Time since Conversion to Repayment
Repayment	\$136,415,076	71.8%	59.8 months
Reduced Payment	\$2,768,397	1.5%	61.2 months
Forbearance	\$7,101,358	3.7%	54.1 months
Deferment	\$26,398,279	13.9%	50.3 months
Claim Filed	\$1,183,684	0.6%	52.7 months
Total Converted	\$173,866,794	91.5%	
Total Portfolio	\$190,088,495	100%	

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

Student Loan Backed Reporting
Quarterly Distribution Report

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Deal Name	2008 C
Distribution Date	6/30/2011
Collection Period	4/1/11 - 6/30/11
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Website	www.vsac.org

Portfolio by Loan Status - FFELP						
	# of Loans		Principal Balance		% of Balance	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
In School	4,609	2,662	\$15,621,638	\$8,799,845	8.0%	4.6%
Repayment	19,034	19,892	\$134,251,657	\$136,415,076	69.2%	71.8%
Reduced Payment	397	334	\$3,183,564	\$2,768,397	1.6%	1.5%
In Grace	934	2,114	\$3,292,302	\$7,421,856	1.7%	3.9%
Forbearance	824	761	\$7,932,420	\$7,101,358	4.1%	3.7%
Deferment	4,655	4,304	\$28,951,947	\$26,398,279	14.9%	13.9%
Claim Filed	154	191	\$826,603	\$1,183,684	0.4%	0.6%
Total Portfolio	30,607	30,258	\$194,060,130	\$190,088,495	100%	100%

(a) Footnotes
(b) Footnotes

Delinquency Status - FFELP						
	# of Loans		Principal Balance		% of Balance	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current	16,416	16,843	\$114,938,253	\$114,163,644	83.6%	82.0%
1-29 Days Delinquent	954	1,610	\$9,126,445	\$13,149,141	6.8%	9.4%
30-59 Days Delinquent	810	280	\$5,448,424	\$2,301,142	4.0%	1.7%
60-89 Days Delinquent	337	456	\$2,536,719	\$3,585,112	1.8%	2.6%
90-119 Days Delinquent	113	279	\$814,478	\$1,534,147	0.6%	1.1%
120-149 Days Delinquent	251	267	\$1,416,434	\$1,498,796	1.0%	1.1%
150-179 Days Delinquent	208	89	\$1,175,066	\$724,386	0.9%	0.5%
180-209 Days Delinquent	103	121	\$658,104	\$689,117	0.4%	0.5%
210-239 Days Delinquent	99	131	\$638,734	\$830,603	0.5%	0.6%
240-269 Days Delinquent	104	103	\$601,149	\$500,008	0.4%	0.4%
270+ Days Delinquent	36	47	\$181,415	\$207,377	0.1%	0.1%
Total Repayment (a)	19,431	20,226	\$137,435,221	\$139,183,473	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	5,671	5,590	\$20,131,135	\$19,704,530	10.4%	10.4%
Subsidized Stafford Loans	13,613	13,435	\$46,154,294	\$44,556,317	23.8%	23.4%
Grad / PLUS Loans	916	904	\$5,641,004	\$5,668,995	2.9%	3.0%
Consolidation Loans	10,399	10,319	\$122,101,770	\$120,128,382	62.9%	63.2%
Non-Guaranteed FFEL	8	10	\$31,927	\$30,271	0.0%	0.0%
Total Portfolio	30,607	30,258	\$194,060,130	\$190,088,495	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	4,420	4,397	\$16,714,066	\$16,431,342	8.6%	8.6%
4 Year	22,541	22,251	\$143,214,877	\$140,112,858	73.8%	73.7%
Foreign	164	164	\$2,074,074	\$2,068,159	1.1%	1.1%
Proprietary	856	850	\$4,190,579	\$4,126,702	2.2%	2.2%
Vocational	751	740	\$5,739,627	\$5,342,773	3.0%	2.8%
Other / Unknown (a)	1,875	1,856	\$22,126,907	\$22,006,662	11.4%	11.6%
Total Portfolio	30,607	30,258	\$194,060,130	\$190,088,495	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	6/30/2011
Collection Period	4/1/11 - 6/30/11

