



Montana Higher Education Student Assistance Corporation
Quarterly Student Loan Report

1993 Master Indenture - Trust Securing the Following Bonds:

- Senior Series 2005-B
- Senior Series 2006-A
- Subordinate Series 2006-C
- Senior Series 2012-A1
- Senior Series 2012-A2
- Senior Series 2012-A3
- Subordinate Series 2012-B

Reporting Period December 01, 2012 through February 28, 2013
Distribution Date: March 20, 2013

MHESAC 1993 Master Indenture

I. Deal Parameters

Student Portfolio Characteristics		11/30/2012	Activity	2/28/2013
A	i Portfolio Balance	\$ 1,300,639,104.02	\$ (31,425,463.64)	\$ 1,269,213,640.38
	ii Accrued Interest	\$ 15,008,763.23	\$ (442,088.88)	\$ 14,566,674.35
	iii Total Pool	\$ 1,315,647,867.25		\$ 1,283,780,314.73
	iv Pending Portfolio adjustments	\$ (315.82)		\$ (678.56)
	v Trust Cash	\$ 22,662,168.40		\$ 27,450,855.99
	vi Specified Reserve Account Balance	\$ 13,359,740.00		\$ 13,075,410.00
	vii Total Adjusted Pool	\$ 1,351,669,459.83		\$ 1,324,305,902.16
B	i Weighted Average Coupon (WAC)	4.460%		4.450%
	ii Weighted Average Remaining Term	187.89		186.47
	iii Number of Loans	161,914		157,714
	iv Number of Borrowers	64,900		63,324
	v Outstanding Principal Balance - T-Bill	\$ 19,147,871.55		\$ 18,281,692.76
	vi Outstanding Principal Balance - LIBOR	\$ 1,281,491,232.47		\$ 1,250,931,947.62

Bonds	CUSIP	Original Issue Amount	Rate	Balance 11/30/2012	Pool Factor 11/30/2012	Balance 2/28/2013	Pool Factor 2/28/2013	
C	i 2005-B Bonds Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 94,672,000.00	7.09%	\$ 90,823,000.00	6.95%
	ii 2006-A Bonds Senior	612130HP2	\$ 226,775,000.00	3 Mo Libor + 0.10%	\$ 129,726,000.00	9.71%	\$ 122,887,000.00	9.40%
	iii 2006-C Bonds Subordinate	612130HR8	\$ 30,000,000.00	1M LIBOR + 1.20%	\$ 18,000,000.00	1.35%	\$ 18,000,000.00	1.38%
	iv 2012-A1 Bonds Senior	61205PAJ8	\$ 191,000,000.00	1M LIBOR + 0.60%	\$ 119,776,000.00	8.97%	\$ 102,031,000.00	7.80%
	v 2012-A2 Bonds Senior	61205PAK5	\$ 649,000,000.00	1M LIBOR + 1.00%	\$ 649,000,000.00	48.58%	\$ 649,000,000.00	49.64%
	vi 2012-A3 Bonds Senior	61205PAL3	\$ 305,300,000.00	1M LIBOR + 1.05%	\$ 305,300,000.00	22.85%	\$ 305,300,000.00	23.35%
	vii 2012-B Bonds Subordinate	61205PAM1	\$ 19,500,000.00	1M LIBOR + 1.20%	\$ 19,500,000.00	1.46%	\$ 19,500,000.00	1.49%
	viii Total Bonds Outstanding Senior			\$ 1,298,474,000.00	97.19%	\$ 1,270,041,000.00	97.13%	
	ix Total Bonds Outstanding Subordinate			\$ 37,500,000.00	2.81%	\$ 37,500,000.00	2.87%	
	x Total Bonds Outstanding 1993 Master Indenture			\$ 1,335,974,000.00		\$ 1,307,541,000.00		

Indenture Percentage		11/30/2012	2/28/2013
D	i Senior Parity	103.92%	104.08%
	ii Subordinate Parity	101.00%	101.08%

Monthly Trigger Percentage		11/30/2012	2/28/2013
E	i Senior Percentage	101.64%	101.79%
	ii Subordinate Percentage	98.75%	98.82%

