

Event Notice Pursuant to SEC Rule 15c2-12(b)(5)(C)

Issuer/Obligated Person: Mississippi Higher Education Assistance Corporation

Issues to which this Report relates:

<u>Cusip</u>	<u>Series</u>
605-354-DM8	Senior Series 1996-A
605-354-DV8	Senior Series 1998-B
605-354-DP1	Subordinate Series 1996-C
605-354-DR7	Subordinate Series 1996-C
605-354-DS5	Subordinate Series 1996-C
605-354-DT3	Subordinate Series 1996-C

Events Reported: Invitation to Offer Bonds for Purchase

Background

Mississippi Higher Education Assistance Corporation (“MHEAC”) is filing this Event Notice with respect to the securities listed above, which were issued under an Indenture dated as of July 1, 1993 and supplements thereto (the “Indenture”). The securities listed above are referred to herein as the “Obligations.” The trust estate subject to the Indenture is referred to herein as the “Trust Estate.”

Invitation to Offer

On or about June 3 2010, the Corporation distributed an Invitation to Offer Bonds (the “Invitation”) pursuant to which the Corporation invited owners of the Corporation’s

Student Loan Revenue Bonds, Senior Series 1996-A, Cusip 605-354-DM8 (the “Series 1996-A Bonds”), and

Student Loan Revenue Bonds, Senior Series 1998-B, Cusip 605-354-DV8 (the “Series 1998-B Bonds”)

to submit offers to sell such bonds to the Corporation pursuant to the terms of the Invitation.

A copy of the Invitation is attached.

The Series 1996-A Bonds and the Series 1998-B Bonds are auction rate bonds.

The Invitation is **not** applicable to the fixed-rate Student Loan Revenue Bonds, Subordinate Series 1996-C, which are secured on a parity with the Series 1996-A Bonds and the Series 1998-B Bonds.

The information contained in this Event Notice has been submitted by MHEAC to report certain events and future plans of MHEAC with respect to the Obligations. Nothing contained in this Event Notice is, or should be construed as, a representation by MHEAC that the information included in this Event Notice

constitutes all of the information that may be material to a decision to invest in, hold or dispose of any of the Obligations, or any other obligations or securities of MHEAC. General information concerning MHEAC is available at www.esfweb.com/mheac.html.

Date submitted: June 3, 2010

INVITATION TO OFFER BONDS
made by
MISSISSIPPI HIGHER EDUCATION
ASSISTANCE CORPORATION

The Corporation invites owners of its
Student Loan Revenue Bonds, Senior Series 1996-A
and
Student Loan Revenue Bonds, Senior Series 1998-B
(collectively the "Subject Bonds")
to offer to sell such Subject Bonds to the Corporation for cash.

THIS INVITATION WILL EXPIRE AT 2:00 P.M., EASTERN TIME ON THE EXPIRATION DATE OF JUNE 25, 2010, UNLESS CHANGED.

To make an informed decision as to whether, and how, to offer its Subject Bonds, an owner of Subject Bonds must read this Invitation To Offer Bonds carefully and consult its account executive or other financial advisor.

The Dissemination Agent for this Invitation is:
BancorpSouth Bank, as Trustee
for Mississippi Higher Education Assistance Corporation

The Dealer Manager for this Invitation is:
Samuel A. Ramirez & Co., Inc.

Investors with questions about this Invitation should contact the Dealer Manager at the address and phone number set forth below:

Samuel A. Ramirez & Co., Inc.
Auction Trading Desk
61 Broadway, Suite 2924
New York, New York 10006
Attention: Neal Richardson or Sean White
(212) 378-7121
neal.richardson@ramirezco.com
sean.white@ramirezco.com

Key Dates

All of these dates are subject to change – Notices of changes will be sent in the manner provided for in this Invitation.

Expiration Date. Deadline for receipt of offers	June 25, 2010
Announcement of Auction results; Acceptance of offers	June 28, 2010
Settlement Date. Payment made on all accepted Subject Bonds	June 30, 2010

June 3, 2010

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No one has been authorized by any of the Corporation, the Dealer Manager or the Dissemination Agent to recommend to any owners of Subject Bonds whether to offer Subject Bonds pursuant to this Invitation or at what price or prices any offer should be made. No one has been authorized to give any information or to make any representation in connection with this Invitation other than those contained in this Invitation or included therein by specific reference. Any recommendation, information and representations given or made cannot be relied upon as having been authorized by the Corporation, the Dealer Manager or the Dissemination Agent.

