

PHEAA - 1988B Revenue Bond - Quarterly Servicing Report

Issuer : PHEAA

Indenture Name: 1988B Revenue Bond

Cusip #: 709163AG4

Reporting Period : 01/1/09 - 03/31/09

Bond Status

| Series | Maturity Date | Taxable / Tax-Exempt | Beginning Principal Balance (\$) | Activity (\$)  | Ending Principal Balance (\$) | Interest Paid (\$) 03/31/09 | Coupon Type (ie. ARC, Fixed, VRDN) |
|--------|---------------|----------------------|----------------------------------|----------------|-------------------------------|-----------------------------|------------------------------------|
| 1988B  | 07/01/18      | Tax Exempt           | \$ 110,000,000                   | \$ (2,100,000) | \$ 107,900,000                | \$ 924,221                  | Bank Bonds at Prime Rate           |

Bank Bond Interest Rates during the Period

| FROM     | TO        | 1988B  |
|----------|-----------|--------|
| 1/1/2009 | 3/31/2009 | 3.250% |

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Trust Estate and Parity

PHEAA - 1988B Revenue Bond  
 Balance Sheet & Income Statement  
 For the Period Ended:

9 Months Ended  
 March 31, 2009

6 Months Ended  
 December 31, 2008

9 Months Ended  
 March 31, 2008

Accruals Ledger

PHEAA - 1988B      PHEAA - 1988B      PHEAA - 1988B

Balance Sheet:

Assets

|                              |                       |                       |                       |
|------------------------------|-----------------------|-----------------------|-----------------------|
| Customer Cash                | \$ 303,652            | \$ 440,735            | \$ 199,788            |
| Accounts Receivable          | 0                     | 0                     | 0                     |
| Interest Income Receivable   | 2,098,535             | 2,425,900             | 2,844,788             |
| Investments                  | 9,730,342             | 7,310,261             | 4,199,980             |
| Student Loans Receivable     | 99,665,147            | 104,188,329           | 108,691,231           |
| Plant, Property & Equip Net  | 0                     | 0                     | 0                     |
| Deferred Financing Costs     | 597,067               | 613,204               | 661,615               |
| Prepaid Exp & Other Expenses | 12,833                | 32,083                | 12,833                |
| <b>Total Assets</b>          | <b>\$ 112,407,576</b> | <b>\$ 115,010,512</b> | <b>\$ 116,610,234</b> |

Liabilities

|                               |                       |                       |                       |
|-------------------------------|-----------------------|-----------------------|-----------------------|
| Accounts Payable & Reserves   | \$ 254,404            | \$ 243,199            | \$ 343,281            |
| Student Ln Financings Int Pay | 287,931               | 336,317               | 523,478               |
| Student Ln Financings Payable | 107,900,000           | 110,000,000           | 110,000,000           |
| <b>Total Liabilities</b>      | <b>\$ 108,442,335</b> | <b>\$ 110,579,516</b> | <b>\$ 110,866,759</b> |

Fund Balances

|                            |                     |                     |                     |
|----------------------------|---------------------|---------------------|---------------------|
| Fund Balances              | 5,369,512           | 5,369,512           | 5,945,768           |
| Current Yr Net Income      | (1,404,271)         | (938,515)           | (202,294)           |
| <b>Ending Fund Balance</b> | <b>\$ 3,965,240</b> | <b>\$ 4,430,996</b> | <b>\$ 5,743,475</b> |

**Total Liabilities & Fund Balance**      \$ 112,407,576      \$ 115,010,512      \$ 116,610,234

Parity Ratio      1.031      1.034      1.046

Income Statement:

Revenues

|                               |                     |                     |                     |
|-------------------------------|---------------------|---------------------|---------------------|
| Interest income               | \$ 3,602,587        | \$ 2,646,008        | \$ 5,286,232        |
| Premium on Student Loan Sales | 0                   | 0                   | 0                   |
| <b>Total Revenues</b>         | <b>\$ 3,602,587</b> | <b>\$ 2,646,008</b> | <b>\$ 5,286,232</b> |