Reserve Account		11/30/2012	2/28/2013
F	i Required Reserve Acc Deposit (%)	1.00%	1.00%
	ii Reserve Acct Initial Deposit (\$)	\$ -	\$ -
	iii Specified Reserve Acct Requirement (\$)	\$ 13,359,740.00	\$ 13,075,410.00
	iv Reserve Account Floor Balance (\$)	\$ -	\$ -
	v Current Reserve Balance - (\$)		\$ 13,075,410.00
	vi Draws on Reserve - Current Quarter (\$)		\$ 284,330.00

MHESAC 1993 Master Indenture
II. Trust Balances and Parity Calculations

Trust Accounts		11/30/2012	2/28/2013
A	i Acquisition Account	\$ 482,883.74	\$ 1,147,256.64
	ii Administration Account	\$ 1,949,000.00	\$ 1,949,000.00
	iii Bond- Interest, Principal, Retirement Subaccounts	\$ 17,951,697.94	\$ 21,922,995.90
	iv Reserve Account	\$ 13,359,740.00	\$ 13,075,410.00
	v Surplus Subaccount	\$ 2,278,586.72	\$ 2,431,603.45
	vii Total Trust Accounts	\$ 36,021,908.40	\$ 40,526,265.99

Parity Calculations		11/30/2012	2/28/2013
B	Value of the Indenture		
	i Portfolio Balance	\$ 1,300,639,104.02	\$ 1,269,213,640.38
	ii Pending System Adjustments	(315.82)	(678.56)
	iii Accrued Borrower Interest	15,008,763.23	14,566,674.35
	iv Accrued Subsidized Interest	1,051,086.70	1,021,016.05
	v Less: Unguaranteed Amount Uncollectibles	(591,807.69)	(652,835.79)
	vi Trust Cash and Investments	36,021,908.40	40,526,265.99
	vii Payments in Transit	986,624.92	837,630.26
	viii Other Cash and Assets	142,006.29	-
	ix Total Trust Value	\$ 1,353,257,370.05	\$ 1,325,511,712.68
	Less:		
	x Accrued Payables	3,271,076.00	3,191,618.00
	xi Net Asset Value - Indenture Percentage	\$ 1,349,986,294.05	\$ 1,322,320,094.68

Bond Interest Outstanding		11/30/2012	2/28/2013
C	i Senior Interest	\$ 604,962.27	\$ 487,062.69
	ii Subordinate Interest	\$ 16,127.60	\$ 104,126.75
	iii Total Bond Interest	\$ 621,089.87	\$ 591,189.44

Bonds Outstanding		11/30/2012	2/28/2013
D	i Senior Bonds	\$ 1,298,474,000.00	\$ 1,270,041,000.00
	ii Subordinate Bonds	\$ 37,500,000.00	\$ 37,500,000.00
	iii Total Bonds	\$ 1,335,974,000.00	\$ 1,307,541,000.00

Distribution Amounts - Following Monthly Payment Date		11/30/2012	2/28/2013
E	i Senior Distribution Amount	\$ 18,856,000.00	\$ 23,122,000.00

Indenture Percentage		11/30/2012	2/28/2013
F	i Senior Parity $B_{xi} / (C_i + D_i)$	103.92%	104.08%
	ii Subordinate Parity $B_{xi} / (C_{iii} + D_{iii})$	101.00%	101.08%

Monthly Trigger Percentage		11/30/2012	2/28/2013
G	i Senior Percentage $B_i / (D_i - E_i)$	101.64%	101.79%
	ii Subordinate Percentage $B_i / (D_{iii} - E_i)$	98.75%	98.82%

Six Month Average Trigger Percentage		Current Distribution		Next Monthly Distribution	
		Senior	Subordinate	Senior	Subordinate
H	i 1st Month Prior	101.68%	98.74%	101.79%	98.82%
	ii 2nd Month Prior	101.77%	98.85%	101.68%	98.74%
	iii 3rd Month Prior	101.64%	98.75%	101.77%	98.85%
	iv 4th Month Prior	101.67%	98.79%	101.64%	98.75%
	v 5th Month Prior	101.41%	98.57%	101.67%	98.79%
	vii 6th Month Prior	101.28%	98.48%	101.41%	98.57%
	viii Six Month Average Trigger Percentage	101.58%	98.70%	101.66%	98.75%