The Corporation, the Dealer Manager and the Dissemination Agent do not recommend to any owner of Subject Bonds whether to offer Subject Bonds or at what price or prices an offer should be made. Each owner of Subject Bonds must make these decisions and should read this Invitation and consult with its account executive or other financial advisor in making these decisions.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THIS INVITATION OR PASSED UPON THE FAIRNESS OR MERITS OF THIS INVITATION OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS INVITATION. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Corporation is not aware of any jurisdiction in which the making of this Invitation is not in compliance with applicable law. If the Corporation becomes aware of any jurisdiction in which the making of this Invitation would not be in compliance with applicable law, the Corporation will make a good faith effort to comply with any such law. If, after such good faith effort, the Corporation cannot comply with any such law, this Invitation will not be made to (nor will tenders of Subject Bonds be accepted from or on behalf of) the owners or beneficial owners of Subject Bonds residing in any such jurisdiction.

INVITATION TO OFFER BONDS
made by
MISSISSIPPI HIGHER EDUCATION
ASSISTANCE CORPORATION

1. Introduction

This Invitation to Offer Bonds (this "Invitation") is made by Mississippi Higher Education Assistance Corporation (the "Corporation"), acting through BancorpSouth Bank, as trustee (the "Trustee") under the Indenture (as defined below), to the owners of the Corporation's auction rate bonds (the "Subject Bonds") listed below and on the cover of and in Appendix A to this document.

Student Loan Revenue Bonds, Senior Series 1996-A (the "Series 1996-A Bonds")
and
Student Loan Revenue Bonds, Senior Series 1998-B (the "Series 1998-B Bonds")

The Subject Bonds were issued by the Corporation, and are secured, on parity with certain other obligations of the Corporation, by the trust estate created, pursuant to a trust indenture dated as of July 1, 1993, between the Corporation and the Trustee, as supplemented (such trust indenture, as supplemented to date, the "Indenture").

Each owner of Subject Bonds is invited by the Corporation to offer to sell to the Corporation for cash all or any part of its Subject Bonds, subject to the terms and conditions set forth in this Invitation. An offer to sell may be made at an offer price specified by an owner of Subject Bonds (an "Offer Price"), subject to acceptance by the Corporation as described herein.

Subject to the applicable total amount that the Corporation has committed to make available to purchase offered Subject Bonds (the "Tender Ceiling"), which is initially \$25,000,000, and to the provisions of this Invitation relating to the selection of offered Subject Bonds in the event that the aggregate Purchase Prices (defined below) of all offered Subject Bonds by all owners of Subject Bonds that would otherwise qualify for purchase under this Invitation exceeds the Tender Ceiling, the Corporation shall purchase all offered Subject Bonds at Offer Prices that do not exceed the applicable maximum acceptable Offer Price (the "Offer Price Ceiling"), which is initially 93% of the par value (\$930.00 per \$1,000). Offered Subject Bonds will be selected in order of increasing Offer Price, beginning with the lowest Offer Price received with respect to an otherwise qualified offer, until either the Offer Price Ceiling or the Tender Ceiling is reached. The Corporation reserves the right, however, to increase either or both of the Offer Price Ceiling and the Tender Ceiling at any time prior to notification of accepted and rejected offers, as described herein.

Prices of Subject Bonds that the Corporation accepts for purchase will be determined pursuant to the auction procedure described herein. See Section 15. In no event will the Corporation purchase Subject Bonds pursuant to this Invitation at prices equal to, or greater than, par.

The Corporation may, from time to time in the future, purchase additional amounts of Subject Bonds pursuant to separate invitations or through one or more negotiated transactions, including purchases that may be for prices higher than the final Offer Price Ceiling that is applicable to purchases of offered Subject Bonds pursuant to this Invitation.

All validly tendered Subject Bonds that are purchased pursuant to this Invitation will be retired in accordance with the terms of the Indenture, *reducing the outstanding Subject Bonds under the*

Indenture by the par amount of the Subject Bonds purchased, which will be higher than the Offer Price Ceiling.

As more fully described herein, the "Expiration Date" is June 25, 2010 (subject to change as described herein). The Subject Bonds the Corporation decides to purchase will be paid for on June 30, 2010 (the "Settlement Date"). Accrued interest on the purchased Subject Bonds through the day before the Settlement Date (the "Accrued Interest") will also be paid on the Settlement Date.

The Dissemination Agent for this Invitation is BancorpSouth Bank. In connection with this Invitation, the Corporation has retained Samuel A. Ramirez & Co., Inc. (in such capacity, the "Dealer Manager") to act as Dealer Manager. Investors with questions about this Invitation should contact the Dealer Manager as set forth on the cover of this Invitation.

All times in this Invitation are Eastern time.

