

Student Loan Backed Reporting
Quarterly Distribution Report

Issuer	Vermont Student Assistance Corporation
Deal Name	2008 C
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 Accrued	Principal Paid	End Princ Bal	Bal after Waterfall	% of Securities	Maturity
2008 C1	92428C FK 5	Exempt	0.130%	\$12,000,000	\$2,000,000	\$128	\$2,000,000	\$0	\$0	0.00%	12/15/2025
2008 C1	92428C FK 5	Exempt	0.130%	\$20,625,000	\$20,625,000	\$1,322	\$1,000,000	\$19,625,000	\$19,625,000	11.28%	12/15/2032
2008 C1	92428C FK 5	Exempt	0.130%	\$25,000,000	\$25,000,000	\$1,602	\$0	\$25,000,000	\$25,000,000	14.37%	12/15/2034
2008 C1	92428C FK 5	Exempt	0.130%	\$12,500,000	\$12,500,000	\$801	\$0	\$12,500,000	\$12,500,000	7.18%	12/15/2036
2008 C1	92428C FK 5	Exempt	0.130%	\$29,875,000	\$29,875,000	\$1,915	\$0	\$29,875,000	\$29,875,000	17.17%	12/15/2040
2008 C2	92428C FL 3	Exempt	0.170%	\$12,000,000	\$2,000,000	\$164	\$2,000,000	\$0	\$0	0.00%	12/15/2025
2008 C2	92428C FL 3	Exempt	0.170%	\$20,625,000	\$20,625,000	\$1,693	\$1,000,000	\$19,625,000	\$19,625,000	11.28%	12/15/2032
2008 C2	92428C FL 3	Exempt	0.170%	\$25,000,000	\$25,000,000	\$2,053	\$0	\$25,000,000	\$25,000,000	14.37%	12/15/2034
2008 C2	92428C FL 3	Exempt	0.170%	\$12,500,000	\$12,500,000	\$1,026	\$0	\$12,500,000	\$12,500,000	7.18%	12/15/2036
2008 C2	92428C FL 3	Exempt	0.170%	\$29,875,000	\$29,875,000	\$2,453	\$0	\$29,875,000	\$29,875,000	17.17%	12/15/2040
Total				\$200,000,000	\$180,000,000	\$13,157	\$6,000,000	\$174,000,000	\$174,000,000	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	(\$260,000)	\$1,740,000
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	\$859,681	(\$82,164)	\$777,517
Loan Acquisition Fund	\$3,670,113	\$158,422	\$3,828,536
Total Accounts Balance	\$6,579,794	(\$183,741)	\$6,396,052

(a) Footnotes
(b) Footnotes

Balance Sheet and Parity - Trust			
	Beg Balance	Activity	End Balance
Assets			
Loans Receivable	\$184,340,795	(\$5,345,307)	\$178,995,488
Allowance for Bad Debt	(\$356,412)	\$0	(\$356,412)
Student Loan Accrued Interest and Subsidy	\$3,633,921	(\$305,031)	\$3,328,890
Accrued Interest on Investment	\$466	\$214	\$680
Student Loan Fees	\$18,867	(\$1,523)	\$17,344
Total Accounts/Funds Balance	\$6,579,794	(\$183,741)	\$6,396,052
Deferred Bond Issuance Costs	\$897,672	(\$65,637)	\$832,034
Prepaid Expenses	\$0	\$0	\$0
Total Assets	\$195,115,102	(\$5,901,026)	\$189,214,076
Liabilities			
Bonds Payable	\$180,000,000	(\$6,000,000)	\$174,000,000
Accrued Interest on Senior Bonds	\$77,129	(\$63,972)	\$13,157
Excess SAP due to the Department	\$2,168,463	(\$72,258)	\$2,096,205
Borrower Benefit Rebates Payable	\$137,864	\$149,269	\$287,133
Accrued Yield and Rebate - US Treasury	\$0	\$0	\$0
Due to US Dept. of Ed	\$0	\$0	\$0
Accounts Payable and Other Liabilities	\$451,039	\$0	\$451,039
Due To/From Operations	(\$53,927)	\$147,931	\$94,004
Total Liabilities	\$182,780,567	(\$5,839,029)	\$176,941,538
Senior Parity %	106.41%		106.63%
Total Parity %	106.41%		106.63%