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III. Distributions

Interest Rates								
Class	CUSIP	Distribution Date	Rate Index	Bond Spread	Current LIBOR	Next Report LIBOR	Current Rate	Next Report Rate
A 2005-B	612130HN7	3/20/2013	3M LIBOR	0.12%	0.30900%	0.28010%	0.42900%	0.40010%
2006-A	612130HP2	3/20/2013	3M LIBOR	0.10%	0.30900%	0.28010%	0.40900%	0.38010%
2006-C	612130HR8	3/20/2013	1M LIBOR	1.20%	0.20220%	0.20320%	1.40220%	1.40320%
2012-A1	61205PAJ8	3/20/2013	1M LIBOR	0.60%	0.20220%	0.20320%	0.80220%	0.80320%
2012-A2	61205PAK5	3/20/2013	1M LIBOR	1.00%	0.20220%	0.20320%	1.20220%	1.20320%
2012-A3	61205PAL3	3/20/2013	1M LIBOR	1.05%	0.20220%	0.20320%	1.25220%	1.25320%
2012-B	61205PAM1	3/20/2013	1M LIBOR	1.20%	0.20220%	0.20320%	1.40220%	1.40320%

Interest								
Class	CUSIP	Current Interest Due	Current Interest Paid	Current Interest Shortfall	Interest Carryover Due	Interest Carryover Paid	Interest Carryover	Interest Factor
B 2005-B	612130HN7	\$ 97,407.67	\$ 97,407.67	\$ -	\$ -	\$ -	\$ -	7.91%
2006-A	612130HP2	\$ 125,651.96	\$ 125,651.96	\$ -	\$ -	\$ -	\$ -	10.20%
2006-C	612130HR8	\$ 19,630.80	\$ 19,630.80	\$ -	\$ 43,718.54	\$ -	\$ 43,718.54	1.59%
2012-A1	61205PAJ8	\$ 63,660.20	\$ 63,660.20	\$ -	\$ -	\$ -	\$ -	5.17%
2012-A2	61205PAK5	\$ 606,840.96	\$ 606,840.96	\$ -	\$ -	\$ -	\$ -	49.26%
2012-A3	61205PAL3	\$ 297,340.83	\$ 297,340.83	\$ -	\$ -	\$ -	\$ -	24.14%
2012-B	61205PAM1	\$ 21,266.70	\$ 21,266.70	\$ -	\$ 47,361.75	\$ -	\$ 47,361.75	1.73%
TOTAL		\$ 1,231,799.12	\$ 1,231,799.12	\$ -	\$ 91,080.29	\$ -	\$ 91,080.29	

Principal								
Class	CUSIP	Current Principal Due	Current Principal Paid	Current Principal Shortfall	Principal Carryover Due	Principal Carryover Paid	Principal Carryover	Principal Factor
C 2005-B	612130HN7	\$ 3,788,000.00	\$ 3,788,000.00	\$ -	\$ -	\$ -	\$ -	14.57%
2006-A	612130HP2	\$ 6,893,000.00	\$ 6,893,000.00	\$ -	\$ -	\$ -	\$ -	26.52%
2006-C	612130HR8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2012-A1	61205PAJ8	\$ 1,418,028.00	\$ 1,418,028.00	\$ -	\$ 100,612,972.00	\$ 11,022,972.00	\$ 89,590,000.00	5.46%
2012-A2	61205PAK5	\$ 13,894,382.33	\$ -	\$ 13,894,382.33	\$ -	\$ -	\$ 13,894,382.33	53.45%
2012-A3	61205PAL3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
2012-B	61205PAM1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
TOTAL		\$ 25,993,410.33	\$ 12,099,028.00	\$ 13,894,382.33	\$ 100,612,972.00	\$ 11,022,972.00	\$ 103,484,382.33	

TOTAL PRINCIPAL DISTRIBUTION	\$ 23,122,000.00
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IV. MHESAC System Activity from: 12/1/2012 through: 2/28/2013

