



**Montana Higher Education Student Assistance Corporation**  
**Quarterly Student Loan Report**

**1993 Master Indenture - Trust Securing the Following Taxable Notes:**

- Senior Series 2000-C (Taxable)
- Senior Series 2001-C (Taxable)
- Senior Series 2002-D (Taxable)
- Senior Series 2003-C (Taxable)
- Senior Series 2005-A and B (Taxable)
- Senior Series 2006-A and B (Taxable) and Subordinate Series 2006-C (Taxable)

**Reporting Period December 01, 2008 through February 28, 2009**

MHESAC 1993 Master Indenture - Taxable

I. Deal Parameters

Student Portfolio Characteristics			11/30/2008	Activity	2/28/2009
A	i	Portfolio Balance	\$ 469,984,526.88	\$ (6,161,550.29)	\$ 463,822,976.59
	ii	Interest to be Capitalized	\$ 2,590,701.02	\$ (168,777.48)	\$ 2,421,923.54
	iii	Total Pool	\$ 472,575,227.90		\$ 466,244,900.13
	iv	Pending Portfolio adjustments	\$ -		\$ -
	v	Trust Cash	\$ 11,376,765.17		\$ 10,313,002.97
	vi	Specified Reserve Account Balance	\$ 2,035,000.00		\$ 2,035,000.00
	vii	<b>Total Adjusted Pool</b>	<b>\$ 485,986,993.07</b>		<b>\$ 478,592,903.10</b>
B	i	Weighted Average Coupon (WAC)	3.460%		3.420%
	ii	Weighted Average Remaining Term	259.29		257.45
	iii	Number of Loans	26,931		26,589
	iv	Number of Borrowers	14,243		14,081
	v	Outstanding Principal Balance - T-Bill	\$ 1,501,366.83		\$ 1,413,707.90
	vi	Outstanding Principal Balance - Commercial Paper	\$ 468,483,160.05		\$ 462,409,268.69

  

Notes	CUSIP	Original Issue Amount	Rate	Balance 11/30/2008	Pool Factor 11/30/2008	Balance 2/28/2009	Pool Factor 2/28/2009		
C	i	2000-C Notes Taxable Senior	612130GV0	\$ 11,200,000.00	ARS	\$ 9,200,000.00	1.90%	\$ 9,200,000.00	1.93%
	ii	2001-C Notes Taxable Senior	612130GY4	\$ 29,500,000.00	ARS	\$ 21,500,000.00	4.44%	\$ 21,500,000.00	4.51%
	iii	2002-D Notes Taxable Senior	612130HC1	\$ 10,300,000.00	ARS	\$ 8,000,000.00	1.65%	\$ 8,000,000.00	1.68%
	iv	2003-C Notes Taxable Senior	612130HG2	\$ 13,300,000.00	ARS	\$ 10,100,000.00	2.08%	\$ 10,100,000.00	2.12%
	v	2005-A Notes Taxable Senior	612130HM9	\$ 133,508,000.00	3 Mo Libor + 0.04%	\$ 49,509,000.00	10.22%	\$ 44,087,000.00	9.25%
	vi	2005-B Notes Taxable Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 119,140,000.00	24.59%	\$ 119,140,000.00	24.99%
	vii	2006-A Notes Taxable Senior	612130HP2	\$ 226,775,000.00	3 Mo Libor + 0.10%	\$ 218,633,000.00	45.13%	\$ 216,302,000.00	45.37%
	viii	2006-B Notes Taxable Senior	612130HQ0	\$ 74,700,000.00	ARS	\$ 18,400,000.00	3.80%	\$ 18,400,000.00	3.86%
	ix	2006-C Notes Taxable Subordinate	612130HR8	\$ 30,000,000.00	ARS	\$ 30,000,000.00	6.19%	\$ 30,000,000.00	6.29%
	x	Total Notes Outstanding Taxable Senior		\$ 454,482,000.00		\$ 446,729,000.00	93.81%	\$ 446,729,000.00	93.71%
	xi	Total Notes Outstanding Taxable Subordinate		\$ 30,000,000.00		\$ 30,000,000.00	6.19%	\$ 30,000,000.00	6.29%
	xii	<b>Total Notes Outstanding 1993 Master Indenture - Taxable</b>		<b>\$ 484,482,000.00</b>		<b>\$ 476,729,000.00</b>			

