



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 June 01, 2012 through August 31, 2012
Distribution Date: September 20, 2012

MHESAC 1993 Master Indenture

I. Deal Parameters

Student Portfolio Characteristics		5/31/2012	Activity	8/31/2012
A	i Portfolio Balance	\$ 1,387,205,777.79	\$ (55,211,858.89)	\$ 1,331,993,918.90
	ii Accrued Interest	\$ 17,457,880.93	\$ (985,489.81)	\$ 16,472,391.12
	iii Total Pool	\$ 1,404,663,658.72		\$ 1,348,466,310.02
	iv Pending Portfolio adjustments	\$ (4,445.72)		\$ (19,701.10)
	v Trust Cash	\$ 67,198,650.77		\$ 30,464,737.83
	vi Specified Reserve Account Balance	\$ 14,612,210.00		\$ 13,794,480.00
	vii Total Adjusted Pool	\$ 1,486,470,073.77		\$ 1,392,705,826.75
B	i Weighted Average Coupon (WAC)	4.490%		4.460%
	ii Weighted Average Remaining Term	191.23		189.62
	iii Number of Loans	174,361		166,082
	iv Number of Borrowers	69,344		66,510
	v Outstanding Principal Balance - T-Bill	\$ 20,741,904.41		\$ 19,635,939.53
	vi Outstanding Principal Balance - LIBOR	\$ 1,366,463,873.38		\$ 1,312,357,979.37

Bonds	CUSIP	Original Issue Amount	Rate	Balance 5/31/2012	Pool Factor 5/31/2012	Balance 8/31/2012	Pool Factor 8/31/2012	
C	i 2005-B Bonds Senior	612130HN7	\$ 119,140,000.00	3 Mo Libor + 0.12%	\$ 102,548,000.00	7.02%	\$ 98,578,000.00	7.15%
	ii 2006-A Bonds Senior	612130HP2	\$ 226,775,000.00	3 Mo Libor + 0.10%	\$ 175,873,000.00	12.04%	\$ 136,408,000.00	9.89%
	iii 2006-C Bonds Subordinate	612130HR8	\$ 30,000,000.00	1M LIBOR + 1.20%	\$ 18,000,000.00	1.23%	\$ 18,000,000.00	1.30%
	iv 2012-A1 Bonds Senior	61205PAJ8	\$ 191,000,000.00	1M LIBOR + 0.60%	\$ 191,000,000.00	13.07%	\$ 152,662,000.00	11.07%
	v 2012-A2 Bonds Senior	61205PAK5	\$ 649,000,000.00	1M LIBOR + 1.00%	\$ 649,000,000.00	44.41%	\$ 649,000,000.00	47.05%
	vi 2012-A3 Bonds Senior	61205PAL3	\$ 305,300,000.00	1M LIBOR + 1.05%	\$ 305,300,000.00	20.89%	\$ 305,300,000.00	22.13%
	vii 2012-B Bonds Subordinate	61205PAM1	\$ 19,500,000.00	1M LIBOR + 1.20%	\$ 19,500,000.00	1.33%	\$ 19,500,000.00	1.41%
	viii Total Bonds Outstanding Senior			\$ 1,423,721,000.00	97.43%	\$ 1,341,948,000.00	97.28%	
	ix Total Bonds Outstanding Subordinate			\$ 37,500,000.00	2.57%	\$ 37,500,000.00	2.72%	
	x Total Bonds Outstanding 1993 Master Indenture			\$ 1,461,221,000.00		\$ 1,379,448,000.00		

Indenture Percentage		5/31/2012	8/31/2012
D	i Senior Parity	103.19%	103.72%
	ii Subordinate Parity	100.54%	100.90%

Monthly Trigger Percentage		5/31/2012	8/31/2012
E	i Senior Percentage	100.91%	101.28%
	ii Subordinate Percentage	98.23%	98.48%

Reserve Account		5/31/2012	8/31/2012
F	i Required Reserve Acc Deposit (%)	1.00%	1.00%
	ii Reserve Acct Initial Deposit (\$)	\$ -	\$ -
	iii Specified Reserve Acct Requirement (\$)	\$ 14,612,210.00	\$ 13,794,480.00
	iv Reserve Account Floor Balance (\$)	\$ -	\$ -
	v Current Reserve Balance - (\$)		\$ 13,794,480.00
	vi Draws on Reserve - Current Quarter (\$)		\$ 817,730.00

