

# FitchRatings



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## **Fitch Affirms PHEAA Student Loan Revenue Notes, Series 2006-2** Ratings Endorsement Policy

13 Aug 2012 3:25 PM (EDT)

Fitch Ratings-New York-13 August 2012: Fitch Ratings has affirmed the series 2006-2 senior and subordinate student loan revenue notes issued by Pennsylvania Higher Education Assistance Agency (the trust). The Rating Outlook on the senior notes, which is tied to the sovereign rating of the U.S. government, remains Negative, while the Rating Outlook on the subordinate notes remains Stable.

The ratings on the senior and subordinate notes are affirmed based on the sufficient level of credit enhancement (combination of overcollateralization, subordination and the projected minimum excess spread) to cover the applicable risk factor stresses. Although the trust can release cash if parity is above 100%, the trust can only release excess interest generated in the current period. As a result, Fitch gave full credit to the current parity of 102.67%.

Fitch has taken the following rating actions:

Pennsylvania Higher Education Assistance Agency Student Loan Revenue Notes, Series 2006-2

--Class A-2 affirmed at 'AAAsf'; Outlook Negative;  
--Class A-3 affirmed at 'AAAsf'; Outlook Negative;  
--Class B affirmed at 'A+sf'; Outlook Stable.

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Additional information is available at '[www.fitchratings.com](http://www.fitchratings.com)'. The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

Applicable Criteria and Related Research:

--'Global Structured Finance Rating Criteria' (June 6, 2012);  
--'Rating U.S. Federal Family Education Loan Program Student Loan ABS Criteria' (April 3, 2012).

**Applicable Criteria and Related Research:**

Global Structured Finance Rating Criteria  
Rating U.S. Federal Family Education Loan Program Student Loan ABS Criteria

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