



**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 March 01, 2010 through May 31, 2010**

**MHESAC 1993 Master Indenture - Taxable**

**I. Deal Parameters**

<b>Student Portfolio Characteristics</b>				<b>2/28/2010</b>	<b>Activity</b>	<b>5/31/2010</b>
A	i	Portfolio Balance		\$ 438,456,603.09	\$ (6,016,170.46)	\$ 432,440,432.63
	ii	Interest to be Capitalized		\$ 2,199,633.62	\$ 26,681.56	\$ 2,226,315.18
	iii	Total Pool		\$ 440,656,236.71		\$ 434,666,747.81
	iv	Pending Portfolio adjustments		\$ 1,655.85		\$ 1,655.85
	v	Trust Cash		\$ 8,102,344.67		\$ 7,882,574.98
	vi	Specified Reserve Account Balance		\$ 1,315,250.00		\$ 1,315,250.00
	vii	<b>Total Adjusted Pool</b>		\$ 450,075,487.23		\$ 443,866,228.64
B	i	Weighted Average Coupon (WAC)		3.300%		3.290%
	ii	Weighted Average Remaining Term		252.51		249.95
	iii	Number of Loans		25,050		24,645
	iv	Number of Borrowers		13,282		13,074
	v	Outstanding Principal Balance - T-Bill		\$ 1,017,515.28		\$ 903,294.26
	vi	Outstanding Principal Balance - Commercial Paper		\$ 437,439,087.81		\$ 431,537,138.37

  

<b>Notes</b>	<b>CUSIP</b>	<b>Original Issue Amount</b>	<b>Rate</b>	<b>Balance 2/28/2010</b>	<b>Pool Factor 2/28/2010</b>	<b>Balance 5/31/2010</b>	<b>Pool Factor 5/31/2010</b>
C	i	2000-C Notes Taxable Senior 612130GV0	\$ 11,200,000.00	ARS	\$ 9,050,000.00	2.03%	\$ 9,050,000.00 2.07%
	ii	2001-C Notes Taxable Senior 612130GY4	\$ 29,500,000.00	ARS	\$ 20,800,000.00	4.67%	\$ 20,800,000.00 4.75%
	iii	2002-D Notes Taxable Senior 612130HC1	\$ 10,300,000.00	ARS	\$ 8,000,000.00	1.80%	\$ 8,000,000.00 1.83%
	iv	2003-C Notes Taxable Senior 612130HG2	\$ 13,300,000.00	ARS	\$ 10,100,000.00	2.27%	\$ 10,100,000.00 2.31%
	v	2005-A Notes Taxable Senior 612130HM9	\$ 133,508,000.00	3 Mo Libor + 0.04%	\$ 23,308,000.00	5.23%	\$ 18,377,000.00 4.20%
	vi	2005-B Notes Taxable Senior 612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 119,140,000.00	26.75%	\$ 119,140,000.00 27.21%
	vii	2006-A Notes Taxable Senior 612130HP2	\$ 226,775,000.00	3 Mo Libor + 0.10%	\$ 206,588,000.00	46.38%	\$ 203,980,000.00 46.59%
	viii	2006-B Notes Taxable Senior 612130HQ0	\$ 74,700,000.00	ARS	\$ 18,400,000.00	4.13%	\$ 18,400,000.00 4.20%
	ix	2006-C Notes Taxable Subordinate 612130HR8	\$ 30,000,000.00	ARS	\$ 30,000,000.00	6.74%	\$ 30,000,000.00 6.85%
	x	Total Notes Outstanding Taxable Senior		\$ 415,386,000.00	93.26%	\$ 407,847,000.00 93.15%	
	xi	Total Notes Outstanding Taxable Subordinate		\$ 30,000,000.00	6.74%	\$ 30,000,000.00 6.85%	
	xii	<b>Total Notes Outstanding 1993 Master Indenture - Taxable</b>		\$ 445,386,000.00		\$ 437,847,000.00	

  

<b>Balance Sheet Parity</b>		<b>2/28/2010</b>	<b>5/31/2010</b>	
D	i	Senior Parity	107.73%	108.13%
	ii	Subordinate Parity	100.48%	100.72%

  

<b>Indenture Percentage</b>		<b>2/28/2010</b>	<b>5/31/2010</b>	
E	i	Senior Percentage	107.31%	107.71%
	ii	Subordinate Percentage	100.08%	100.33%

  