MHESAC 1993 Master Indenture
II. Trust Balances and Parity Calculations

Trust Accounts		5/31/2012	8/31/2012
A	i Acquisition Account	\$ -	\$ -
	ii Administration Account	\$ 1,192,931.93	\$ 1,949,000.00
	iii Bond- Interest, Principal, Retirement Subaccounts	\$ 51,393,508.84	\$ 25,124,548.54
	iv Reserve Account	\$ 14,612,210.00	\$ 13,794,480.00
	v Surplus Subaccount	\$ -	\$ 3,391,189.29
	vii Total Trust Accounts	\$ 67,198,650.77	\$ 44,259,217.83

Parity Calculations		5/31/2012	8/31/2012
B	Value of the Indenture		
	i Portfolio Balance	\$ 1,387,205,777.79	\$ 1,331,993,918.90
	ii Pending System Adjustments	(4,445.72)	(19,701.10)
	iii Accrued Borrower Interest	17,457,880.93	16,472,391.12
	iv Accrued Subsidized Interest	579,821.37	1,195,606.98
	v Less: Unguaranteed Amount Uncollectibles	(771,699.00)	(586,601.00)
	vi Trust Cash and Investments	67,198,650.77	44,259,217.83
	vii Payments in Transit	511,317.09	848,808.32
	viii Other Cash and Assets	-	1,036,281.00
	ix Total Trust Value	\$ 1,472,181,064.02	\$ 1,395,199,922.05
	Less:		
	x Accrued Payables	1,627,194.00	2,566,647.00
	xi Net Asset Value - Indenture Percentage	\$ 1,470,553,870.02	\$ 1,392,633,275.05

Bond Interest Outstanding		5/31/2012	8/31/2012
C	i Senior Interest	\$ 1,433,458.16	\$ 715,748.79
	ii Subordinate Interest	54,629.73	17,962.50
	iii Total Bond Interest	\$ 1,488,087.89	\$ 733,711.29

Bonds Outstanding		5/31/2012	8/31/2012
D	i Senior Bonds	\$ 1,423,721,000.00	\$ 1,341,948,000.00
	ii Subordinate Bonds	37,500,000.00	37,500,000.00
	iii Total Bonds	\$ 1,461,221,000.00	\$ 1,379,448,000.00

Distribution Amounts - Following Monthly Payment Date		5/31/2012	8/31/2012
E	i Senior Distribution Amount	\$ 49,039,000.00	\$ 26,847,000.00

Indenture Percentage		5/31/2012	8/31/2012
F	i Senior Parity $Bxi / (Ci + Di)$	103.19%	103.72%
	ii Subordinate Parity $Bxi / (Ciii + Diii)$	100.54%	100.90%

Monthly Trigger Percentage		5/31/2012	8/31/2012
G	i Senior Percentage $Bi / (Di - Ei)$	100.91%	101.28%
	ii Subordinate Percentage $Bi / (Diii - Ei)$	98.23%	98.48%

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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	9/20/2012	3M LIBOR	0.12%	0.468%	0.379%	0.588%	0.499%
	2006-A	612130HP2	9/20/2012	3M LIBOR	0.10%	0.468%	0.379%	0.568%	0.479%
	2006-C	612130HR8	9/20/2012	1M LIBOR	1.20%	0.237%	0.219%	1.437%	1.419%
	2012-A1	61205PAJ8	9/20/2012	1M LIBOR	0.60%	0.237%	0.219%	0.837%	0.819%
	2012-A2	61205PAK5	9/20/2012	1M LIBOR	1.00%	0.237%	0.219%	1.237%	1.219%
	2012-A3	61205PAL3	9/20/2012	1M LIBOR	1.05%	0.237%	0.219%	1.287%	1.269%
	2012-B	61205PAM1	9/20/2012	1M LIBOR	1.20%	0.237%	0.219%	1.437%	1.419%

