

Student Loan Backed Reporting
Quarterly Distribution Report

Issuer	Vermont Student Assistance Corporation
Deal Name	2008 C
Distribution Date	3/31/2011
Collection Period	1/1/11 - 3/31/11
Contact Email	investorrelations@vsac.org
Website	www.vsac.org

Notes/Bonds												
Class	CUSIP	IRS Status	Rate(a)	Original Balance	Beg Princ Bal	Interest 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	\$9,866	\$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	\$16,958	\$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	\$20,555	\$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	\$10,277	\$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	\$24,563	\$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	\$9,886	\$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	\$16,992	\$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	\$20,596	\$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	\$10,298	\$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	\$24,612	\$0	\$29,875,000	\$29,875,000	14.94%	12/15/2040	
Total				\$200,000,000	\$200,000,000	\$164,603	\$0	\$200,000,000	\$200,000,000	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	\$2,947,162	\$481,777	\$3,428,940
Loan Acquisition Fund	\$8,025,510	\$3,526,481	\$11,551,991
Total Accounts Balance	\$13,022,672	\$4,008,259	\$17,030,930

(a) Footnotes
(b) Footnotes

Balance Sheet and Parity - Trust			
	Beg Balance	Activity	End Balance
Assets			
Loans Receivable	\$197,821,520	(\$3,761,390)	\$194,060,130
Allowance for Bad Debt	(\$362,928)	\$0	(\$362,928)
Student Loan Accrued Interest and Subsidy	\$3,825,629	(\$27,606)	\$3,798,022
Accrued Interest on Investment	\$1,786	\$374	\$2,160
Student Loan Fees	\$23,459	(\$1,548)	\$21,911
Total Accounts/Funds Balance	\$13,022,672	\$4,008,259	\$17,030,930
Deferred Bond Issuance Costs	\$990,625	(\$8,255)	\$982,370
Prepaid Expenses	\$0	\$0	\$0
Total Assets	\$215,322,762	\$209,832	\$215,532,595
Liabilities			
Bonds Payable	\$200,000,000	\$0	\$200,000,000
Accrued Interest on Senior Bonds	\$31,151	\$133,452	\$164,603
Excess SAP due to the Department	\$2,272,748	(\$21,348)	\$2,251,400
Borrower Benefit Rebates Payable	\$291,644	\$139,297	\$430,941
Accrued Yield and Rebate - US Treasury	\$0	\$0	\$0
Due to US Dept. of Ed	\$15,746	(\$15,654)	\$92
Accounts Payable and Other Liabilities	\$486,550	(\$14,663)	\$471,887
Due To/From Operations	\$139,194	(\$23,800)	\$115,395
Total Liabilities	\$203,237,033	\$197,285	\$203,434,317
Senior Parity %	105.60%		105.61%
Total Parity %	105.60%		105.61%

(a) Footnotes
(b) Footnotes

Portfolio Summary - FFELP			
	Beg Balance	Activity	End Balance
Principal Balance	\$197,789,490	(\$3,729,360)	\$194,060,130
Accrued Interest	\$2,693,420	\$101,048	\$2,794,468
Total Pool Balance	\$200,482,910	(\$3,628,312)	\$196,854,598
Weighted Average Coupon (WAC)	5.40%		5.39%
Weighted Average Maturity (WAM) (in months)	169.5		169.8
Number of Loans	30,988	(381)	30,607
Number of Borrowers	21,012	(363)	20,649
Average Borrower Indebtedness	\$9,541	(\$8)	\$9,533

(a) Footnotes
(b) Footnotes

Weighted Average Payments Made - FFELP		
	% of Pool	Weighted Average Months to Maturity (a)
In School	8.0%	140
Grace	1.7%	123
Deferment	14.9%	173
Forbearance (b)	5.7%	197
Repayment	69.2%	174
Portfolio Weighted Average		171

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

Student Loan Backed Reporting
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Portfolio by Loan Status - FFELP

	# of Loans		Principal Balance		% of Balance	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
In School	5,005	4,609	\$17,127,795	\$15,621,638	8.7%	8.0%
Repayment	19,365	19,034	\$138,162,014	\$134,251,657	69.8%	69.2%
Reduced Payment	350	397	\$3,276,819	\$3,183,564	1.7%	1.6%
In Grace	910	934	\$3,126,342	\$3,292,302	1.6%	1.7%
Forbearance	737	824	\$7,485,697	\$7,932,420	3.8%	4.1%
Deferment	4,496	4,655	\$27,651,232	\$28,951,947	14.0%	14.9%
Claim Filed	125	154	\$991,621	\$826,603	0.5%	0.4%
Total Portfolio	30,988	30,607	\$197,821,520	\$194,060,130	100%	100%