Information concerning the terms and conditions applicable to the Series 1996-A Bonds may be found in the sections entitled "Description of the Bonds," "Redemption," "Tax Matters," Appendix B, "Certain Definitions and Summary of Certain Provisions of the Indenture," and Appendix D, "Auction Procedures" in the Official Statement dated April 12, 1996, with respect to the Series 1996-A Bonds and certain other obligations (the "1996 Official Statement"), a copy of which is available on the website, <http://www.esfweb.com/mheac.html>.

Information concerning the terms and conditions applicable to the Series 1998-B Bonds may be found in the sections with comparable titles in the Official Statement dated June 5, 1998, with respect to the Series 1998-B Bonds and the Corporation's Student Loan Revenue Bonds, Senior Series 1998-A (which were secured on a parity with the Series 1996-A Bonds and the Series 1998-B Bonds), a copy of which is available on the website, <http://www.esfweb.com/mheac.html>. Copies of supplements to the Indenture subsequent to June 5, 1998, will be provided upon request.

Information applicable to the Subject Bonds may also be found in:

- (a) Annual Reports filed with Nationally Recognized Municipal Securities Information Repositories and/or the Municipal Securities Rulemaking Board (the "MSRB"), through its Electronic Municipal Market Access ("EMMA") system;
- (b) Event Notices filed with Nationally Recognized Municipal Securities Information Repositories and/or the MSRB through the EMMA system; and
- (c) Quarterly Servicer Reports with respect to student loan assets held as part of the trust estate pursuant to the Indenture.

Copies of Event Notices filed subsequent to January 1, 2008, Quarterly Servicer Reports and the Corporation's most recent Audited Financial Statements are available on the website, <http://www.esfweb.com/mheac.html>.

The Corporation believes that the documents referenced above were accurate as of the dates thereof. The Corporation makes no representation concerning the continued accuracy of the information in such documents.

The delivery of this Invitation shall not under any circumstances create any implication that the information contained herein is correct as of any time subsequent to the date hereof or that there has been

no change in the information set forth herein or in any attachments hereto or materials delivered herewith or in the affairs of the Corporation since the date hereof.

The Corporation makes forward-looking statements in this Invitation. Certain of the publicly available information relating to the Subject Bonds and the Corporation is based on current expectations, estimates, beliefs, assumptions and projections. Forward-looking statements speak only as of the date made. The Corporation undertakes no obligation to update any forward-looking statements to reflect the events or circumstances arising after the date as of which they are made. As a result of these risks and uncertainties, readers are cautioned not to place undue reliance on the forward-looking statements included in this Invitation or that may be made elsewhere from time to time by, or on behalf of, the Corporation.

Words such as “expects,” “intends,” “plans,” “projects,” “believes,” “estimates” and similar expressions are used to identify these forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Actual outcomes and results may differ materially from what is expressed or forecast in these forward-looking statements.

2. Source of Funds to Purchase Subject Bonds

The Corporation currently anticipates that, in the event that the Corporation purchases Subject Bonds pursuant to this Invitation, the Corporation shall use funds currently held as part of the trust estate under the Indenture. The Corporation has committed to make available a minimum of \$25,000,000 to purchase offered Subject Bonds with Offer Prices that do not exceed the Offer Price Ceiling, but reserves the right to make additional funds available to purchase offered Subject Bonds and to increase the Offer Price Ceiling in response to offers, as described herein.

3. Certain Potential Effects of Invitation on Owners of Subject Bonds Not Purchased

Subject Bonds not purchased pursuant to this Invitation will continue to be governed by the terms of the Indenture and related transaction documents, including with respect to maturity, the payment of interest, the determination of the interest rate through auctions, redemption and the payment of principal.

Cancellation of Subject Bonds purchased pursuant to this Invitation at prices below par will increase the ratio of assets held as part of the Trust Estate to outstanding obligations secured by the Trust Estate. Such purchases will also, however, reduce the amount of cash and investments held as part of the Trust Estate and will increase the proportion of the Trust Estate comprised of student loans and student loan receivables.

The purchase by the Corporation of Subject Bonds of any CUSIP may have certain potential adverse effects on owners who do not tender, including the following:

- (a) the principal amount of the Subject Bonds of that CUSIP available to trade publicly will be reduced, which could adversely affect the liquidity (if any) and market value of the Subject Bonds of that CUSIP that remain outstanding; and
- (b) the Corporation may also repurchase Subject Bonds through negotiated secondary market purchases, which may further reduce the liquidity (if any) and market value of the Subject Bonds that remain outstanding.

Although the Corporation may consider making subsequent invitations for offers for the Subject Bonds, the Corporation cannot provide any assurances that it will purchase or otherwise provide any similar future opportunity for the owners of the Subject Bonds to gain liquidity with respect to the Subject Bonds not purchased pursuant to this Invitation, either through open market purchases, private negotiated transactions, subsequent solicitations of tenders, exchange offers or otherwise. There is no assurance that a trading market for Subject Bonds not purchased pursuant to this Invitation will exist, and, even if a trading market were to exist, there is no assurance as to the trading prices for the Subject Bonds, which may be higher or lower than the price for which an owner may offer its Subject Bonds in response to this Invitation.