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	\$ 148,092.09	\$ 148,092.09	\$ -	\$ -	\$ -	9.67%
	2006-A	612130HP2	\$ 197,951.50	\$ 197,951.50	\$ -	\$ -	\$ -	12.92%
	2006-C	612130HR8	\$ 22,273.56	\$ 22,273.56	\$ -	\$ -	\$ -	1.45%
	2012-A1	61205PAJ8	\$ 110,031.14	\$ 110,031.14	\$ -	\$ -	\$ -	7.18%
	2012-A2	61205PAK5	\$ 691,308.31	\$ 691,308.31	\$ -	\$ -	\$ -	45.12%
	2012-A3	61205PAL3	\$ 338,348.73	\$ 338,348.73	\$ -	\$ -	\$ -	22.08%
	2012-B	61205PAM1	\$ 24,129.69	\$ 24,129.69	\$ -	\$ -	\$ -	1.57%
	TOTAL		\$ 1,532,135.02	\$ 1,532,135.02	\$ -	\$ -	\$ -	

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	\$ 3,906,000.00	\$ 3,906,000.00	\$ -	\$ -	\$ -	13.74%
	2006-A	612130HP2	\$ 6,682,000.00	\$ 6,682,000.00	\$ -	\$ -	\$ -	23.51%
	2006-C	612130HR8	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
	2012-A1	61205PAJ8	\$17,839,721.66	\$ 16,259,000.00	\$ 1,580,721.66	\$ 18,996,561.44	\$ 20,577,283.10	62.75%
	2012-A2	61205PAK5	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
	2012-A3	61205PAL3	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
	2012-B	61205PAM1	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
	TOTAL		\$28,427,721.66	\$ 26,847,000.00	\$ 1,580,721.66	\$ 18,996,561.44	\$ 20,577,283.10	

TOTAL PRINCIPAL DISTRIBUTION \$ 26,847,000.00

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IV. MHESAC System Activity from: 6/1/2012 through: 8/31/2012

A	Student Loan Principal Activity		
i	Regular Principal Collections	\$	54,966,879.95
ii	Principal Collections from Guarantor	\$	5,304,129.55
iii	Returned Disbursements	\$	-
iv	Other System Adjustments	\$	(652,822.19)
v	Repurchases of Rehabilitated Loans	\$	-
vi	Additional Disbursements/Purchases		
vii	Total Principal Collections	\$	59,618,187.31
B	Student Loan Non-Cash Principal Activity		
i	Other Adjustments	\$	21,750.19
ii	Capitalized Interest	\$	(4,428,078.61)
iii	Total Non-Cash Principal Activity	\$	(4,406,328.42)
C	Total Student Loan Principal Activity	\$	55,211,858.89
D	Student Loan Interest Activity		
i	Regular Interest Collections	\$	9,819,822.68
ii	Interest Claims Received from Guarantors	\$	123,388.44
iii	Collection Fees / Returned Items	\$	-
iv	Late Fee Reimbursements	\$	-
v	Interest Reimbursements	\$	-
vi	Other System Adjustments	\$	(1,296.58)
vii	Accrued Borrower Interest on Purchased Loans	\$	-
viii	Total Interest Collections	\$	9,941,914.54
E	Student Loan Non-Cash Interest Activity		
i	Interest Accrual Adjustments	\$	560,481.48
ii	Capitalized Interest	\$	4,428,078.61
iii	Interest Accrued During Period	\$	(13,944,984.82)
iv	Total Non-Cash Interest Adjustments	\$	(8,956,424.73)
F	Total Student Loan Interest Activity	\$	985,489.81

Trust Activity from: 6/1/2012 through: 8/31/2012

G	Trust Balances less Reserve - Beginning of Period	\$	52,586,440.77
H	Released Funds in Excess of Reserve Requirement	\$	817,730.00
I	Funds Collected During Period		
i	Student Loan Principal Received	\$	60,906,671.93
ii	Student Loan Interest Received	\$	10,469,489.21
iii	Subsidized Interest Received	\$	2,095,754.43
iv	Investment Income on Trust Accounts	\$	5,959.28
J	Funds Remitted During Period		
i	Bond Principal	\$	81,773,000.00
ii	Bond Interest	\$	4,739,830.24
iii	Consolidation Loan Rebate Fees	\$	2,709,584.62
iv	Management and Servicing Fees	\$	2,059,439.04
v	Administrative Fees (trustee, listing, etc.)	\$	91,826.08
vi	Special Allowance Rebate	\$	5,043,627.81
K	Funds Reserved During Period		
i	Administration Funds	\$	1,949,000.00
L	TOTAL AVAILABLE FUNDS FOR DISTRIBUTION	\$	28,515,737.83

MHESAC 1993 Master Indenture**V. Waterfall for Distributions****Distribution Date:****9/20/2012**