A	Student Loan Principal Activity		
i	Regular Principal Collections	\$	30,168,275.63
ii	Principal Collections from Guarantor	\$	6,435,119.51
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	(151,801.95)
v	Repurchases of Rehabilitated Loans	\$	(1,620,995.86)
vi	Additional Disbursements/Purchases		
vii	Total Principal Collections	\$	<u>34,830,597.33</u>
B	Student Loan Non-Cash Principal Activity		
i	Other Adjustments	\$	210,665.15
ii	Capitalized Interest	\$	(3,615,798.84)
iii	Total Non-Cash Principal Activity	\$	<u>(3,405,133.69)</u>
C	Total Student Loan Principal Activity	\$	<u>31,425,463.64</u>
D	Student Loan Interest Activity		
i	Regular Interest Collections	\$	9,053,814.60
ii	Interest Claims Received from Guarantors	\$	183,199.45
iii	Collection Fees / Returned Items	\$	-
iv	Late Fee Reimbursements	\$	-
v	Interest Reimbursements	\$	-
vi	Other System Adjustments	\$	(134.83)
vii	Accrued Borrower Interest on Purchased Loans	\$	-
viii	Total Interest Collections	\$	<u>9,236,879.22</u>
E	Student Loan Non-Cash Interest Activity		
i	Interest Accrual Adjustments	\$	624,741.13
ii	Capitalized Interest	\$	3,615,798.84
iii	Interest Accrued During Period	\$	(13,035,330.31)
iv	Total Non-Cash Interest Adjustments	\$	<u>(8,794,790.34)</u>
F	Total Student Loan Interest Activity	\$	<u>442,088.88</u>

Trust Activity from: 12/1/2012 through: 2/28/2013

G	Trust Balances less Reserve - Beginning of Period	\$	22,662,168.40
H	Released Funds in Excess of Reserve Requirement	\$	284,330.00
I	Funds Collected During Period		
i	Student Loan Principal Received	\$	37,509,052.93
ii	Student Loan Interest Received	\$	8,340,921.53
iii	Subsidized Interest Received	\$	1,655,099.55
iv	Investment Income on Trust Accounts	\$	6,155.29
J	Funds Remitted During Period		
i	Bond Principal	\$	28,433,000.00
ii	Bond Interest	\$	3,540,564.79
iii	Consolidation Loan Rebate Fees	\$	2,589,193.32
iv	Management and Servicing Fees	\$	1,943,326.24
v	Administrative Fees (trustee, listing, etc.)	\$	5,500.00
vi	Special Allowance Rebate	\$	4,874,291.50
vii	Repurchases of Rehabilitated Loans	\$	1,620,995.86
K	Funds Reserved During Period		
i	Acquisition Funds for Rehabilitated Loans	\$	1,147,256.64
ii	Administration Funds	\$	1,949,000.00
L	TOTAL AVAILABLE FUNDS FOR DISTRIBUTION	\$	<u>24,354,599.35</u>

MHESAC 1993 Master Indenture**V. Waterfall for Distributions****Distribution Date:****3/20/2013**

A	Total Available Funds for Distribution(IV-L)	\$	24,354,599.35
B	Interest Distributions		
i	2005-B Bonds	\$	97,407.67
ii	2006-A Bonds	\$	125,651.96
iii	2006-C Bonds	\$	19,630.80
iv	2012-A1 Bonds	\$	63,660.20
v	2012-A2 Bonds	\$	606,840.96
vi	2012-A3 Bonds	\$	297,340.83
vii	2012-B Bonds	\$	21,266.70
viii	Total Bondholder's Interest Distributions	\$	1,231,799.12
C	Principal Distributions		
i	2005-B Bonds	\$	3,788,000.00
ii	2006-A Bonds	\$	6,893,000.00
iii	2006-C Bonds	\$	-
iv	2012-A1 Bonds	\$	12,441,000.00
v	2012-A2 Bonds	\$	-
vi	2012-A3 Bonds	\$	-
vii	2012-B Bonds	\$	-
viii	Total Bondholder's Principal Distribution	\$	23,122,000.00
D	Increase to the Specified Reserve Account Balance	\$	-
E	Carryover Servicing Fees	\$	-
F	Bondholder's Interest Carryover	\$	-
G	Bondholder's Principal Carryover	\$	-
H	Funds available after waterfall items (A-G)	\$	800.23