  

Parity		11/30/2008	2/28/2009	
D	i	Senior Parity	106.61%	106.74%
	ii	Subordinate Parity	100.01%	100.03%

  

Reserve Account		11/30/2008	2/28/2009	
E	i	Required Reserve Acc Deposit (%)	1.00%	1.00%
	ii	Reserve Acct Initial Deposit (\$)	\$ -	\$ -
	iii	Specified Reserve Acct Requirement (\$)	\$ 4,844,820.00	\$ 4,767,290.00
	iv	Reserve Account Floor Balance (\$)	\$ -	\$ -
	v	Current Reserve Balance (\$)	\$ -	\$ 2,035,000.00
	vi	Current Reserve Balance - Total Indenture (\$)	\$ -	\$ 30,566,244.22
	vii	Draws on Reserve - Current Quarter (\$)	\$ -	\$ -

**MHESAC 1993 Master Indenture - Taxable**  
**II. Trust Balances and Parity Calculations**

<b>Trust Accounts</b>		<b>11/30/2008</b>	<b>2/28/2009</b>
A	i Acquisition Account	\$ -	\$ -
	ii Administration Account	\$ 390,281.66	\$ 1,834,160.81
	iii Bond- Interest, Principal, Retirement Accounts	\$ 10,101,942.34	\$ 7,526,370.85
	iv Capitalized Interest Account	\$ -	\$ -
	v COI Account	\$ -	\$ -
	vi Rebate Account	\$ -	\$ -
	vii Reserve Account	\$ 2,035,000.00	\$ 2,035,000.00
	viii Surplus Account	\$ 884,541.17	\$ 952,471.31

  

<b>Parity Calculations</b>		<b>11/30/2008</b>	<b>2/28/2009</b>
B	<b>Value of the Indenture</b>		
	i Portfolio Balance	\$ 469,984,526.88	\$ 463,822,976.59
	ii Pending System Adjustments	-	-
	iii Accrued Borrower Interest	2,590,701.02	2,421,923.54
	iv Accrued Subsidized Interest	1,442,792.71	510,869.27
	v Less: Unguaranteed Amount Uncollectibles	(223,332.00)	(190,185.00)
	vi Trust Cash and Investments	13,411,765.17	12,348,002.97
	vii Payments in Transit	179,248.96	213,915.40
	viii Other Cash and Assets	2,159,139.34	2,075,740.98
	ix Total Trust Value	\$ 489,544,842.08	\$ 481,203,243.75
	Less:		
	x Accrued Bond Interest	5,030,334.62	4,348,575.01
	xi Accrued Swap Liability/(Asset)	-	-
	xii Accrued Fair Value of Swap Liability/(Asset)	-	-
	xiii Accrued Rebate Liabilities	-	-
	xiv <b>Net Asset Value</b>	\$ 484,514,507.46	\$ 476,854,668.74

  

<b>Notes Outstanding</b>		<b>11/30/2008</b>	<b>2/28/2009</b>
C	i Senior Notes	\$ 454,482,000.00	\$ 446,729,000.00
	ii Subordinate Notes	30,000,000.00	30,000,000.00
	iii Total Notes	\$ 484,482,000.00	\$ 476,729,000.00

  

<b>Parity</b>		<b>11/30/2008</b>	<b>2/28/2009</b>
D	i Senior Parity	106.61%	106.74%
	ii Subordinate Parity	100.01%	100.03%