A	Total Available Funds for Distribution(IV-L)	\$	28,515,737.83
B	Interest Distributions		
i	2005-B Bonds	\$	148,092.09
ii	2006-A Bonds	\$	197,951.50
iii	2006-C Bonds	\$	22,273.56
iv	2012-A1 Bonds	\$	110,031.14
v	2012-A2 Bonds	\$	691,308.31
vi	2012-A3 Bonds	\$	338,348.73
vii	2012-B Bonds	\$	24,129.69
viii	Total Bondholder's Interest Distributions	\$	1,532,135.02
C	Principal Distributions		
i	2005-B Bonds	\$	3,906,000.00
ii	2006-A Bonds	\$	6,682,000.00
iii	2006-C Bonds	\$	-
iv	2012-A1 Bonds	\$	16,259,000.00
v	2012-A2 Bonds	\$	-
vi	2012-A3 Bonds	\$	-
vii	2012-B Bonds	\$	-
viii	Total Bondholder's Principal Distribution	\$	26,847,000.00
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)	\$	136,602.81

MHESAC 1993 Master Indenture
VI. Historical Pool Information

	09/01/11-11/30/11	12/01/11-02/29/12	03/01/12-05/31/12	06/01/12-08/31/12
Beginning Student Loan Pool Balance	\$ 398,760,719.51	\$ 392,061,720.40	\$ 385,397,837.18	\$ 1,404,663,658.72
Student Loan Principal Activity				
i Regular Principal Collections	\$ 5,508,772.71	\$ 6,453,417.24	\$ 21,119,061.99	\$ 54,966,879.95
ii Principal Collections from Guarantor	\$ 1,754,187.73	\$ 734,472.59	\$ 2,813,578.46	\$ 5,304,129.55
iii Returned Disbursements	\$ -	\$ -	\$ 500.00	\$ -
iv Other System Adjustments	\$ -	\$ -	\$ -	\$ (652,822.19)
v Repurchase of Rehabilitated Loans	\$ -	\$ -	\$ -	\$ -
vi Additional Disbursements/Purchases	\$ -	\$ -	\$ (1,026,244,060.80)	\$ -
vii Total Principal Collections	\$ 7,262,960.44	\$ 7,187,889.83	\$ (1,002,310,920.35)	\$ 59,618,187.31
Student Loan Non-Cash Principal Activity				
i Other Adjustments	\$ 2,790.39	\$ 1,690.22	\$ 28,663.07	\$ 21,750.19
ii Capitalized Interest	\$ (660,874.80)	\$ (582,297.28)	\$ (1,579,354.27)	\$ (4,428,078.61)
iii Total Non-Cash Principal Activity	\$ (658,084.41)	\$ (580,607.06)	\$ (1,550,691.20)	\$ (4,406,328.42)
(-) Total Student Loan Principal Activity	\$ 6,604,876.03	\$ 6,607,282.77	\$ (1,003,861,611.55)	\$ 55,211,858.89
Student Loan Interest Activity				
i Regular Interest Collections	\$ 2,330,249.42	\$ 2,345,088.18	\$ 4,475,986.72	\$ 9,819,822.68
ii Interest Claims Received from Guarantors	\$ 37,035.66	\$ 15,746.31	\$ 66,124.84	\$ 123,388.44
iii Collection Fees / Returned Items	\$ -	\$ -	\$ -	\$ -
iv Late Fee Reimbursements	\$ -	\$ -	\$ -	\$ -
v Interest Reimbursements	\$ -	\$ -	\$ -	\$ -
vi Other System Adjustments	\$ -	\$ -	\$ -	\$ (1,296.58)
vii Accrued Borrower Interest on Purchased Loans	\$ -	\$ -	\$ (15,272,263.64)	\$ -
viii Total Interest Repayments	\$ 2,367,285.08	\$ 2,360,834.49	\$ (10,730,152.08)	\$ 9,941,914.54
Student Loan Non-Cash Interest Activity				
i Interest Accrual Adjustments	\$ 67,064.58	\$ 61,207.45	\$ 138,059.62	\$ 560,481.48
ii Capitalized Interest	\$ 660,874.80	\$ 582,297.28	\$ 1,579,354.27	\$ 4,428,078.61
iii Interest Accrued During Period	\$ (3,001,101.38)	\$ (2,947,738.77)	\$ (6,391,471.80)	\$ (13,944,984.82)
iv Total Non-Cash Interest Adjustments	\$ (2,273,162.00)	\$ (2,304,234.04)	\$ (4,674,057.91)	\$ (8,956,424.73)
(-) Total Student Loan Interest Activity	\$ 94,123.08	\$ 56,600.45	\$ (15,404,209.99)	\$ 985,489.81
(=) TOTAL STUDENT LOAN POOL	\$ 392,061,720.40	\$ 385,397,837.18	\$ 1,404,663,658.72	\$ 1,348,466,310.02
(+) Pending Portfolio Adjustments	\$ -	\$ -	\$ (4,445.72)	\$ (19,701.10)
(+) Trust Cash Available	\$ 8,238,474.92	\$ 8,190,182.28	\$ 67,198,650.77	\$ 30,464,737.83
(+) Reserve Account Balance	\$ 1,315,250.00	\$ 1,315,250.00	\$ 14,612,210.00	\$ 13,794,480.00
(=) TOTAL ADJUSTED POOL	\$ 401,615,445.32	\$ 394,903,269.46	\$ 1,486,470,073.77	\$ 1,392,705,826.75