Collection Activity

Collection Account	6/30/2011
Available Funds at Beginning of Period (a)	\$15,030,930
Collection Amount Received	\$6,878,488
Recoveries	\$0
Reserve Account	\$2,000,000
Capitalized Interest Account	\$0
Payments from Guarantor	\$972,126
Sale Proceeds	\$0
Investment Income	\$5,888
Loan Purchases and Originations	(\$2,395,052)
All Fees	\$0
Other Amounts Received in Collection	(\$26)
Consolidation Rebate Fee paid to Dept. of Ed	(\$319,449)
Excess Interest returned to Dept. of Ed	(\$604,829)
Excess Earnings Rebate paid to IRS	\$0
Total Available Funds	\$21,568,075

(a) Footnotes:
(b) Footnotes

Fees and Program Expenses Due for Current Period	6/30/2011
Indenture Trustee Fees	\$3,600
Remarketing Fees	\$0
Credit Enhancement Fees	\$469,221
Arbitrage Analysis Fees	\$0
Servicing Fees	\$301,951
Other Fees	\$0
Total Fees and Program Expenses	\$774,772

Cumulative Default Rate	6/30/2011
Current Period Defaults and Write-offs	\$972,126
Cumulative Defaults and Write-offs	\$9,374,384
Loans for which claims have been filed as of Distribution Date	\$2,890,388
Cumulative Default Rate	4.97%
Cumulative Recoveries (including reimbursements and collections)	
Payments from Guarantor	\$9,176,790
Borrower Recoveries	\$0
Recovery Rate	74.82%
Cumulative Net Loss	\$3,087,982
Cumulative Net Loss	1.25%

(a) Footnotes

Waterfall Activity

Waterfall for Distribution	Amount Due	Amount Remaining
Total Available Funds		\$21,568,075
First: Fees and Program Expenses transferred to Operating Account	\$774,772	\$20,793,303
Second: Semi-Annual Interest Due transferred to Debt Service - Interest Account 2008 C	\$257,068	\$20,536,235
Third: For the 12 months preceding a stated maturity, equal installments of maturity amount transferred to Debt Service - Principal Account 2008 C	\$0	\$20,536,235
Fourth: Transfer to Debt Service Reserve Account if necessary to increase to minimum required	\$0	\$20,536,235
Fifth: Transfer to Retirement Account for non-scheduled retirement of bond principal and interest	\$14,000,430	\$6,535,805
Remaining Amount Released to Corporation if parity conditions met		\$6,535,805

(a) Footnotes
(b) Footnotes

Principal and Interest Distributions	As of Date	6/30/2011
Interest Accrued		\$267,259
Interest Due		\$257,498
Interest Paid		\$257,498
Interest Shortfall	N/A	
Accrued Interest Carryover		\$9,761
Interest Carryover Due		\$0
Interest Carryover Paid		\$0
Interest Carryover		\$9,761
Periodic Principal Distribution Amount Due		\$0
Periodic Principal Paid (a)		\$14,000,000
Principal Shortfall	N/A	
Total Distribution Amount		\$14,257,498