**MHESAC 1993 Master Indenture - Taxable**

**III. Distributions**

<b>Interest</b>										
Class	CUSIP	Quarterly Interest Due	Quarterly Interest Paid	Interest Shortfall	Interest Carryover Due	Interest Carryover Paid	Interest Carryover	Interest Factor	Rate	Next Rate
A	2005-A	612130HR8	\$ 168,657.27	\$ 168,657.27	\$ -	\$ -	\$ -	11.19%	1.565%	1.328%
	2005-B	612130HN7	\$ 479,075.18	\$ 479,075.18	\$ -	\$ -	\$ -	31.79%	1.645%	1.408%
	2006-A	612130HP2	\$ 859,199.61	\$ 859,199.61	\$ -	\$ -	\$ -	57.02%	1.625%	1.388%
<b>TOTAL</b>			<b>\$ 1,506,932.06</b>	<b>\$ 1,506,932.06</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>			
									<b>CUR LIBOR</b>	1.525%
									<b>NEXT LIBOR</b>	1.288%

  

<b>Principal</b>								
Class	CUSIP	Quarterly Principal Due	Quarterly Principal Paid	Quarterly Principal Shortfall	Principal Carryover Due	Principal Carryover Paid	Principal Carryover	Principal Factor
B	2005-A	612130HR8	\$ 5,334,000.00	\$ 5,334,000.00	\$ -	\$ -	\$ -	55.77%
	2005-B	612130HN7	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
	2006-A	612130HP2	\$ 4,230,000.00	\$ 3,294,000.00	\$ 936,000.00	\$ 1,629,000.00	\$ 2,565,000.00	44.23%
<b>TOTAL</b>		<b>\$ 9,564,000.00</b>	<b>\$ 8,628,000.00</b>	<b>\$ 936,000.00</b>	<b>\$ 1,629,000.00</b>	<b>\$ -</b>	<b>\$ 2,565,000.00</b>	

  

<b>Non-FRN Noteholder Distributions</b>		
C	i	Amount to transfer for Auction Rate Noteholder Distributions - see page 5
		\$ -

  

D	<b>Total Principal Distributions</b>	<b>\$ 8,628,000.00</b>
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**MHESAC 1993 Master Indenture - Taxable**

**IV. MHESAC Transactions from: 12/1/2008 through: 2/28/2009**

<b>A</b>	<b>Student Loan Principal Activity</b>		
i	Regular Principal Collections	\$	5,178,474.19
ii	Principal Collections from Guarantor	\$	1,798,421.24
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	-
v	Additional Disbursements	\$	-
vi	<b>Total Principal Collections</b>	\$	6,976,895.43
<b>B</b>	<b>Student Loan Non-Cash Principal Activity</b>		
i	Other Adjustments	\$	22,794.70
ii	Capitalized Interest	\$	(838,139.84)
iii	<b>Total Non-Cash Principal Activity</b>	\$	(815,345.14)
<b>C</b>	<b>Total Student Loan Principal Activity</b>	\$	6,161,550.29
<b>D</b>	<b>Student Loan Interest Activity</b>		
i	Regular Interest Collections	\$	2,870,442.09
ii	Interest Claims Received from Guarantors	\$	36,089.99
iii	Collection Fees / Returned Items	\$	-
iv	Late Fee Reimbursements	\$	-
v	Interest Reimbursements	\$	-
vi	Other System Adjustments	\$	-
vii	Special Allowance Payments	\$	1,788,818.70
viii	Subsidy Payments	\$	342,712.86
ix	Accrued Borrower Interest on Purchased Loans	\$	-
x	<b>Total Interest Collections</b>	\$	5,038,063.64
<b>E</b>	<b>Student Loan Non-Cash Interest Activity</b>		
i	Interest Accrual Adjustments	\$	22,329.33
ii	Capitalized Interest	\$	838,139.84
iii	<b>Total Non-Cash Interest Adjustments</b>	\$	860,469.17
<b>F</b>	<b>Total Student Loan Interest Activity</b>	\$	5,898,532.81
<b>G</b>	<b>Non-Reimbursable Losses During Collection Period</b>	\$	-
<b>H</b>	<b>Cumulative Non-Reimbursable Losses to Date</b>	\$	-