Expenses

|                                |                     |                     |                     |
|--------------------------------|---------------------|---------------------|---------------------|
| Interest Expense & Related Cst | \$ 3,867,943        | \$ 2,833,737        | \$ 4,098,186        |
| General & Administrative       | 1,092,327           | 732,424             | 1,341,388           |
| <b>Total Expenses</b>          | <b>\$ 4,960,270</b> | <b>\$ 3,566,160</b> | <b>\$ 5,439,574</b> |

**Operating Income / (Loss)**      \$ (1,357,683)      \$ (920,152)      \$ (153,342)

Financial Aid      46,588      18,363      48,952

**Net Income / (Loss) before Trsf**      \$ (1,404,271)      \$ (938,515)      \$ (202,294)

Transfers      0      0      0

**Net Income / (Loss)**      \$ (1,404,271)      \$ (938,515)      \$ (202,294)

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Collection Activity (excluding loan sales)

|                                    |                     |
|------------------------------------|---------------------|
| Principal Repayment Received (\$)  | \$ 2,709,689        |
| Principal Prepayment Received (\$) | 2,187,525           |
| Principal Reimbursement (\$)       |                     |
| Interest Payment Received (\$)     | 707,282             |
| Interest Reimbursements (\$)       |                     |
| Special Allowance Payments (\$)    | (96,946)            |
| Subsidy Payments (\$)              | 227,474             |
| Funds Release from Reserve (\$)    |                     |
| Others (please specify)            |                     |
| <b>Total</b>                       | <b>\$ 5,735,024</b> |

Borrower Benefit Information

Utilization

|                               | End of Quarter<br>Principal | % of Total Borrower<br>Benefit Recipients | % of Total<br>Portfolio |
|-------------------------------|-----------------------------|---|-------------------------|
| Disqualified                  | \$ 45,231,840               | 46.49%                                    | 45.38%                  |
| May Still Qualify             | 41,670,679                  | 42.83%                                    | 41.81%                  |
| Qualified                     | 10,277,557                  | 10.56%                                    | 10.31%                  |
| Qualified - Deferred          | 121,681                     | 0.13%                                     | 0.12%                   |
| <b>Total Borrower Benefit</b> | <b>\$ 97,301,757</b>        |   |                         |
| No Benefit                    | 2,363,390                   | 0%  | 2.37%                   |
| <b>Total Portfolio</b>        | <b>\$ 99,665,147</b>        | <b>100.00%</b>                            | <b>100.00%</b>          |

|                                 | Estimated EFT Int<br>Savings | Rebate Amount | Estimated Interest<br>Savings |
|---------------------------------|------------------------------|---------------|-------------------------------|
| Borrower Benefit Savings        |                              |               |                               |
| For the 3 Months Ended 03/31/09 | \$ 1,904                     | \$ 28,426     | \$ 17,937                     |
| For the 9 Months Ended 03/31/09 | \$ 5,061                     | \$ 35,993     | \$ 53,292                     |

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Reporting Period : 01/1/09 - 03/31/09

Fees and Other Payments for the 3 Months Ended 03/31/09

|                                       |                   |
|---------------------------------------|-------------------|
| <i>Remarketing Fees (\$)</i>          | \$ -              |
| <i>Consolidation Rebate Fees (\$)</i> | 141               |
| <i>Servicing Fees (\$)</i>            | 320,865           |
| <i>Commitment Fees (\$)</i>           | 80,161            |
| <i>Trustee Fees (\$)</i>              | 16,250            |
| <i>Liquidity Fees (\$)</i>            | 0                 |
| <i>Admin fee (\$)</i>                 | 27,500            |
| <b>Total</b>                          | <b>\$ 444,917</b> |

|                                     |                 |
|-------------------------------------|-----------------|
| <i>Lender Origination Fees (\$)</i> | (56)            |
| <i>Origination Discount (\$)</i>    | (107)           |
| <b>Total</b>                        | <b>\$ (163)</b> |

|   |                   |
|---|-------------------|
| <b>Grand Total Fees &amp; Other Pymts</b> | <b>\$ 444,754</b> |
|---|-------------------|