<b>Reserve Account</b>		<b>2/28/2010</b>	<b>5/31/2010</b>	
F	i	Required Reserve Acc Deposit (%)	1.00%	1.00%
	ii	Reserve Acct Initial Deposit (\$)	\$ -	\$ -
	iii	Specified Reserve Acct Requirement (\$)	\$ 4,453,860.00	\$ 4,378,470.00
	iv	Reserve Account Floor Balance (\$)	\$ -	\$ -
	v	Current Reserve Balance (\$)	\$ -	\$ 1,315,250.00
	vi	Current Reserve Balance - Total Indenture (\$)	\$ -	\$ 19,329,994.22
	vii	Draws on Reserve - Current Quarter (\$)	\$ -	\$ -

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

<b>Trust Accounts</b>		<b>2/28/2010</b>	<b>5/31/2010</b>
A	i Acquisition Account	\$ -	\$ -
	ii Administration Account	\$ 123,830.23	\$ 676,722.81
	iii Bond- Interest, Principal, Retirement Accounts	\$ 7,389,599.42	\$ 6,572,378.46
	iv Capitalized Interest Account	\$ -	\$ -
	v COI Account	\$ -	\$ -
	vi Rebate Account	\$ -	\$ -
	vii Reserve Account	\$ 1,315,250.00	\$ 1,315,250.00
	viii Surplus Account	\$ 588,915.02	\$ 633,473.71
	ix Total Trust Accounts	\$ 9,417,594.67	\$ 9,197,824.98

  

<b>Parity Calculations</b>		<b>2/28/2010</b>	<b>5/31/2010</b>
B	<b>Value of the Indenture</b>		
	i Portfolio Balance	\$ 438,456,603.09	\$ 432,440,432.63
	ii Pending System Adjustments	1,655.85	1,655.85
	iii Accrued Borrower Interest	2,199,633.62	2,226,315.18
	iv Accrued Subsidized Interest	195,737.06	211,833.43
	v Less: Unguaranteed Amount Uncollectibles	(257,450.00)	(204,836.00)
	vi Trust Cash and Investments	9,417,594.67	9,197,824.98
	vii Payments in Transit	253,241.06	92,557.60
	viii Prepays	1,767,193.01	1,697,244.58
	ix Other Cash and Assets	256.11	-
	x Total Trust Value	\$ 452,034,464.47	\$ 445,663,028.25
	Less:		
	xi Accrued Bond Interest	4,473,874.90	4,619,787.27
	xii Accrued Payables	50,090.62	44,075.94
	xiii Accrued Rebate Liabilities (Prior Month)	-	-
	xiv <b>Net Asset Value w/ Prepays - Balance Sheet Parity</b>	\$ 447,510,498.95	\$ 440,999,165.04
	xv <b>Net Asset Value w/o Prepays - Indenture Percentage</b>	\$ 445,743,305.94	\$ 439,301,920.46

  

<b>Notes Outstanding</b>		<b>2/28/2010</b>	<b>5/31/2010</b>
C	i Senior Notes	\$ 415,386,000.00	\$ 407,847,000.00
	ii Subordinate Notes	30,000,000.00	30,000,000.00
	iii Total Notes	\$ 445,386,000.00	\$ 437,847,000.00

  

<b>Balance Sheet Parity</b>		<b>2/28/2010</b>	<b>5/31/2010</b>
D	i Senior Parity	107.73%	108.13%
	ii Subordinate Parity	100.48%	100.72%

  

<b>Indenture Percentage</b>		<b>2/28/2010</b>	<b>5/31/2010</b>
E	i Senior Percentage	107.31%	107.71%
	ii Subordinate Percentage	100.08%	100.33%

MHESAC 1993 Master Indenture - Taxable

III. Distributions

Interest										
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	612130HM9	\$ 14,446.87	\$ 14,446.87	\$ -	\$ -	\$ -	4.47%	0.311%	0.579%
	2005-B	612130HN7	\$ 117,753.34	\$ 117,753.34	\$ -	\$ -	\$ -	36.40%	0.391%	0.659%
	2006-A	612130HP2	\$ 191,293.58	\$ 191,293.58	\$ -	\$ -	\$ -	59.13%	0.371%	0.639%
TOTAL			\$ 323,493.79	\$ 323,493.79	\$ -	\$ -	\$ -			
									CUR LIBOR	0.271%
									NEXT LIBOR	0.539%