**Available Funds**

**2/28/2009**

<b>I</b>	<b>Reserves in Excess of Reserve Requirement</b>	\$	-
<b>J</b>	<b>Trust Account Investment Income</b>	\$	51,267.54
<b>K</b>	<b>Funds Received from Bond Proceeds</b>	\$	-
<b>L</b>	<b>TOTAL FUNDS RECEIVED (Avi + Dx + I + J + K - Av - Dix)</b>	\$	12,066,226.61
<b>M</b>	<b>LESS FUNDS REMITTED/SET ASIDE:</b>		
i	Consolidation Loan Rebate Fees	\$	1,190,808.70
ii	Management and Servicing Fees	\$	730,284.13
iii	Administrative Fees (trustee, listing, broker, lender/orig, etc)	\$	65,117.41
iv	Funds Allocated to the Future Distribution Account	\$	-
v	Funds Released from the Future Distribution Account	\$	-
<b>N</b>	<b>PLUS FUNDS ALLOCATED FROM REMAINING ACQUISITION FUNDS</b>	\$	-
<b>O</b>	<b>TOTAL AVAILABLE FUNDS</b>	\$	10,080,016.37

**MHESAC 1993 Master Indenture - Taxable**  
**V. Waterfall for Distributions**

<b>A</b>	Total Available Funds (IV-O)	<b>\$</b>	<b>10,080,016.37</b>
<b>B</b>	Interest Distributions and accruals		
i	2000-C Notes	\$	50,426.64
ii	2001-C Notes	\$	117,849.19
iii	2002-D Notes	\$	44,750.13
iv	2003-C Notes	\$	63,089.73
v	2005-A Notes	\$	168,657.27
vi	2005-B Notes	\$	479,075.18
vii	2006-A Notes	\$	859,199.61
viii	2006-B Notes	\$	101,821.59
ix	2006-C Notes	\$	265,476.32
x	<b>Total Interest Distributions and Accruals</b>	<b>\$</b>	<b>2,150,345.66</b>
<b>C</b>	Principal Distribution Amount		
i	2000-C Notes	\$	-
ii	2001-C Notes	\$	-
iii	2002-D Notes	\$	-
iv	2003-C Notes	\$	-
v	2005-A Notes	\$	5,334,000.00
vi	2005-B Notes	\$	-
vii	2006-A Notes	\$	3,294,000.00
viii	2006-B Notes	\$	-
ix	2006-C Notes	\$	-
x	<b>Total Noteholder's Principal Distribution</b>	<b>\$</b>	<b>8,628,000.00</b>
<b>D</b>	Increase to the Specified Reserve Account Balance	\$	-
<b>E</b>	Carryover Servicing Fees	\$	-
<b>F</b>	Noteholder's Interest Carryover	\$	-
<b>G</b>	Noteholder's Principal Carryover	\$	-
<b>H</b>	<b>Funds available after waterfall items (A-G)</b>	<b>\$</b>	<b>(698,329.29)</b>