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

Vermont Student Assistance Corporation

2008 C Indenture

Balance Sheet

	2008 C 3/31/2011	2008 C 6/30/2011
Assets		
Cash and Equivalents		
Operating	\$0.00	\$0.70
Revenue	\$3,428,939.59	\$1,015,670.99
Loan Acquisition	\$11,551,990.87	\$3,470,133.54
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>\$17,030,930.46</u>	<u>\$6,535,805.23</u>
Receivables		
Investment Interest	\$2,159.63	\$1,193.32
Student Loans	\$194,060,129.95	\$190,088,495.07
Allowance for Bad Debt	(\$362,928.11)	(\$356,412.09)
Contra SLR - Alt Fees	\$0.00	\$0.00
Deferred Subsidized Fees	\$21,910.53	\$20,389.30
Student Loan Interest	\$2,794,468.23	\$2,756,025.32
FIB	\$1,003,554.01	\$924,943.71
SAP	(\$2,251,399.66)	(\$2,217,066.60)
Total Receivables	<u>\$195,267,894.58</u>	<u>\$191,217,568.03</u>
Other Assets		
Def Bond Issuance, Net	\$982,369.95	\$905,926.76
Prepaid Expenses	\$0.00	\$0.00
Total Other Assets	<u>\$982,369.95</u>	<u>\$905,926.76</u>
Total Assets	<u>\$213,281,194.99</u>	<u>\$198,659,300.02</u>
Liabilities and Net Assets		
Liabilities		
Senior Bonds Payable	\$200,000,000.00	\$186,000,000.00
Bond Interest Payable	\$164,602.74	\$9,761.18
VT Value Rebates Payable	\$430,941.39	\$0.00
Accrued Yield - US Treasury	\$0.00	\$0.00
Accrued Rebates - US Treasury	\$0.00	\$0.00
Due To US Department of Education	\$92.33	(\$38.22)
Accounts Payable and Other Liabilities	\$471,886.78	\$482,604.28
Due To/From Other Funds	\$115,394.51	\$23,893.07
Total Liabilities	<u>\$201,182,917.75</u>	<u>\$186,516,220.31</u>
Net Assets		
Restricted by Bond Resolution	\$12,098,277.24	\$12,143,079.71
Total Net Assets	<u>\$12,098,277.24</u>	<u>\$12,143,079.71</u>
Total Liabilities and Net Assets	<u>\$213,281,194.99</u>	<u>\$198,659,300.02</u>

Vermont Student Assistance Corporation

2008C Trust

Quarterly Income Statement

		2008C Trust
		<u>4/1/2011- 6/30/2011</u>
Bond Direct Contribution		
Revenue		
	Federal Interest Benefits	\$453,535.65
	Special Allowance Payments	\$1,586.87
	Interest on Investments	\$4,921.49
	Interest and Fees/Student Loans	\$2,119,931.84
	Other Income	\$0.00
	Total Revenue	<u>\$2,579,975.85</u>
Bond Expenses		
	Bond/Note Interest	\$102,656.49
	Lender Fees and Consolidation Fees	\$319,448.78
	SAP Int Returned to DOE	\$1,104,099.36
	VT Value Rebate Expense	\$182,655.23
	Fees Paid on Borrower Behalf	\$1,521.23
	Yield Exp - US Treasury	\$0.00
	Yield Analysis	\$0.00
	Rebate Exp - US Treasury	\$0.00
	Rebate Analysis	\$0.00
	Bad Debt Expense	\$7,332.35
	Credit Enhancement	\$479,938.32
	Auction Agent	\$0.00
	Remarketing	\$0.00
	Trustee Fees	\$3,600.00
	Rating Agency Fees	\$0.00
	Total Interest Expenses	<u>\$2,201,251.76</u>
	Total Direct Contribution	<u>\$378,724.09</u>
Administrative Expense		
	Salaries and Benefits	\$199,898.00
	Other General and Admin	\$1,494.00
	Other Loan Finance Expense	\$168.43
	Amortization of Bond Issuance	\$76,443.19
	Subsidy Transfer to Ops	\$55,918.00
	Total Administrative	<u>\$333,921.62</u>
	Transfers	\$0.00
	BEGINNING NET ASSETS	\$12,098,277.24
	NET SURPLUS/(DEFICIT)	\$44,802.47
	ENDING NET ASSETS	<u><u>\$12,143,079.71</u></u>