

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

<b>Issuer</b>	Vermont Student Assistance Corporation
<b>Deal Name</b>	2008 C
<b>Distribution Date</b>	12/31/2012
<b>Collection Period</b>	10/1/12 - 12/31/12
<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 Accrued	Principal Paid	End Princ Bal	Bal after Waterfall	% of Securities	Maturity
2008 C1	92428C FK 5	Exempt	0.110%	\$12,000,000	\$0	\$0	\$0	\$0	\$0	0.00%	12/15/2025
2008 C1	92428C FK 5	Exempt	0.110%	\$20,625,000	\$9,225,000	\$301	\$4,000,000	\$5,225,000	\$5,225,000	3.60%	12/15/2032
2008 C1	92428C FK 5	Exempt	0.110%	\$25,000,000	\$25,000,000	\$1,440	\$0	\$25,000,000	\$25,000,000	17.22%	12/15/2034
2008 C1	92428C FK 5	Exempt	0.110%	\$12,500,000	\$12,500,000	\$720	\$0	\$12,500,000	\$12,500,000	8.61%	12/15/2036
2008 C1	92428C FK 5	Exempt	0.110%	\$29,875,000	\$29,875,000	\$1,721	\$0	\$29,875,000	\$29,875,000	20.58%	12/15/2040
2008 C2	92428C FL 3	Exempt	0.120%	\$12,000,000	\$0	\$0	\$0	\$0	\$0	0.00%	12/15/2025
2008 C2	92428C FL 3	Exempt	0.120%	\$20,625,000	\$9,225,000	\$288	\$4,000,000	\$5,225,000	\$5,225,000	3.60%	12/15/2032
2008 C2	92428C FL 3	Exempt	0.120%	\$25,000,000	\$25,000,000	\$1,378	\$0	\$25,000,000	\$25,000,000	17.22%	12/15/2034
2008 C2	92428C FL 3	Exempt	0.120%	\$12,500,000	\$12,500,000	\$689	\$0	\$12,500,000	\$12,500,000	8.61%	12/15/2036
2008 C2	92428C FL 3	Exempt	0.120%	\$29,875,000	\$29,875,000	\$1,647	\$0	\$29,875,000	\$29,875,000	20.58%	12/15/2040
<b>Total</b>				<b>\$200,000,000</b>	<b>\$153,200,000</b>	<b>\$8,184</b>	<b>\$8,000,000</b>	<b>\$145,200,000</b>	<b>\$145,200,000</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	\$1,612,000	\$0	\$1,612,000
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	\$0	\$0	\$0
Revenue Fund	\$910,215	\$51,888	\$962,103
Loan Acquisition Fund	\$6,013,127	(\$2,966,551)	\$3,046,576
<b>Total Accounts Balance</b>	<b>\$8,535,342</b>	<b>(\$2,914,663)</b>	<b>\$5,620,679</b>

(a) Footnotes  
(b) Footnotes

Balance Sheet and Parity - Trust			
	Beg Balance	Activity	End Balance
<b>Assets</b>			
Loans Receivable	\$155,855,553	(\$4,615,529)	\$151,240,024
Allowance for Bad Debt	(\$305,923)	\$0	(\$305,923)
Student Loan Accrued Interest and Subsidy	\$1,015,580	(\$298,399)	\$717,181
Accrued Interest on Investment	\$913	(\$409)	\$503
Student Loan Fees	\$0	\$0	\$0
Total Accounts/Funds Balance	\$8,535,342	(\$2,914,663)	\$5,620,679
Deferred Bond Issuance Costs	\$0	\$0	\$0
Prepaid Expenses	\$0	\$0	\$0
<b>Total Assets</b>	<b>\$165,101,465</b>	<b>(\$7,829,001)</b>	<b>\$157,272,464</b>
<b>Assets to Exclude for Parity</b>			
Non-Guaranteed FFEL Loans (b)	\$2,782	(\$1,917)	\$864
<b>Liabilities</b>			
Bonds Payable	\$153,200,000	(\$8,000,000)	\$145,200,000
Accrued Interest on Senior Bonds	\$71,347	(\$63,162)	\$8,184
Excess SAP due to the Department (a)	\$0	\$0	\$0
Borrower Benefit Rebates Payable	\$121,689	\$116,798	\$238,487
Accrued Yield and Rebate - US Treasury	\$0	\$0	\$0
Due to US Dept. of Ed	\$0	\$0	\$0
Accounts Payable and Other Liabilities	\$0	\$0	\$0
Due To/From Operations	(\$9,120)	(\$41)	(\$9,160)
<b>Total Liabilities</b>	<b>\$153,383,916</b>	<b>(\$7,946,405)</b>	<b>\$145,437,511</b>
Senior Parity %	107.84%		108.35%
Total Parity %	107.84%		108.35%