MHESAC 1993 Master Indenture
VI. Historical Pool Information

	03/01/12-05/31/12	06/01/12-08/31/12	09/01/12-11/30/12	12/01/12-02/28/13
Beginning Student Loan Pool Balance	\$ 385,397,837.18	\$ 1,404,663,658.72	\$ 1,348,466,310.02	\$ 1,315,647,867.25
Student Loan Principal Activity				
i Regular Principal Collections	\$ 21,119,061.99	\$ 54,966,879.95	\$ 31,276,951.22	\$ 30,168,275.63
ii Principal Collections from Guarantor	\$ 2,813,578.46	\$ 5,304,129.55	\$ 6,383,028.25	\$ 6,435,119.51
iii Returned Disbursements	\$ 500.00	\$ -	\$ -	\$ -
iv Other System Adjustments	\$ -	\$ (652,822.19)	\$ (215,589.43)	\$ (151,801.95)
v Repurchase of Rehabilitated Loans	\$ -	\$ -	\$ (1,077,116.26)	\$ (1,620,995.86)
vi Additional Disbursements/Purchases	\$ (1,026,244,060.80)	\$ -	\$ -	\$ -
vii Total Principal Collections	\$ (1,002,310,920.35)	\$ 59,618,187.31	\$ 36,367,273.78	\$ 34,830,597.33
Student Loan Non-Cash Principal Activity				
i Other Adjustments	\$ 28,663.07	\$ 21,750.19	\$ 30,359.97	\$ 210,665.15
ii Capitalized Interest	\$ (1,579,354.27)	\$ (4,428,078.61)	\$ (5,042,818.87)	\$ (3,615,798.84)
iii Total Non-Cash Principal Activity	\$ (1,550,691.20)	\$ (4,406,328.42)	\$ (5,012,458.90)	\$ (3,405,133.69)
(-) Total Student Loan Principal Activity	\$ (1,003,861,611.55)	\$ 55,211,858.89	\$ 31,354,814.88	\$ 31,425,463.64
Student Loan Interest Activity				
i Regular Interest Collections	\$ 4,475,986.72	\$ 9,819,822.68	\$ 9,120,800.90	\$ 9,053,814.60
ii Interest Claims Received from Guarantors	\$ 66,124.84	\$ 123,388.44	\$ 200,230.50	\$ 183,199.45
iii Collection Fees / Returned Items	\$ -	\$ -	\$ -	\$ -
iv Late Fee Reimbursements	\$ -	\$ -	\$ -	\$ -
v Interest Reimbursements	\$ -	\$ -	\$ -	\$ -
vi Other System Adjustments	\$ -	\$ (1,296.58)	\$ (212.58)	\$ (134.83)
vii Accrued Borrower Interest on Purchased Loans	\$ (15,272,263.64)	\$ -	\$ -	\$ -
viii Total Interest Repayments	\$ (10,730,152.08)	\$ 9,941,914.54	\$ 9,320,818.82	\$ 9,236,879.22
Student Loan Non-Cash Interest Activity				
i Interest Accrual Adjustments	\$ 138,059.62	\$ 560,481.48	\$ 493,059.29	\$ 624,741.13
ii Capitalized Interest	\$ 1,579,354.27	\$ 4,428,078.61	\$ 5,042,795.61	\$ 3,615,798.84
iii Interest Accrued During Period	\$ (6,391,471.80)	\$ (13,944,984.82)	\$ (13,393,045.83)	\$ (13,035,330.31)
iv Total Non-Cash Interest Adjustments	\$ (4,674,057.91)	\$ (8,956,424.73)	\$ (7,857,190.93)	\$ (8,794,790.34)
(-) Total Student Loan Interest Activity	\$ (15,404,209.99)	\$ 985,489.81	\$ 1,463,627.89	\$ 442,088.88
(=) TOTAL STUDENT LOAN POOL	\$ 1,404,663,658.72	\$ 1,348,466,310.02	\$ 1,315,647,867.25	\$ 1,283,780,314.73
(+) Pending Portfolio Adjustments	\$ (4,445.72)	\$ (19,701.10)	\$ (315.82)	\$ (678.56)
(+) Trust Cash Available	\$ 67,198,650.77	\$ 30,464,737.83	\$ 22,662,168.40	\$ 27,450,855.99
(+) Reserve Account Balance	\$ 14,612,210.00	\$ 13,794,480.00	\$ 13,359,740.00	\$ 13,075,410.00
(=) TOTAL ADJUSTED POOL	\$ 1,486,470,073.77	\$ 1,392,705,826.75	\$ 1,351,669,459.83	\$ 1,324,305,902.16