**MHESAC 1993 Master Indenture - Taxable**  
**VI. Historical Pool Information**

	03/01/08-05/31/08	06/01/08-08/31/08	09/01/08-11/30/08	12/01/08-02/28/09
<b>Beginning Student Loan Portfolio Balance</b>	<b>\$ 486,250,371.03</b>	<b>\$ 480,633,263.13</b>	<b>\$ 475,505,759.46</b>	<b>\$ 469,984,526.88</b>
<b>Student Loan Principal Activity</b>				
i Regular Principal Collections	\$ 4,813,114.83	\$ 4,765,177.08	\$ 5,065,964.02	\$ 5,178,474.19
ii Principal Collections from Guarantor	\$ 1,641,646.73	\$ 1,356,948.68	\$ 1,200,430.12	\$ 1,798,421.24
iii Returned Disbursements	\$ -	\$ -	\$ -	\$ -
iv Other System Adjustments	\$ -	\$ -	\$ -	\$ -
v Additional Disbursements	\$ -	\$ -	\$ -	\$ -
vi Total Principal Collections	\$ 6,454,761.56	\$ 6,122,125.76	\$ 6,266,394.14	\$ 6,976,895.43
<b>Student Loan Non-Cash Principal Activity</b>				
i Other Adjustments	\$ 27,622.56	\$ 30,276.35	\$ 35,414.33	\$ 22,794.70
ii Capitalized Interest	\$ (865,276.22)	\$ (1,024,898.44)	\$ (780,575.89)	\$ (838,139.84)
iii Total Non-Cash Principal Activity	\$ (837,653.66)	\$ (994,622.09)	\$ (745,161.56)	\$ (815,345.14)
<b>(-) Total Student Loan Principal Activity</b>	<b>\$ 5,617,107.90</b>	<b>\$ 5,127,503.67</b>	<b>\$ 5,521,232.58</b>	<b>\$ 6,161,550.29</b>
<b>Student Loan Interest Activity</b>				
i Regular Interest Collections	\$ 3,177,062.35	\$ 3,079,792.60	\$ 2,914,839.65	\$ 2,870,442.09
ii Interest Claims Received from Guarantors	\$ 43,697.81	\$ 37,983.02	\$ 34,048.30	\$ 36,089.99
iii Collection Fees / Returned Items	\$ -	\$ -	\$ -	\$ -
iv Late Fee Reimbursements	\$ -	\$ -	\$ -	\$ -
v Interest Reimbursements	\$ -	\$ -	\$ -	\$ -
vi Other System Adjustments	\$ -	\$ -	\$ -	\$ -
vii Special Allowance Payments	\$ 2,533,906.75	\$ 1,981,494.03	\$ 2,122,799.54	\$ 1,788,818.70
viii Subsidy Payments	\$ 406,414.06	\$ 367,010.59	\$ 346,058.91	\$ 342,712.86
ix Accrued Borrower Interest on Purchased Loans	\$ -	\$ -	\$ -	\$ -
x Total Interest Repayments	\$ 6,161,080.97	\$ 5,466,280.24	\$ 5,417,746.40	\$ 5,038,063.64
<b>Student Loan Non-Cash Interest Activity</b>				
i Interest Accrual Adjustments	\$ 54,631.76	\$ 19,665.92	\$ 19,075.45	\$ 22,329.33
ii Capitalized Interest	\$ 865,276.22	\$ 1,024,898.44	\$ 780,575.89	\$ 838,139.84
iii Total Non-Cash Interest Adjustments	\$ 919,907.98	\$ 1,044,564.36	\$ 799,651.34	\$ 860,469.17
<b>Total Student Loan Interest Activity</b>	<b>\$ 7,080,988.95</b>	<b>\$ 6,510,844.60</b>	<b>\$ 6,217,397.74</b>	<b>\$ 5,898,532.81</b>
<b>(=) Ending Student Loan Portfolio Balance</b>	<b>\$ 487,714,252.08</b>	<b>\$ 482,016,604.06</b>	<b>\$ 476,201,924.62</b>	<b>\$ 469,721,509.40</b>
<b>(+) Interest to be Capitalized</b>	<b>\$ 2,833,558.02</b>	<b>\$ 2,817,581.43</b>	<b>\$ 2,590,701.02</b>	<b>\$ 2,421,923.54</b>
<b>(=) TOTAL POOL</b>	<b>\$ 483,466,821.15</b>	<b>\$ 478,323,340.89</b>	<b>\$ 472,575,227.90</b>	<b>\$ 466,244,900.13</b>
<b>(+) Pending Portfolio Adjustments</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>(+) Trust Cash Available</b>	<b>\$ 16,937,084.75</b>	<b>\$ 14,870,962.60</b>	<b>\$ 11,376,765.17</b>	<b>\$ 10,313,002.97</b>
<b>(+) Reserve Account Balance</b>	<b>\$ 2,035,000.00</b>	<b>\$ 2,035,000.00</b>	<b>\$ 2,035,000.00</b>	<b>\$ 2,035,000.00</b>
<b>(=) Total Adjusted Pool</b>	<b>\$ 502,438,905.90</b>	<b>\$ 495,229,303.49</b>	<b>\$ 485,986,993.07</b>	<b>\$ 478,592,903.10</b>