(a) Footnotes Effective 3/31/12 Student Loan Accrued Interest and Subsidy is shown net of Excess SAP due to the Dept.  
(b) Footnotes Effective 3/31/12 Non-Guaranteed FFEL loans are excluded from Total Assets for Parity

Portfolio Summary - FFELP			
	Beg Balance	Activity	End Balance
Principal Balance	\$155,855,553	(\$4,615,529)	\$151,240,024
Accrued Interest	\$2,248,617	(\$317,354)	\$1,931,263
<b>Total Pool Balance</b>	<b>\$158,104,170</b>	<b>(\$4,932,883)</b>	<b>\$153,171,287</b>
Weighted Average Coupon (WAC)	5.35%		5.35%
Weighted Average Maturity (WAM) (in months)	169.1		167.4
Number of Loans	25,425	(708)	24,717
Number of Borrowers	17,121	(507)	16,614
Average Borrower Indebtedness	\$9,235	(\$15)	\$9,219

(a) Footnotes  
(b) Footnotes

Student Loans Receivable Activity	
<b>Beginning Balance</b>	\$155,855,553
Interest Caps	\$722,629
Borrower Payments	(\$3,522,761)
Claim Payments	(\$853,263)
Consolidation Payments	(\$935,559)
Disbursements	\$0
Refunds to Borrower	\$5,256
Borrower Benefit Rebates	\$0
School Refunds	\$0
Write-offs	(\$31,833)
Miscellaneous Adjustments	\$0
<b>Ending Balance</b>	<b>\$151,240,024</b>

Weighted Average Payments Made			
	Principal	% of Pool	W.A. Time until (a)
In School	\$2,363,716	1.6%	(27.0) months
Grace	\$824,594	0.5%	(4.6) months
<b>Total Not Converted</b>	<b>\$3,188,310</b>	<b>2.1%</b>	
	Principal	% of Pool	W.A. Time since Conversion to Repayment
Repayment	\$120,548,150	79.7%	74.0 months
Reduced Payment	\$1,868,262	1.2%	75.7 months
Forbearance	\$7,523,253	5.0%	68.6 months
Deferment	\$16,918,168	11.2%	62.2 months
Claim Filed	\$1,193,883	0.8%	74.1 months
<b>Total Converted</b>	<b>\$148,051,714</b>	<b>97.9%</b>	
<b>Total Portfolio</b>	<b>\$151,240,024</b>	<b>100%</b>	

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

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

Issuer	Vermont Student Assistance Corporation
Deal Name	2008 C
Distribution Date	12/31/2012
Collection Period	10/1/12 - 12/31/12
Contact Email	<a href="mailto:investorrelations@vsac.org">investorrelations@vsac.org</a>
Website	<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	925	768	\$2,897,567	\$2,363,716	1.9%	1.6%
Repayment	18,923	19,156	\$121,557,071	\$120,548,150	78.0%	79.7%
Reduced Payment	232	226	\$1,474,673	\$1,868,262	0.9%	1.2%
In Grace	881	241	\$3,022,217	\$824,594	1.9%	0.5%
Forbearance	725	756	\$7,341,876	\$7,523,253	4.7%	5.0%
Deferment	3,549	3,389	\$18,576,952	\$16,918,168	11.9%	11.2%
Claim Filed	190	181	\$985,198	\$1,193,883	0.6%	0.8%
<b>Total Portfolio</b>	<b>25,425</b>	<b>24,717</b>	<b>\$155,855,553</b>	<b>\$151,240,024</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	15,519	15,531	\$97,603,320	\$95,595,360	79.3%	78.1%
1-29 Days Delinquent	1,749	1,263	\$13,328,743	\$11,620,917	10.8%	9.5%
30-59 Days Delinquent	322	977	\$2,468,048	\$5,521,552	2.0%	4.5%
60-89 Days Delinquent	459	481	\$2,708,642	\$2,665,714	2.2%	2.2%
90-119 Days Delinquent	278	290	\$1,854,521	\$1,881,757	1.5%	1.5%
120-149 Days Delinquent	168	188	\$1,063,950	\$1,327,453	0.9%	1.1%
150-179 Days Delinquent	181	217	\$1,260,279	\$1,095,082	1.0%	0.9%
180-209 Days Delinquent	200	115	\$1,098,297	\$773,594	0.9%	0.6%
210-239 Days Delinquent	133	121	\$870,247	\$834,240	0.7%	0.7%
240-269 Days Delinquent	100	107	\$596,935	\$696,957	0.5%	0.6%
270+ Days Delinquent	46	92	\$178,761	\$403,786	0.1%	0.3%
<b>Total Repayment (a)</b>	<b>19,155</b>	<b>19,382</b>	<b>\$123,031,744</b>	<b>\$122,416,411</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	4,515	4,381	\$15,148,211	\$14,925,350	9.7%	9.9%
Subsidized Stafford Loans	11,044	10,719	\$34,137,895	\$32,686,974	21.9%	21.6%
Grad / PLUS Loans	703	670	\$4,131,681	\$3,927,676	2.7%	2.6%
Consolidation Loans	9,156	8,942	\$102,434,985	\$99,699,160	65.7%	65.9%
Non-Guaranteed FFEL	7	5	\$2,782	\$864	0.0%	0.0%
<b>Total Portfolio</b>	<b>25,425</b>	<b>24,717</b>	<b>\$155,855,553</b>	<b>\$151,240,024</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	3,662	3,537	\$13,310,564	\$12,790,464	8.5%	8.5%
4 Year	18,698	18,196	\$114,689,798	\$111,346,267	73.6%	73.6%
Foreign	140	136	\$1,762,137	\$1,752,088	1.1%	1.2%
Proprietary	704	685	\$3,226,100	\$3,128,258	2.1%	2.1%
Vocational	637	630	\$4,389,113	\$4,305,439	2.8%	2.8%
Other / Unknown (a)	1,584	1,533	\$18,477,841	\$17,917,507	11.9%	11.8%
<b>Total Portfolio</b>	<b>25,425</b>	<b>24,717</b>	<b>\$155,855,553</b>	<b>\$151,240,024</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>	12/31/2012
<b>Collection Period</b>	10/1/12 - 12/31/12