(a) Footnotes
(b) Footnotes

Delinquency Status - FFELP

	# of Loans		Principal Balance		% of Balance	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current	15,921	16,416	\$12,841,741	\$14,938,253	80.8%	83.6%
1-29 Days Delinquent	1,175	954	\$11,671,569	\$9,126,445	6.0%	6.6%
30-59 Days Delinquent	1,132	810	\$7,123,296	\$5,448,424	5.7%	4.0%
60-89 Days Delinquent	534	337	\$3,811,776	\$2,536,719	2.7%	1.8%
90-119 Days Delinquent	249	113	\$1,399,717	\$814,478	1.3%	0.6%
120-149 Days Delinquent	159	251	\$1,211,343	\$1,416,434	0.8%	1.0%
150-179 Days Delinquent	188	208	\$1,163,660	\$1,175,066	1.0%	0.9%
180-209 Days Delinquent	105	103	\$714,761	\$558,104	0.5%	0.4%
210-239 Days Delinquent	122	99	\$646,204	\$638,734	0.6%	0.5%
240-269 Days Delinquent	71	104	\$396,785	\$601,149	0.4%	0.4%
270+ Days Delinquent	59	36	\$457,981	\$181,415	0.3%	0.1%
Total Repayment (a)	19,715	19,431	\$141,438,833	\$137,435,221	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	5,724	5,671	\$20,610,016	\$20,131,135	10.4%	10.4%
Subsidized Stafford Loans	13,815	13,613	\$47,640,557	\$46,154,294	24.1%	23.8%
Grad / PLUS Loans	944	916	\$5,726,976	\$5,641,004	2.9%	2.9%
Consolidation Loans	10,495	10,399	\$123,811,941	\$122,101,770	62.6%	62.9%
Non-Guaranteed FFEL	10	8	\$32,030	\$31,927	0.0%	0.0%
Total Portfolio	30,988	30,607	\$197,821,520	\$194,060,130	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	4,448	4,420	\$16,996,247	\$16,714,066	8.6%	8.6%
4 Year	22,914	22,541	\$146,990,333	\$143,214,877	74.3%	73.8%
Foreign	166	164	\$2,088,215	\$2,074,074	1.1%	1.1%
Proprietary	845	856	\$4,215,972	\$4,190,579	2.1%	2.2%
Vocational	742	751	\$5,552,308	\$5,739,627	2.8%	3.0%
Other / Unknown (a)	1,873	1,875	\$21,978,445	\$22,126,907	11.1%	11.4%
Total Portfolio	30,988	30,607	\$197,821,520	\$194,060,130	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	3/31/2011
Collection Period	1/1/11 - 3/31/11

Collection Activity

Collection Account	3/31/2011
Available Funds at Beginning of Period (a)	\$11,022,672
Collection Amount Received	\$7,392,808
Recoveries	\$0
Reserve Account	\$2,000,000
Capitalized Interest Account	\$0
Payments from Guarantor	\$903,292
Sale Proceeds	\$0
Investment Income	\$5,376
Loan Purchases and Originations	(\$2,644,828)
All Fees	\$0
Other Amounts Received in Collection	\$13
Consolidation Rebate Fee paid to Dept. of Ed	(\$323,796)
Excess Interest returned to Dept. of Ed	(\$557,189)
Excess Earnings Rebate paid to IRS	\$0
Total Available Funds	\$17,798,347
(a) Footnotes:	
(b) Footnotes:	

Fees and Program Expenses Due for Current Period	3/31/2011
Indenture Trustee Fees	\$3,600
Remarketing Fees	\$0
Credit Enhancement Fees	\$501,213
Arbitrage Analysis Fees	\$0
Servicing Fees	\$262,604
Other Fees	\$0
Total Fees and Program Expenses	\$767,417

Cumulative Default Rate	3/31/2011
Current Period Defaults and Write-offs	\$903,292
Cumulative Defaults and Write-offs	\$8,388,283
Loans for which claims have been filed as of Distribution Date	\$2,797,978
Cumulative Default Rate	4.57%
Cumulative Recoveries (including reimbursements and collections)	
Payments from Guarantor	\$8,204,664
Borrower Recoveries	\$0
Recovery Rate	73.35%
Cumulative Net Loss	\$2,981,596
Cumulative Net Loss	1.22%
(a) Footnotes:	

Waterfall Activity

Waterfall for Distribution	Amount Due	Amount Remaining
Total Available Funds		\$17,798,347
First: Fees and Program Expenses transferred to Operating Account	\$767,417	\$17,030,930
Second: Semi-Annual Interest Due transferred to Debt Service - Interest Account 2008 C	\$0	\$17,030,930
Third: For the 12 months preceding a stated maturity, equal installments of maturity amount transferred to Debt Service - Principal Account 2008 C	\$0	\$17,030,930
Fourth: Transfer to Debt Service Reserve Account if necessary to increase to minimum required	\$0	\$17,030,930
Fifth: Transfer to Retirement Account for non-scheduled retirement of bond principal and interest	\$0	\$17,030,930
Remaining Amount Released to Corporation if parity conditions met		\$17,030,930
(a) Footnotes:		
(b) Footnotes:		