Principal								
Class	CUSIP	Quarterly Principal Due	Quarterly Principal Paid	Quarterly Principal Shortfall	Principal Carryover Due	Principal Carryover Paid	Principal Carryover	Principal Factor
B	2005-A	612130HM9	\$ 4,775,000.00	\$ 4,775,000.00	\$ -	\$ -	\$ -	47.15%
	2005-B	612130HN7	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
	2006-A	612130HP2	\$ 5,352,000.00	\$ 2,586,000.00	\$ 2,766,000.00	\$ 12,331,000.00	\$ 15,097,000.00	52.85%
TOTAL			\$ 10,127,000.00	\$ 7,361,000.00	\$ 2,766,000.00	\$ 12,331,000.00	\$ 15,097,000.00	

Non-FRN Noteholder Distributions	
C	i Amount to transfer for Auction Rate Noteholder Distributions - see page 5

D Total Principal Distributions \$ 7,361,000.00

**MHESAC 1993 Master Indenture - Taxable**

**IV. MHESAC Transactions from: 3/1/2010 through: 5/31/2010**

<b>A</b>	<b>Student Loan Principal Activity</b>		
i	Regular Principal Collections	\$	5,893,124.06
ii	Principal Collections from Guarantor	\$	1,102,199.74
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	-
v	Additional Disbursements	\$	(215,935.16)
vi	<b>Total Principal Collections</b>	\$	<b>6,779,388.64</b>
<b>B</b>	<b>Student Loan Non-Cash Principal Activity</b>		
i	Other Adjustments	\$	2,447.24
ii	Capitalized Interest	\$	(765,665.42)
iii	<b>Total Non-Cash Principal Activity</b>	\$	<b>(763,218.18)</b>
<b>C</b>	<b>Total Student Loan Principal Activity</b>	\$	<b>6,016,170.46</b>
<b>D</b>	<b>Student Loan Interest Activity</b>		
i	Regular Interest Collections	\$	2,469,049.01
ii	Interest Claims Received from Guarantors	\$	25,927.32
iii	Collection Fees / Returned Items	\$	-
iv	Late Fee Reimbursements	\$	-
v	Interest Reimbursements	\$	-
vi	Other System Adjustments	\$	-
vii	Net Special Allowance Payments/(Special Allowance Recapture)	\$	(71,334.15)
viii	Subsidy Payments	\$	309,034.57
ix	Accrued Borrower Interest on Purchased Loans	\$	-
x	<b>Total Interest Collections</b>	\$	<b>2,732,676.75</b>
<b>E</b>	<b>Student Loan Non-Cash Interest Activity</b>		
i	Interest Accrual Adjustments	\$	56,131.02
ii	Capitalized Interest	\$	765,665.42
iii	<b>Total Non-Cash Interest Adjustments</b>	\$	<b>821,796.44</b>
<b>F</b>	<b>Total Student Loan Interest Activity</b>	\$	<b>3,554,473.19</b>
<b>G</b>	<b>Non-Reimbursable Losses During Collection Period</b>	\$	-
<b>H</b>	<b>Cumulative Non-Reimbursable Losses to Date</b>	\$	-

**Available Funds**

**5/31/2010**

<b>I</b>	<b>Reserves in Excess of Reserve Requirement</b>	\$	-
<b>J</b>	<b>Trust Account Investment Income</b>	\$	<b>2,091.92</b>
<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>	\$	<b>9,730,092.47</b>
<b>M</b>	<b>LESS FUNDS REMITTED/SET ASIDE:</b>		
i	Consolidation Loan Rebate Fees	\$	1,116,160.25
ii	Management and Servicing Fees	\$	686,205.50
iii	Administrative Fees (trustee, listing, broker, lender/orig, etc)	\$	23,230.86
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>	\$	<b>7,904,495.86</b>

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

<b>A</b>	Total Available Funds (IV-O)	\$	<b>7,904,495.86</b>
<b>B</b>	Interest Distributions and accruals		
i	2000-C Notes	\$	41,946.19
ii	2001-C Notes	\$	96,407.07
iii	2002-D Notes	\$	37,274.35
iv	2003-C Notes	\$	47,080.92
v	2005-A Notes	\$	14,446.87
vi	2005-B Notes	\$	117,753.34
vii	2006-A Notes	\$	191,293.58
viii	2006-B Notes	\$	83,968.46
ix	2006-C Notes	\$	28,776.95
x	<b>Total Interest Distributions and Accruals</b>	<b>\$</b>	<b>658,947.73</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	\$	4,775,000.00
vi	2005-B Notes	\$	-
vii	2006-A Notes	\$	2,586,000.00
viii	2006-B Notes	\$	-
ix	2006-C Notes	\$	-
x	<b>Total Noteholder's Principal Distribution</b>	<b>\$</b>	<b>7,361,000.00</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>(115,451.87)</b>