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

STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%		
	11/30/2012	2/28/2013	11/30/2012	2/28/2013	11/30/2012	2/28/2013	11/30/2012	2/28/2013	11/30/2012	2/28/2013	
INTERIM:											
In School	6.27%	6.24%	5,772	4,634	3.6%	2.9%	\$ 18,670,370	\$ 15,065,241	1.4%	1.2%	
Grace	6.25%	6.36%	688	1,338	0.4%	0.8%	\$ 2,341,083	\$ 4,314,815	0.2%	0.3%	
TOTAL INTERIM	6.27%	6.27%	6,460	5,972	4.0%	3.8%	\$ 21,011,453	\$ 19,380,056	1.6%	1.5%	
REPAYMENT											
Active	4.33%	4.33%	121,448	117,861	75.0%	74.7%	\$ 1,058,270,240	\$ 1,037,647,532	81.4%	81.8%	
Current	4.21%	4.20%	104,613	101,893	64.6%	64.6%	\$ 941,359,977	\$ 925,855,922	72.4%	72.9%	
31-60 Days Delinquent	5.01%	5.12%	4,941	4,014	3.1%	2.5%	\$ 36,168,084	\$ 31,013,731	2.8%	2.4%	
61-90 Days Delinquent	4.94%	5.27%	2,794	3,151	1.7%	2.0%	\$ 20,845,043	\$ 19,859,232	1.6%	1.6%	
91-120 Days Delinquent	5.07%	5.22%	1,861	2,373	1.1%	1.5%	\$ 13,650,296	\$ 16,344,512	1.0%	1.3%	
> 120 Days Delinquent	5.12%	5.09%	7,239	6,430	4.5%	4.1%	\$ 46,246,840	\$ 44,574,135	3.6%	3.5%	
Deferment	4.97%	4.99%	24,933	24,949	15.4%	15.8%	\$ 149,566,045	\$ 147,304,591	11.5%	11.6%	
Forbearance	5.02%	5.02%	6,252	6,122	3.9%	3.9%	\$ 53,450,840	\$ 47,946,178	4.1%	3.8%	
TOTAL REPAYMENT	4.42%	4.41%	152,633	148,932	94.3%	94.4%	\$ 1,261,287,125	\$ 1,232,898,301	97.0%	97.1%	
Claims in Process	5.10%	5.02%	2,821	2,810	1.7%	1.8%	\$ 18,340,526	\$ 16,935,283	1.4%	1.3%	
Aged Claims Rejected	0.00%	0.00%	0	0	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%	
GRAND TOTAL	4.46%	4.45%	161,914	157,714	100%	100%	\$ 1,300,639,104	\$ 1,269,213,640	100%	100%	

VIII. MHESAC Cumulative Net Reject Rate	
	2/28/2013
Cumulative Claims submitted (# of loans)	42,486
Cumulative Claims rejected (# of loans)	81
Cumulative Reject Rate	0.19%

VIV. MHESAC Payment History and CPRs		
Distribution Date	Actual Pool Balances	Since Issued CPR *
05/31/12	\$ 1,387,206,522	3.44%
08/31/12	\$ 1,331,993,919	8.76%
11/30/12	\$ 1,300,639,104	7.11%
02/28/13	\$ 1,269,213,640	6.54%

* based on the current period's ending pool balance calculated against the original pool balance and assuming cutoff date pool data