(a) Footnotes
(b) Footnotes

Portfolio Summary - FFELP			
	Beg Balance	Activity	End Balance
Principal Balance	\$184,340,795	(\$5,345,307)	\$178,995,488
Accrued Interest	\$2,769,747	(\$212,549)	\$2,557,199
Total Pool Balance	\$187,110,542	(\$5,557,856)	\$181,552,687
Weighted Average Coupon (WAC)	5.38%		5.38%
Weighted Average Maturity (WAM) (in months)	168.9		171.0
Number of Loans	29,576	(743)	28,833
Number of Borrowers	19,873	(501)	19,372
Average Borrower Indebtedness	\$9,415	(\$43)	\$9,372

(a) Footnotes
(b) Footnotes

Student Loans Receivable Activity	
Beginning Balance	\$184,340,795
Interest Caps	\$773,867
Borrower Payments	(\$3,693,405)
Claim Payments	(\$960,749)
Consolidation Payments	(\$1,454,978)
Disbursements	\$0
Refunds to Borrower	\$6,313
Borrower Benefit Rebates	\$0
School Refunds	\$0
Write-offs	(\$16,343)
Miscellaneous Adjustments	(\$12)
Ending Balance	\$178,995,488

Weighted Average Payments Made			
	Principal	% of Pool	W.A. Time until (a) Conversion to Repayment
In School	\$6,665,799	3.7%	(23.6) months
Grace	\$1,970,247	1.1%	(4.2) months
Total Not Converted	\$8,636,047	4.8%	
	Principal	% of Pool	W.A. Time since Conversion to Repayment
Repayment	\$134,915,768	75.4%	63.1 months
Reduced Payment	\$2,256,476	1.3%	73.6 months
Forbearance	\$7,406,182	4.1%	55.5 months
Deferment	\$24,583,211	13.7%	54.2 months
Claim Filed	\$1,197,803	0.7%	74.1 months
Total Converted	\$170,359,441	95.2%	
Total Portfolio	\$178,995,488	100%	

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

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Portfolio by Loan Status - FFELP

	# of Loans		Principal Balance		% of Balance	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
In School	2,384	2,064	\$7,704,263	\$6,665,799	4.2%	3.7%
Repayment	19,296	20,657	\$132,503,191	\$134,915,768	71.9%	75.4%
Reduced Payment	352	298	\$2,756,884	\$2,256,476	1.5%	1.3%
In Grace	2,225	527	\$7,781,192	\$1,970,247	4.2%	1.1%
Forbearance	835	813	\$7,518,020	\$7,406,182	4.1%	4.1%
Deferment	4,305	4,270	\$25,104,651	\$24,583,211	13.6%	13.7%
Claim Filed	179	204	\$972,594	\$1,197,803	0.5%	0.7%
Total Portfolio	29,576	28,833	\$184,340,795	\$178,995,488	100%	100%