Principal and Interest Distributions	As of Date	3/31/2011
Interest Accrued		\$164,603
Interest Due		\$0
Interest Paid		\$0
Interest Shortfall	N/A	
Accrued Interest Carryover		\$164,603
Interest Carryover Due		\$0
Interest Carryover Paid		\$0
Interest Carryover		\$164,603
Total Distribution Amount		\$0

Vermont Student Assistance Corporation

2008 C Indenture

Balance Sheet

	2008 C 12/31/2010	2008 C 3/31/2011
Assets		
Cash and Equivalents		
Operating	\$0.00	\$0.00
Revenue	\$2,947,162.18	\$3,428,939.59
Loan Acquisition	\$8,025,509.64	\$11,551,990.87
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	\$13,022,671.82	\$17,030,930.46
Receivables		
Investment Interest	\$1,785.97	\$2,159.63
Student Loans	\$197,821,519.99	\$194,060,129.95
Allowance for Bad Debt	(\$362,928.11)	(\$362,928.11)
Contra SLR - Alt Fees	\$0.00	\$0.00
Deferred Subsidized Fees	\$23,458.95	\$21,910.53
Student Loan Interest	\$2,699,153.31	\$2,794,468.23
FIB	\$1,126,475.40	\$1,003,554.01
SAP	(\$2,272,747.65)	(\$2,251,399.66)
Total Receivables	\$199,036,717.86	\$195,267,894.58
Other Assets		
Def Bond Issuance, Net	\$990,625.14	\$982,369.95
Prepaid Expenses	\$0.00	\$0.00
Total Other Assets	\$990,625.14	\$982,369.95
Total Assets	\$213,050,014.82	\$213,281,194.99
Liabilities and Net Assets		
Liabilities		
Senior Bonds Payable	\$200,000,000.00	\$200,000,000.00
Bond Interest Payable	\$31,150.68	\$164,602.74
VT Value Rebates Payable	\$291,643.95	\$430,941.39
Accrued Yield - US Treasury	\$0.00	\$0.00
Accrued Rebates - US Treasury	\$0.00	\$0.00
Due To US Department of Education	\$15,746.12	\$92.33
Accounts Payable and Other Liabilities	\$486,549.94	\$471,886.78
Due To/From Other Funds	\$139,194.36	\$115,394.51
Total Liabilities	\$200,964,285.05	\$201,182,917.75
Net Assets		
Restricted by Bond Resolution	\$12,085,729.77	\$12,098,277.24
Total Net Assets	\$12,085,729.77	\$12,098,277.24
Total Liabilities and Net Assets	\$213,050,014.82	\$213,281,194.99

Vermont Student Assistance Corporation

2008C Trust

Quarterly Income Statement

		2008C Trust
		<u>1/1/2011- 3/31/2011</u>
Bond Direct Contribution		
Revenue		
	Federal Interest Benefits	\$471,408.06
	Special Allowance Payments	\$2,542.51
	Interest on Investments	\$5,749.81
	Interest and Fees/Student Loans	\$2,124,241.19
	Other Income	\$0.00
	Total Revenue	<u>\$2,603,941.57</u>
Bond Expenses		
	Bond/Note Interest	\$133,452.06
	Lender Fees and Consolidation Fees	\$323,770.92
	SAP Int Returned to DOE	\$1,117,096.62
	VT Value Rebate Expense	\$198,252.85
	Fees Paid on Borrower Behalf	\$1,523.78
	Yield Exp - US Treasury	\$0.00
	Yield Analysis	\$0.00
	Rebate Exp - US Treasury	\$0.00
	Rebate Analysis	\$0.00
	Bad Debt Expense	\$12,741.65
	Credit Enhancement	\$486,549.99
	Auction Agent	\$0.00
	Remarketing	\$49,589.04
	Trustee Fees	\$3,600.00
	Total Interest Expenses	<u>\$2,326,576.91</u>
	Total Direct Contribution	<u>\$277,364.66</u>
Administrative Expense		
	Salaries and Benefits	\$174,925.00
	Other General and Admin	\$19.00
	Other Loan Finance Expense	(\$750.00)
	Amortization of Bond Issuance	\$8,255.19
	Subsidy Transfer to Ops	\$82,368.00
	Total Administrative	<u>\$264,817.19</u>
	Transfers	\$0.00
	BEGINNING NET ASSETS	\$12,085,729.77
	NET SURPLUS/(DEFICIT)	\$12,547.47
	ENDING NET ASSETS	<u><u>\$12,098,277.24</u></u>