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

STATUS	Weighted Avg Coupon		# of Loans		%		Principal Amount		%	
	5/31/2012	8/31/2012	5/31/2012	8/31/2012	5/31/2012	8/31/2012	5/31/2012	8/31/2012	5/31/2012	8/31/2012
INTERIM:										
In School	6.29%	6.27%	8,387	6,639	4.8%	4.0%	\$ 27,168,315	\$ 21,891,288	2.0%	1.6%
Grace	6.29%	6.32%	4,532	3,591	2.6%	2.2%	\$ 14,606,429	\$ 11,410,506	1.1%	0.9%
TOTAL INTERIM	6.29%	6.28%	12,919	10,230	7.4%	6.2%	\$ 41,774,744	\$ 33,301,794	3.0%	2.5%
REPAYMENT										
Active	4.33%	4.32%	122,283	119,284	70.1%	71.8%	\$ 1,092,612,964	\$ 1,060,567,466	78.8%	79.6%
Current	4.21%	4.19%	105,796	102,563	60.7%	61.8%	\$ 981,416,677	\$ 951,330,839	70.7%	71.4%
31-60 Days Delinquent	5.08%	5.16%	4,862	4,642	2.8%	2.8%	\$ 33,885,829	\$ 31,468,045	2.4%	2.4%
61-90 Days Delinquent	5.11%	5.18%	2,835	2,980	1.6%	1.8%	\$ 17,849,141	\$ 19,758,484	1.3%	1.5%
91-120 Days Delinquent	5.12%	4.97%	2,168	2,157	1.2%	1.3%	\$ 15,450,425	\$ 14,534,126	1.1%	1.1%
> 120 Days Delinquent	5.12%	5.08%	6,622	6,942	3.8%	4.2%	\$ 44,010,892	\$ 43,475,972	3.2%	3.3%
Deferment	4.95%	4.95%	28,673	25,787	16.4%	15.5%	\$ 170,943,819	\$ 155,904,990	12.3%	11.7%
Forbearance	5.05%	5.03%	8,142	7,816	4.7%	4.7%	\$ 66,529,122	\$ 61,834,282	4.8%	4.6%
TOTAL REPAYMENT	4.42%	4.40%	159,098	152,887	91.2%	92.1%	\$ 1,330,085,905	\$ 1,278,306,738	95.9%	96.0%
Claims in Process	5.18%	5.23%	2,344	2,965	1.3%	1.8%	\$ 15,345,129	\$ 20,385,387	1.1%	1.5%
Aged Claims Rejected	0.00%	0.00%	0	0	0.0%	0.0%	\$ -	\$ -	0.0%	0.0%
GRAND TOTAL	4.49%	4.46%	174,361	166,082	100%	100%	\$ 1,387,205,778	\$ 1,331,993,919	100%	100%

VIII. MHESAC Cumulative Net Reject Rate	
	8/31/2012
Cumulative Claims submitted (# of loans)	40,443
Cumulative Claims rejected (# of loans)	77
Cumulative Reject Rate	0.19%

VIV. MHESAC Payment History and CPRs		
Distribution Date	Actual Pool Balances	Since Issued CPR *
11/30/11	\$ 389,951,449	3.41%
02/29/12	\$ 383,344,166	3.37%
05/31/12	\$ 1,387,205,778	1.11%
08/31/12	\$ 1,331,993,919	1.46%

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