**MHESAC 1993 Master Indenture - Taxable**  
**VII. Portfolio Characteristics**

STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	11/30/2008	2/28/2009	11/30/2008	2/28/2009	11/30/2008	2/28/2009	11/30/2008	2/28/2009	11/30/2008	2/28/2009
<b>INTERIM:</b>										
<b>In School</b>	3.74%	3.76%	272	259	1.0%	1.0%	\$ 791,264	\$ 755,046	0.2%	0.2%
Current										
<b>Grace</b>	3.80%	3.73%	43	26	0.2%	0.1%	\$ 140,527	\$ 72,543	0.0%	0.0%
Current										
<b>TOTAL INTERIM</b>	<b>3.75%</b>	<b>3.76%</b>	<b>315</b>	<b>285</b>	<b>1.2%</b>	<b>1.1%</b>	<b>\$ 931,791</b>	<b>\$ 827,589</b>	<b>0.2%</b>	<b>0.2%</b>
<b>REPAYMENT</b>										
<b>Active</b>	<b>3.35%</b>	<b>3.31%</b>	<b>21,332</b>	<b>21,122</b>	<b>79.2%</b>	<b>79.4%</b>	<b>\$ 383,665,203</b>	<b>\$ 378,383,125</b>	<b>81.6%</b>	<b>81.6%</b>
Current	3.29%	3.24%	19,658	19,608	73.0%	73.7%	\$ 355,237,682	\$ 351,234,558	75.6%	75.7%
31-60 Days Delinquent	4.13%	4.06%	686	574	2.5%	2.2%	\$ 11,184,640	\$ 10,118,021	2.4%	2.2%
61-90 Days Delinquent	4.21%	4.22%	282	255	1.0%	1.0%	\$ 4,773,766	\$ 4,681,320	1.0%	1.0%
91-120 Days Delinquent	4.40%	4.30%	152	181	0.6%	0.7%	\$ 2,601,626	\$ 3,426,406	0.6%	0.7%
> 120 Days Delinquent	4.25%	4.28%	554	504	2.1%	1.9%	\$ 9,867,489	\$ 8,922,820	2.1%	1.9%
<b>Deferment</b>										
Current	3.88%	3.92%	4,057	4,049	15.1%	15.2%	\$ 66,276,766	\$ 65,597,911	14.1%	14.1%
<b>Forbearance</b>										
Current	4.04%	3.97%	1,092	992	4.1%	3.7%	\$ 17,162,187	\$ 16,536,543	3.7%	3.6%
<b>TOTAL REPAYMENT</b>	<b>3.45%</b>	<b>3.42%</b>	<b>26,481</b>	<b>26,163</b>	<b>98.3%</b>	<b>98.4%</b>	<b>\$ 467,104,156</b>	<b>\$ 460,517,579</b>	<b>99.4%</b>	<b>99.3%</b>
<b>Claims in Process</b>	4.29%	4.27%	135	141	0.5%	0.5%	\$ 1,948,580	\$ 2,477,809	0.4%	0.5%
<b>Aged Claims Rejected</b>			0	0	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%
<b>GRAND TOTAL</b>	<b>3.46%</b>	<b>3.42%</b>	<b>26,931</b>	<b>26,589</b>	<b>100%</b>	<b>100%</b>	<b>\$ 469,984,527</b>	<b>\$ 463,822,977</b>	<b>100%</b>	<b>100%</b>

VIII. MHESAC Payment History and CPRs		
Distribution Date	Actual Pool Balances	Since Issued CPR *
05/31/08	\$ 480,633,263	5.10%
08/31/08	\$ 475,505,759	4.77%
11/30/08	\$ 469,984,527	4.51%
02/28/09	\$ 463,822,977	4.33%

\* "Since Issued CPR" is based on the current period's ending pool balance calculated against the original pool balance and assuming cutoff date pool data