**MHESAC 1993 Master Indenture - Taxable**

**VI. Historical Pool Information**

	06/01/09-08/31/09	09/01/09-11/30/09	12/01/09-02/28/10	02/28/10-5/31/2010
<b>Beginning Student Loan Portfolio Balance</b>	<b>\$ 458,166,685.39</b>	<b>\$ 451,560,747.09</b>	<b>\$ 444,745,156.48</b>	<b>\$ 438,456,603.09</b>
<b>Student Loan Principal Activity</b>				
i Regular Principal Collections	\$ 5,538,896.13	\$ 5,910,604.73	\$ 5,431,242.38	\$ 5,893,124.06
ii Principal Collections from Guarantor	\$ 1,939,900.23	\$ 1,777,794.94	\$ 1,656,008.37	\$ 1,102,199.74
iii Returned Disbursements	\$ -	\$ -	\$ -	\$ -
iv Other System Adjustments	\$ -	\$ -	\$ -	\$ -
v Additional Disbursements	\$ (34,697.69)	\$ (40,675.33)	\$ -	\$ (215,935.16)
vi Total Principal Collections	\$ 7,444,098.67	\$ 7,647,724.34	\$ 7,087,250.75	\$ 6,779,388.64
<b>Student Loan Non-Cash Principal Activity</b>				
i Other Adjustments	\$ 29,334.95	\$ (554.16)	\$ 2,937.20	\$ 2,447.24
ii Capitalized Interest	\$ (867,495.32)	\$ (831,579.57)	\$ (801,634.56)	\$ (765,665.42)
iii Total Non-Cash Principal Activity	\$ (838,160.37)	\$ (832,133.73)	\$ (798,697.36)	\$ (763,218.18)
<b>(-) Total Student Loan Principal Activity</b>	<b>\$ 6,605,938.30</b>	<b>\$ 6,815,590.61</b>	<b>\$ 6,288,553.39</b>	<b>\$ 6,016,170.46</b>
<b>Student Loan Interest Activity</b>				
i Regular Interest Collections	\$ 2,711,110.54	\$ 2,599,172.60	\$ 2,498,751.43	\$ 2,469,049.01
ii Interest Claims Received from Guarantors	\$ 67,316.92	\$ 38,975.03	\$ 29,478.24	\$ 25,927.32
iii Collection Fees / Returned Items	\$ -	\$ -	\$ -	\$ -
iv Late Fee Reimbursements	\$ -	\$ -	\$ -	\$ -
v Interest Reimbursements	\$ -	\$ -	\$ -	\$ -
vi Other System Adjustments	\$ -	\$ 18,644.42	\$ -	\$ -
vii Special Allowance Payments/(Recapture)	\$ (23,315.25)	\$ (23,315.25)	\$ (73,523.86)	\$ (71,334.15)
viii Subsidy Payments	\$ 341,173.10	\$ 335,878.57	\$ 319,191.50	\$ 309,034.57
ix Accrued Borrower Interest on Purchased Loans	\$ (55.74)	\$ -	\$ -	\$ -
x Total Interest Repayments	\$ 3,096,229.57	\$ 2,969,355.37	\$ 2,773,897.31	\$ 2,732,676.75
<b>Student Loan Non-Cash Interest Activity</b>				
i Interest Accrual Adjustments	\$ 76,243.50	\$ 19,970.35	\$ 56,495.48	\$ 56,131.02
ii Capitalized Interest	\$ 867,495.32	\$ 831,579.57	\$ 801,634.56	\$ 765,665.42
iii Total Non-Cash Interest Adjustments	\$ 943,738.82	\$ 851,549.92	\$ 858,130.04	\$ 821,796.44
<b>Total Student Loan Interest Activity</b>	<b>\$ 4,039,968.39</b>	<b>\$ 3,820,905.29</b>	<b>\$ 3,632,027.35</b>	<b>\$ 3,554,473.19</b>
<b>(=) Ending Student Loan Portfolio Balance</b>	<b>\$ 455,600,715.48</b>	<b>\$ 448,566,061.77</b>	<b>\$ 442,088,630.44</b>	<b>\$ 435,994,905.82</b>
<b>(+) Interest to be Capitalized</b>	<b>\$ 2,354,784.14</b>	<b>\$ 2,265,810.13</b>	<b>\$ 2,199,633.62</b>	<b>\$ 2,226,315.18</b>
<b>(=) TOTAL POOL</b>	<b>\$ 453,915,531.23</b>	<b>\$ 447,010,966.61</b>	<b>\$ 440,656,236.71</b>	<b>\$ 434,666,747.81</b>
<b>(+) Pending Portfolio Adjustments</b>	<b>\$ (7,977.81)</b>	<b>\$ (2,335.69)</b>	<b>\$ 1,655.85</b>	<b>\$ 1,655.85</b>
<b>(+) Trust Cash Available</b>	<b>\$ 8,307,511.49</b>	<b>\$ 8,739,266.96</b>	<b>\$ 8,102,344.67</b>	<b>\$ 7,882,574.98</b>
<b>(+) Reserve Account Balance</b>	<b>\$ 1,315,250.00</b>	<b>\$ 1,315,250.00</b>	<b>\$ 1,315,250.00</b>	<b>\$ 1,315,250.00</b>
<b>(=) Total Adjusted Pool</b>	<b>\$ 463,530,314.91</b>	<b>\$ 457,063,147.88</b>	<b>\$ 450,075,487.23</b>	<b>\$ 443,866,228.64</b>