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Student Loan Pool Data

|                              | Beginning of Period   |                | Purchases /<br>Originations<br>During Period (\$) | Cash<br>Payments      | Non-Cash<br>Activity | Loans Repaid/Sold<br>During Period (\$) | Loans<br>Defaulted (\$) | End of Period Balance |                | Weighted<br>Average<br>Interest Rate<br>(%) | Weighted<br>Average<br>Remaining<br>Term (Months) |
|------------------------------|-----------------------|----------------|---|-----------------------|----------------------|---|-------------------------|-----------------------|----------------|---|---|
|                              | \$                    | %              |   |                       |                      |   |                         | \$                    | %              |   |   |
| FFELP                        |                       |                |   |                       |                      |   |                         |                       |                |   |   |
| <i>Subsidized Stafford</i>   | 41,927,446            | 40.24%         | -   | (1,886,390)           | 97,715               | -                                       |                         | 40,138,771            | 40.27%         | 4.838%                                      | 87.65   |
| <i>Unsubsidized Stafford</i> | 37,240,315            | 35.74%         | -   | (1,667,189)           | 202,253              | -                                       |                         | 35,775,379            | 35.90%         | 4.944%                                      | 91.71   |
| <i>PLUS</i>                  | 24,775,587            | 23.78%         | -   | (1,337,891)           | 73,579               | -                                       |                         | 23,511,275            | 23.59%         | 5.839%                                      | 82.71   |
| <i>PLUSGB</i>                | 173,536               | 0.17%          | -   | (4,180)               | 480                  | -                                       |                         | 169,837               | 0.17%          | 7.931%                                      | 146.56  |
| <i>Consolidation</i>         | 71,445                | 0.07%          | -   | (1,563)               | 4                    | -                                       |                         | 69,886                | 0.07%          | 6.061%                                      | 116.61  |
| <b>Total</b>                 | <b>\$ 104,188,329</b> | <b>100.00%</b> | <b>\$ -</b>                                       | <b>\$ (4,897,214)</b> | <b>\$ 374,031</b>    | <b>\$ -</b>                             |                         | <b>\$ 99,665,147</b>  | <b>100.00%</b> | <b>5.119%</b>                               | <b>88.06</b>                                      |

AES/PHEAA  
 1988B - Prop / Non-Prop Loan Breakdown  
 Reporting Period : 01/1/09 - 03/31/09

|                    | Prop. Ind. | School type          | Principal            |            |
|--------------------|------------|----------------------|----------------------|------------|
| N                  |            | GRADUATE             | 59,915               |            |
| N                  |            | SCHOOL OF THEOLOGY   | 232,034              |            |
| N                  |            | STATE RELATED        | 25,669,148           |            |
| N                  |            | 2 YEAR PRIV JR COLL  | 1,416,545            |            |
| N                  |            | 2 YEAR PUB JR COLL   | 9,232,000            |            |
| N                  |            | 4 YEAR PRIVATE COLL  | 33,525,335           |            |
| N                  |            | 4 YEAR PUBLIC COLL   | 17,221,133           |            |
| <b>N Total</b>     |            |                      | <b>\$ 87,356,110</b> | <b>88%</b> |
| Y                  |            | ALL NON-PROPRIETARY  | 0                    |            |
| Y                  |            | ALL PROPRIETARY      | 26,088               |            |
| Y                  |            | CORRESPONDENCE       | 0                    |            |
| Y                  |            | FED OWNED DEFR ONLY  | 46,289               |            |
| Y                  |            | HOSPITAL DIPLOMA PGM | 927,050              |            |
| Y                  |            | PRIV PRESCHL/ELEM    | 0                    |            |
| Y                  |            | PROP VOC/TECH        | 1,311,822            |            |
| Y                  |            | PROPRIETARY BUSINESS | 4,220,026            |            |
| Y                  |            | TRADE/TECH SCHOOL    | 5,777,762            |            |
| <b>Y Total</b>     |            |                      | <b>\$ 12,309,036</b> | <b>12%</b> |
| <b>Grand Total</b> |            |                      | <b>\$ 99,665,147</b> |            |