**Collection Activity**

Collection Account	12/31/2012
<b>Available Funds at Beginning of Period (a)</b>	\$6,923,342
Collection Amount Received	\$5,796,331
Recoveries	\$0
Reserve Account	\$1,612,000
Capitalized Interest Account	\$0
Payments from Guarantor	\$900,967
Sale Proceeds	\$0
Investment Income	\$2,300
Loan Purchases and Originations	\$0
<b>All Fees</b>	\$0
Other Amounts Received in Collection	\$75,380
Consolidation Rebate Fee paid to Dept. of Ed	(\$265,648)
Excess Interest returned to Dept. of Ed	(\$625,085)
Excess Earnings Rebate paid to IRS	\$0
<b>Total Available Funds</b>	<b>\$14,419,586</b>

(a) Footnotes:  
(b) Footnotes

Fees and Program Expenses Due for Current Period	12/31/2012
Indenture Trustee Fees	\$3,600
Remarketing Fees	\$28,290
Credit Enhancement Fees	\$338,787
Arbitrage Analysis Fees	\$0
Servicing Fees	\$302,462
Other Fees	\$0
<b>Total Fees and Program Expenses</b>	<b>\$673,138</b>

Cumulative Default Rate - FFELP	12/31/2012
Current Period Defaults and Write-offs	\$935,052
Cumulative Defaults and Write-offs	\$17,234,307
Loans for which claims have been filed but not yet paid as of Distribution Date	\$1,193,883
Cumulative Purchases and Originations	\$247,968,910
<b>Cumulative Default Rate (1)</b>	<b>7.43%</b>
Cumulative Recoveries (including reimbursements and collections)	
Payments from Guarantor	\$16,833,764
Borrower Recoveries	\$0
<b>Recovery Rate (2)</b>	<b>97.68%</b>
Cumulative Net Loss	\$1,594,425
<b>Cumulative Net Loss (3)</b>	<b>0.64%</b>

1) (Cumulative Defaults and Write-offs + Claims Filed Not Paid) / Cumulative Purchases and Originations  
2) (Payments from Guarantor + Borrower Recoveries) / Cumulative Defaults and Write-offs  
3) (Cumulative Defaults and Write-offs + Claims Filed Not Paid) - (Payments from Guarantor + Borrower Recoveries) / Cumulative Purchases and Originations

**Waterfall Activity**

Waterfall for Distribution	Amount Due	Amount Remaining
<b>Total Available Funds</b>		\$14,419,586
<b>First:</b> Fees and Program Expenses transferred to Operating Account	\$673,138	\$13,746,447
<b>Second:</b> Semi-Annual Interest Due transferred to Debt Service - Interest Account 2008 C	\$121,521	\$13,624,927
<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	\$13,624,927
<b>Fourth:</b> Transfer to Debt Service Reserve Account if necessary to increase to minimum required	\$0	\$13,624,927
<b>Fifth:</b> Transfer to Retirement Account for non-scheduled retirement of bond principal and interest	\$8,004,248	\$5,620,679
<b>Remaining Amount Released to Corporation if parity conditions met</b>		<b>\$5,620,679</b>