(a) Footnotes
(b) Footnotes

Delinquency Status - FFELP

	# of Loans		Principal Balance		% of Balance	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current	16,158	16,817	\$109,446,748	\$108,483,988	80.9%	79.1%
1-29 Days Delinquent	1,407	1,208	\$11,141,680	\$10,577,040	8.2%	7.7%
30-59 Days Delinquent	388	1,078	\$3,758,996	\$5,944,078	2.8%	4.3%
60-89 Days Delinquent	489	550	\$3,145,612	\$3,426,234	2.3%	2.5%
90-119 Days Delinquent	391	306	\$2,520,679	\$2,117,973	1.9%	1.5%
120-149 Days Delinquent	192	227	\$1,387,175	\$1,579,657	1.0%	1.2%
150-179 Days Delinquent	212	190	\$1,600,093	\$1,064,915	1.2%	0.8%
180-209 Days Delinquent	138	248	\$719,585	\$1,779,043	0.5%	1.3%
210-239 Days Delinquent	122	134	\$815,500	\$809,558	0.6%	0.6%
240-269 Days Delinquent	93	144	\$485,533	\$1,221,677	0.4%	0.9%
270+ Days Delinquent	58	53	\$238,475	\$168,082	0.2%	0.1%
Total Repayment (a)	19,648	20,955	\$135,260,076	\$137,172,245	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	5,459	5,295	\$19,016,267	\$18,513,026	10.3%	10.3%
Subsidized Stafford Loans	13,098	12,715	\$43,025,429	\$41,248,491	23.3%	23.0%
Grad / PLUS Loans	879	848	\$5,418,518	\$5,172,103	2.9%	2.9%
Consolidation Loans	10,130	9,970	\$116,848,589	\$114,040,110	63.4%	63.7%
Non-Guaranteed FFEL	10	5	\$31,992	\$21,758	0.0%	0.0%
Total Portfolio	29,576	28,833	\$184,340,795	\$178,995,488	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	4,269	4,169	\$15,828,256	\$15,373,208	8.6%	8.6%
4 Year	21,787	21,222	\$135,983,659	\$131,903,859	73.8%	73.7%
Foreign	162	158	\$2,057,495	\$2,027,907	1.1%	1.1%
Proprietary	828	816	\$3,922,458	\$3,784,529	2.1%	2.1%
Vocational	725	715	\$5,179,978	\$5,112,953	2.8%	2.9%
Other / Unknown (a)	1,805	1,753	\$21,368,949	\$20,793,032	11.6%	11.6%
Total Portfolio	29,576	28,833	\$184,340,795	\$178,995,488	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	12/31/2012
Available Funds at Beginning of Period (a)	\$4,579,794
Collection Amount Received	\$6,632,571
Recoveries	\$0
Reserve Account	\$2,000,000
Capitalized Interest Account	\$0
Payments from Guarantor	\$1,007,624
Sale Proceeds	\$0
Investment Income	\$1,511
Loan Purchases and Originations	\$0
All Fees	\$0
Other Amounts Received in Collection	\$0
Consolidation Rebate Fee paid to Dept. of Ed	(\$406,712)
Excess Interest returned to Dept. of Ed	(\$648,977)
Excess Earnings Rebate paid to IRS	\$0
Total Available Funds	\$13,165,811

(a) Footnotes:
(b) Footnotes

Fees and Program Expenses Due for Current Period	12/31/2012
Indenture Trustee Fees	\$3,600
Remarketing Fees	\$0
Credit Enhancement Fees	\$460,743
Arbitrage Analysis Fees	\$0
Servicing Fees	\$164,188
Other Fees	\$5,500
Total Fees and Program Expenses	\$634,031

Cumulative Default Rate	12/31/2012
Current Period Defaults and Write-offs	\$1,004,896
Cumulative Defaults and Write-offs	\$11,784,450
Loans for which claims have been filed as of Distribution Date	\$3,328,055
Cumulative Default Rate	6.13%
Cumulative Recoveries (including reimbursements and collections)	
Payments from Guarantor	\$11,539,026
Borrower Recoveries	\$0
Recovery Rate	76.35%
Cumulative Net Loss	\$3,573,480
Cumulative Net Loss	1.45%

(a) Footnotes

Waterfall Activity

Waterfall for Distribution	Amount Due	Amount Remaining
Total Available Funds		\$13,165,811
First: Fees and Program Expenses transferred to Operating Account	\$634,031	\$12,531,780
Second: Semi-Annual Interest Due transferred to Debt Service - Interest Account 2008 C	\$133,109	\$12,398,671
Third: For the 12 months preceding a stated maturity, equal installments of maturity amount transferred to Debt Service - Principal Account 2008 C	\$0	\$12,398,671
Fourth: Transfer to Debt Service Reserve Account if necessary to increase to minimum required	\$0	\$12,398,671
Fifth: Transfer to Retirement Account for non-scheduled retirement of bond principal and interest	\$6,002,619	\$6,396,052
Remaining Amount Released to Corporation if parity conditions met		\$6,396,052

(a) Footnotes
(b) Footnotes

Principal and Interest Distributions	As of Date	12/31/2012
Interest Accrued		\$148,885
Interest Due		\$135,728
Interest Paid		\$135,728
Interest Shortfall	N/A	
Accrued Interest Carryover		\$13,157
Interest Carryover Due		\$0
Interest Carryover Paid		\$0
Interest Carryover		\$13,157
Periodic Principal Distribution Amount Due		\$0
Periodic Principal Paid (a)		\$6,000,000
Principal Shortfall	N/A	
Total Distribution Amount		\$6,135,728