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As of March 31, 2009

*1988B Revenue Bond*

*1. LOANS IN-SCHOOL/IN-GRACE*

|                                   | 03/31/2009           |                   | Prior Qtr 12/31/2008  |                   | Prior Year 03/31/2008 |                   |
|-----------------------------------|----------------------|-------------------|-----------------------|-------------------|-----------------------|-------------------|
| In school                         | \$ 12,766,094        | 12.81%            | \$ 13,788,106         | 13.23%            | \$ 16,426,208         | 15.11%            |
| In grace                          | 1,924,412            | 1.93%             | 2,415,977             | 2.32%             | 3,513,850             | 3.23%             |
| <b>2. LOANS IN DEFERMENT/FORB</b> |                      |                   |                       |                   |                       |                   |
| Deferment                         | 15,292,881           | 15.34%            | 14,514,282            | 13.93%            | 15,736,691            | 14.48%            |
| Forbearance                       | 12,808,140           | 12.85%            | 12,279,542            | 11.79%            | 12,532,022            | 11.53%            |
| <b>3. LOANS IN REPAYMENT</b>      |                      | <b>% of Repay</b> |                       | <b>% of Repay</b> |                       | <b>% of Repay</b> |
| A. CURRENT                        | 47,033,344           | 82.70%            | 49,828,148            | 81.43%            | 52,512,212            | 86.82%            |
| B. 31-60 PAST DUE                 | 2,248,166            | 3.95%             | 3,226,182             | 5.27%             | 2,116,029             | 3.50%             |
| C. 61-90 PAST DUE                 | 1,488,700            | 2.62%             | 1,920,999             | 3.14%             | 1,074,340             | 1.78%             |
| D. 91-120 PAST DUE                | 1,519,927            | 2.67%             | 1,452,756             | 2.37%             | 1,188,621             | 1.97%             |
| E. 121-180 PAST DUE               | 1,785,801            | 3.14%             | 1,953,389             | 3.19%             | 1,389,988             | 2.30%             |
| F. 181-270 PAST DUE               | 1,882,010            | 3.31%             | 1,456,767             | 2.38%             | 1,440,838             | 2.38%             |
| G. 271 OR GREATER PAST DUE        | 646,553              | 1.14%             | 770,380               | 1.26%             | 374,120               | 0.62%             |
| H. CLAIMS FILED BUT NOT PAID      | 256,963              | 0.45%             | 564,596               | 0.92%             | 382,083               | 0.63%             |
| 4. IN LITIGATION                  | -                    | 0.00%             | -                     | 0.00%             | -                     | 0.00%             |
| 5. UNINSURED                      | 22,574               | 0.04%             | 22,574                | 0.04%             | 8,519                 | 0.01%             |
| 6. CREDIT BALANCES                | (10,417)             | -0.02%            | (5,367)               | -0.01%            | (2,542)               | 0.00%             |
| 7. END PRIN. BAL.                 | <b>\$ 99,665,147</b> |                   | <b>\$ 104,188,329</b> |                   | <b>\$ 108,692,981</b> |                   |

*1988B Revenue Bond*

|                           | 03/31/2009 |        | Prior Qtr 12/31/2008 |        | Prior Year 03/31/2008 |        |
|---------------------------|------------|--------|----------------------|--------|-----------------------|--------|
| Loans @ CP**              | 95,157,596 | 95.48% | 99,474,963           | 95.48% | 104,096,629           | 95.77% |
| Loans @ Tbill**           | 4,507,551  | 4.52%  | 4,713,367            | 4.52%  | 4,596,351             | 4.23%  |
| Total                     | 99,665,147 |        | 104,188,329          |        | 108,692,981           |        |
| Pre 10/1/07 loan balance  | 99,637,548 |        | 104,159,890          |        | 108,692,981           |        |
| Post 10/1/07 loan balance | 27,599     |        | 28,440               |        | -                     |        |
| Total                     | 99,665,147 |        | 104,188,329          |        | 108,692,981           |        |

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**Claims Paid**

|                              | Claims Paid<br>During Period<br>Principal |
|------------------------------|---|
| <i>Subsidized Stafford</i>   | \$ 1,868,773                              |
| <i>Unsubsidized Stafford</i> | 1,645,953                                 |
| <i>Consolidation</i>         | (2)                                       |
| <i>PLUS - parent</i>         | 304,179                                   |
| <b><i>Total</i></b>          | <b>\$ 3,818,903</b>                       |