(a) Footnotes:  
(b) Footnotes

Principal and Interest Distributions	As of Date	12/31/2012
Interest Accrued		\$133,953
Interest Due		\$125,769
Interest Paid		\$125,769
Interest Shortfall	N/A	
Accrued Interest Carryover		\$8,184
Interest Carryover Due		\$0
Interest Carryover Paid		\$0
Interest Carryover		\$8,184
Periodic Principal Distribution Amount Due		\$0
Periodic Principal Paid (a)		\$8,000,000
Principal Shortfall	N/A	
<b>Total Distribution Amount</b>		<b>\$8,125,769</b>

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

# Vermont Student Assistance Corporation

## 2008 C Indenture

### Balance Sheet

	<b>2008 C</b>	<b>2008 C</b>
	<b>9/30/2012</b>	<b>12/31/2012</b>
<b>Assets</b>		
Cash and Equivalents		
Operating	\$0.00	\$0.00
Revenue	\$910,214.82	\$962,102.54
Loan Acquisition	\$6,013,126.83	\$3,046,575.98
Debt Service Reserve	\$1,612,000.00	\$1,612,000.00
Cap Int	\$0.00	\$0.00
Rehab Default Reserve	\$0.00	\$0.00
<b>Total Cash and Equivalents</b>	<b>\$8,535,341.65</b>	<b>\$5,620,678.52</b>
Receivables		
Investment Interest	\$912.73	\$503.35
Student Loans	\$155,855,553.30	\$151,240,024.15
Allowance for Bad Debt	(\$305,922.97)	(\$305,922.97)
Contra SLR - Alt Fees	\$0.00	\$0.00
Deferred Subsidized Fees	\$0.00	\$0.00
Student Loan Interest	\$2,248,617.10	\$1,931,263.21
FIB	\$556,323.29	\$488,821.96
SAP	(\$1,789,360.35)	(\$1,702,904.01)
<b>Total Receivables</b>	<b>\$156,566,123.10</b>	<b>\$151,651,785.69</b>
Other Assets		
Def Bond Issuance, Net	\$0.00	\$0.00
Prepaid Expenses	\$0.00	\$0.00
<b>Total Other Assets</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Total Assets</b>	<b>\$165,101,464.75</b>	<b>\$157,272,464.21</b>
<b>Liabilities and Net Assets</b>		
Liabilities		
Senior Bonds Payable	\$153,200,000.00	\$145,200,000.00
Bond Interest Payable	\$71,346.83	\$8,184.48
VT Value Rebates Payable	\$121,688.80	\$238,486.69
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	\$0.00
Due To/From Other Funds	(\$9,119.53)	(\$9,160.06)
<b>Total Liabilities</b>	<b>\$153,383,916.10</b>	<b>\$145,437,511.11</b>
Net Assets		
Restricted by Bond Resolution	\$11,717,548.65	\$11,834,953.10
<b>Total Net Assets</b>	<b>\$11,717,548.65</b>	<b>\$11,834,953.10</b>
<b>Total Liabilities and Net Assets</b>	<b>\$165,101,464.75</b>	<b>\$157,272,464.21</b>

# Vermont Student Assistance Corporation

## 2008C Trust

### Quarterly Income Statement

	<b>2008C Trust</b>
	<b><u>10/1/2012- 12/31/2012</u></b>
Bond Direct Contribution	
Revenue	
Federal Interest Benefits	\$233,033.80
Special Allowance Payments	\$2,640.38
Interest on Investments	\$1,890.64
Interest and Fees/Student Loans	\$1,831,340.84
Other Income	\$0.00
Total Revenue	<u>\$2,068,905.66</u>
Bond Expenses	
Bond/Note Interest	\$62,606.37
Lender Fees and Consolidation Fees	\$265,648.13
SAP Int Returned to DOE	\$841,804.43
VT Value Rebate Expense	\$166,400.96
Fees Paid on Borrower Behalf	\$0.00
Yield Exp - US Treasury	\$0.00
Yield Analysis	\$0.00
Rebate Exp - US Treasury	\$0.00
Rebate Analysis	\$0.00
Bad Debt Expense	(\$41,297.00)
Credit Enhancement	\$338,786.56
Auction Agent	\$0.00
Remarketing	\$28,289.76
Trustee Fees	\$3,600.00
Rating Agency Fees	\$0.00
Total Interest Expenses	<u>\$1,665,839.21</u>
Total Direct Contribution	<u>\$403,066.45</u>
Administrative Expense	
Salaries and Benefits	\$160,040.00
Other General and Admin	\$19.00
Other Loan Finance Expense	\$0.00
Amortization of Bond Issuance	\$0.00
Subsidy Transfer to Ops	\$125,603.00
Total Administrative	<u>\$285,662.00</u>
Transfers	\$0.00
<b>BEGINNING NET ASSETS</b>	<b>\$11,717,548.65</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>\$117,404.45</b>
<b>ENDING NET ASSETS</b>	<b><u>\$11,834,953.10</u></b>