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

STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	2/28/2010	5/31/2010	2/28/2010	5/31/2010	2/28/2010	5/31/2010	2/28/2010	5/31/2010	2/28/2010	5/31/2010
<b>INTERIM:</b>										
<b>In School</b>	2.03%	2.06%	143	117	0.6%	0.5%	\$ 438,409	\$ 379,248	0.1%	0.1%
Current										
<b>Grace</b>	1.88%	1.88%	26	51	0.1%	0.2%	\$ 68,383	\$ 126,544	0.0%	0.0%
Current										
<b>TOTAL INTERIM</b>	<b>2.01%</b>	<b>2.01%</b>	<b>169</b>	<b>168</b>	<b>0.7%</b>	<b>0.7%</b>	<b>\$ 506,792</b>	<b>\$ 505,792</b>	<b>0.1%</b>	<b>0.1%</b>
<b>REPAYMENT</b>										
<b>Active</b>	<b>3.20%</b>	<b>3.20%</b>	<b>19,904</b>	<b>19,925</b>	<b>79.5%</b>	<b>80.8%</b>	<b>\$ 360,161,982</b>	<b>\$ 361,432,672</b>	<b>82.1%</b>	<b>83.6%</b>
Current	3.10%	3.11%	17,992	18,070	71.8%	73.3%	\$ 332,549,671	\$ 335,512,054	75.8%	77.6%
31-60 Days Delinquent	3.91%	4.03%	672	607	2.7%	2.5%	\$ 10,043,285	\$ 9,138,822	2.3%	2.1%
61-90 Days Delinquent	4.15%	4.11%	358	320	1.4%	1.3%	\$ 4,941,546	\$ 4,111,911	1.1%	1.0%
91-120 Days Delinquent	4.41%	4.15%	223	307	0.9%	1.2%	\$ 3,046,365	\$ 3,905,250	0.7%	0.9%
> 120 Days Delinquent	4.31%	4.06%	659	621	2.6%	2.5%	\$ 9,581,115	\$ 8,764,635	2.2%	2.0%
<b>Deferment</b>										
Current	3.77%	3.75%	3,809	3,499	15.2%	14.2%	\$ 57,983,253	\$ 52,000,589	13.2%	12.0%
<b>Forbearance</b>										
Current	3.96%	4.14%	1,021	939	4.1%	3.8%	\$ 17,444,434	\$ 16,059,268	4.0%	3.7%
<b>TOTAL REPAYMENT</b>	<b>3.29%</b>	<b>3.28%</b>	<b>24,734</b>	<b>24,363</b>	<b>98.7%</b>	<b>98.9%</b>	<b>\$ 435,589,669</b>	<b>\$ 429,492,529</b>	<b>99.3%</b>	<b>99.3%</b>
<b>Claims in Process</b>	4.01%	4.33%	147	114	0.6%	0.5%	\$ 2,360,142	\$ 2,442,112	0.5%	0.6%
<b>Aged Claims Rejected</b>			0	0	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%
<b>GRAND TOTAL</b>	<b>3.30%</b>	<b>3.29%</b>	<b>25,050</b>	<b>24,645</b>	<b>100%</b>	<b>100%</b>	<b>\$ 438,456,603</b>	<b>\$ 432,440,433</b>	<b>100%</b>	<b>100%</b>

<b>VIII. MHESAC Payment History and CPRs</b>			
Distribution Date	Actual Pool Balances	Since Issued CPR *	
08/31/09	\$ 451,560,747	4.00%	
11/30/09	\$ 444,745,156	3.90%	
02/28/10	\$ 438,456,603	3.79%	
05/31/10	\$ 432,440,433	3.68%	

\* "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