*% of Loans in Repay* 6.72%

*% of Total Portfolio* 3.83%

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For the quarter ended March 31, 2009

|                                    | Loans Sold |       | Premium |   | Loans Purchased |       | Premium |   |
|------------------------------------|------------|-------|---------|---|-----------------|-------|---------|---|
|                                    | \$         | %     | \$      | % | \$              | %     | \$      | % |
| <i>Subsidized Stafford Total</i>   | \$ -       |       |         |   | \$ -            |       |         |   |
| <i>Unsubsidized Stafford Total</i> | -          |       |         |   | -               |       |         |   |
| <i>PLUS Total</i>                  | -          |       |         |   | -               |       |         |   |
| <i>PLUSGB</i>                      | -          |       |         |   | -               |       |         |   |
| <i>Consolidation Total</i>         | -          |       |         |   | -               |       |         |   |
| <b><i>Total</i></b>                | \$ -       | 0.00% | -       |   | \$ -            | 0.00% | \$ -    |   |

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| Loan Program   | AVG. DAILY PRIN. BAL. | Special Allowance        | Rate Type |
|----------------|-----------------------|--------------------------|-----------|
| Sub. Stafford  | 20,721                | Tbill + 3.50%            | Fixed     |
|                | 34,375                | Tbill + 3.25%            | Fixed     |
|                | 110,137               | Tbill + 3.25%            | Variable  |
|                | 658,095               | Tbill + 3.10%            | Variable  |
|                | 162,031               | Tbill + 2.50%            | Variable  |
|                | 514,194               | Tbill + 2.20%            | Variable  |
|                | 1,337,552             | Tbill + 2.80%            | Variable  |
|                | 8,245,014             | 3mCP + 1.74              | Variable  |
|                | 17,327,555            | 3mCP + 2.34              | Variable  |
|                | 128,793               | 3mCP + 1.74 Negative SAP | Variable  |
|                | 6,726,212             | 3mCP + 1.74 Negative SAP | Fixed     |
|                | 197,398               | 3mCP + 2.34 Negative SAP | Variable  |
|                | 5,443,080             | 3mCP + 2.34 Negative SAP | Fixed     |
|                | 6,940                 | 3mCP + 1.34 Negative SAP | Fixed     |
|                | 11,397                | 3mCP + 1.94 Negative SAP | Fixed     |
|                | <b>40,923,494</b>     | <b>Total avg balance</b> |           |
| Unsub Stafford | 281,664               | Tbill + 3.10%            | Variable  |
|                | 80,218                | Tbill + 2.50%            | Variable  |
|                | 353,155               | Tbill + 2.20%            | Variable  |
|                | 944,602               | Tbill + 2.80%            | Variable  |
|                | 6,712,072             | 3mCP + 1.74              | Variable  |
|                | 15,285,161            | 3mCP + 2.34              | Variable  |
|                | 162,196               | 3mCP + 1.74 Negative SAP | Variable  |
|                | 6,645,464             | 3mCP + 1.74 Negative SAP | Fixed     |
|                | 231,996               | 3mCP + 2.34 Negative SAP | Variable  |
|                | 5,711,916             | 3mCP + 2.34 Negative SAP | Fixed     |
|                | 6,809                 | 3mCP + 1.34 Negative SAP | Fixed     |
|                | 2,968                 | 3mCP + 1.94 Negative SAP | Fixed     |
|                | <b>36,418,221</b>     | <b>Total avg balance</b> |           |
| PLUS/SLS       | 67,466                | T-Bill + 3.10            | Variable  |
|                | 17,046,653            | 3mCP + 2.64              | Variable  |
|                | 138,659               | 3mCP + 2.64 Negative SAP | Variable  |
|                | 7,057,515             | 3mCP + 2.64 Negative SAP | Fixed     |
|                | <b>24,310,293</b>     | <b>Total avg balance</b> |           |
| Consolidation  | 5,220                 | T-bill + 3.25            | Fixed     |
|                | 12,793                | T-bill + 3.10            | Fixed     |
|                | 52,802                | 3mCP + 2.64              | Fixed     |
|                | <b>70,815</b>         | <b>Total avg balance</b> |           |