(a) Footnotes
(b) Footnotes

Principal Distributions are voluntary early retirements

Vermont Student Assistance Corporation

2008 C Indenture

Balance Sheet

	2008 C 9/30/2011	2008 C 12/31/2011
Assets		
Cash and Equivalents		
Operating	\$0.00	\$0.00
Revenue	\$859,680.52	\$777,516.79
Loan Acquisition	\$3,670,113.39	\$3,828,535.67
Debt Service Reserve	\$2,000,000.00	\$1,740,000.00
Cap Int	\$0.00	\$0.00
Rehab Default Reserve	\$50,000.00	\$50,000.00
Total Cash and Equivalents	<u>\$6,579,793.91</u>	<u>\$6,396,052.46</u>
Receivables		
Investment Interest	\$466.09	\$679.73
Student Loans	\$184,340,794.75	\$178,995,487.72
Allowance for Bad Debt	(\$356,412.09)	(\$356,412.09)
Contra SLR - Alt Fees	\$0.00	\$0.00
Deferred Subsidized Fees	\$18,866.75	\$17,344.24
Student Loan Interest	\$2,769,747.38	\$2,557,198.83
FIB	\$864,173.57	\$771,691.05
SAP	(\$2,168,462.69)	(\$2,096,205.08)
Total Receivables	<u>\$185,469,173.76</u>	<u>\$179,889,784.40</u>
Other Assets		
Def Bond Issuance, Net	\$897,671.57	\$832,034.38
Prepaid Expenses	\$0.00	\$0.00
Total Other Assets	<u>\$897,671.57</u>	<u>\$832,034.38</u>
Total Assets	<u>\$192,946,639.24</u>	<u>\$187,117,871.24</u>
Liabilities and Net Assets		
Liabilities		
Senior Bonds Payable	\$180,000,000.00	\$174,000,000.00
Bond Interest Payable	\$77,128.77	\$13,157.26
VT Value Rebates Payable	\$137,863.79	\$287,132.79
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	\$451,038.53	\$451,038.55
Due To/From Other Funds	(\$53,927.03)	\$94,004.22
Total Liabilities	<u>\$180,612,104.06</u>	<u>\$174,845,332.82</u>
Net Assets		
Restricted by Bond Resolution	\$12,334,535.18	\$12,272,538.42
Total Net Assets	<u>\$12,334,535.18</u>	<u>\$12,272,538.42</u>
Total Liabilities and Net Assets	<u>\$192,946,639.24</u>	<u>\$187,117,871.24</u>

Vermont Student Assistance Corporation

2008C Trust

Quarterly Income Statement

		2008C Trust
		<u>10/1/2011- 12/31/2011</u>
Bond Direct Contribution		
Revenue		
	Federal Interest Benefits	\$361,053.13
	Special Allowance Payments	\$3,210.68
	Interest on Investments	\$1,724.89
	Interest and Fees/Student Loans	\$2,100,130.06
	Other Income	\$0.00
	Total Revenue	<u>\$2,466,118.76</u>
Bond Expenses		
	Bond/Note Interest	\$71,756.19
	Lender Fees and Consolidation Fees	\$406,712.08
	SAP Int Returned to DOE	\$1,033,465.56
	VT Value Rebate Expense	\$205,641.85
	Fees Paid on Borrower Behalf	\$1,522.51
	Yield Exp - US Treasury	\$0.00
	Yield Analysis	\$0.00
	Rebate Exp - US Treasury	\$0.00
	Rebate Analysis	\$0.00
	Bad Debt Expense	\$16,227.26
	Credit Enhancement	\$460,742.88
	Auction Agent	\$0.00
	Remarketing	\$0.00
	Trustee Fees	\$3,600.00
	Rating Agency Fees	\$5,500.00
	Total Interest Expenses	<u>\$2,205,168.33</u>
	Total Direct Contribution	<u>\$260,950.43</u>
Administrative Expense		
	Salaries and Benefits	\$144,043.00
	Other General and Admin	\$268.00
	Other Loan Finance Expense	\$0.00
	Amortization of Bond Issuance	\$65,637.19
	Subsidy Transfer to Ops	\$112,999.00
	Total Administrative	<u>\$322,947.19</u>
	Transfers	\$0.00
	BEGINNING NET ASSETS	\$12,334,535.18
	NET SURPLUS/(DEFICIT)	(\$61,996.76)
	ENDING NET ASSETS	<u><u>\$12,272,538.42</u></u>