4. Certain Potential Effects of Invitation on Owners of Subject Bonds Offering Subject Bonds

In deciding whether to participate in this Invitation, each owner should consider carefully, in addition to other information contained in this Invitation, the following:

The market for Subject Bonds may recover and yield higher prices than are available in this Invitation. The market for auction rate securities has suffered unprecedented liquidity problems. If the market for auction rate securities should improve from its current condition, the liquidity and marketability of the Subject Bonds following such a market recovery may yield a greater price than what may be obtained pursuant to this Invitation. The market for auction rate securities could improve for several reasons, including possible governmental action by the United States or other jurisdiction to establish a secondary market in auction rate securities; however, there can be no assurance whether the market for Subject Bonds will improve. It is possible that recent or future actions by federal, state or local legislative or regulatory bodies could result in greater liquidity and/or higher prices for auction rate securities. The Corporation is unable to predict whether any recent or future actions of any legislative or regulatory body will result in greater liquidity and/or higher prices for auction rate securities.

The next auction date for the Series 1996-A Subject Bonds will be June 22, 2010, and the next auction date for the Series 1998-B Subject Bonds will be June 14, 2010. Any owner of a Subject Bond that tenders Subject Bonds prior to the Auction Date for the applicable series will not be permitted to sell its Subject Bonds in connection with such Auction Date and, therefore, will be deemed to have submitted a Hold Order. If all of the Subject Bonds are tendered prior to applicable Auction Date, the interest rate on the Subject Bonds, from such Subject Auction Date until the Settlement Date, will be the All-Hold Rate provided in the Indenture.

Because the price to be paid for Subject Bonds includes accrued and unpaid interest based on the interest rate determined by Auction, the actual amount of consideration that may be received by an owner pursuant to this Invitation will be affected by changes in such interest rate prior to the Settlement Date.

The Offer Price Ceiling for any Subject Bonds validly tendered and accepted for payment pursuant to this Invitation is initially 93% of the par value (\$930.00 per \$1,000), plus accrued and unpaid interest, and in no event will equal or exceed 100% of par value (\$1,000 per \$1,000), plus accrued and unpaid interest. As a result, the price paid to any owner for any of its Subject Bonds that are validly offered and accepted for payment may be less than the price such owners originally paid for their Subject Bonds. Additionally, by offering its Subject Bonds in response to this Invitation, an owner may recover less of its invested principal amount than if such owner were to hold such offered Subject Bonds to their final maturity.

Owners of Subject Bonds will be entitled to receive 100% of par value, plus accrued and unpaid interest at maturity. The Corporation anticipates, but cannot assure, that Subject Bonds which are not purchased by the Corporation prior to maturity will be paid in full at maturity.

It is unlikely that all of the outstanding principal amount of the Subject Bonds will be purchased pursuant to this Invitation. The Corporation reserves the right to, and may in the future decide to, acquire some or all of the Subject Bonds not purchased pursuant to this Invitation through open market purchases, privately negotiated transactions, subsequent invitations for offers, exchange offers or otherwise, upon such terms and at such prices as they may determine, which may be more or less than the price paid for purchases pursuant to this Invitation and could be for cash or other consideration. Additionally, the Corporation may issue obligations secured by student loans and its other property and use the proceeds of such issuance to redeem Subject Bonds at par value. Any future purchase may be on the same terms or on terms that are more or less favorable to owners of Subject Bonds than the terms of this Invitation. The decision to make future purchases by the Corporation, and the terms of such future purchases, will depend on various factors existing at that time. There can be no assurance as to which of these alternatives, if any, the Corporation will ultimately choose to pursue in the future.

Because the Corporation is accepting offers in ascending order, from the lowest to highest Price, owners whose Subject Bonds are accepted for payment at a lower price will receive that lower price and less consideration than owners whose Subject Bonds are accepted for payment at a higher price. Owners should take this into account when submitting an offer price for their Subject Bonds pursuant to this Invitation.

5. Expiration Date

The ability to offer Subject Bonds for sale to the Corporation will expire at 2:00 p.m. on June 25, 2010 or on such earlier or later date as the Corporation may determine (the "Expiration Date"). See Section 20 for a discussion of the Corporation's ability to extend the Expiration Date. Offers to sell Subject Bonds to the Corporation after the Expiration Date will not be considered.

6. Information About Invitation

The Corporation will give information about this Invitation to the market and owners of Subject Bonds by delivery of the information to the following institutions:

DTC (hereinafter defined)

The MSRB's Electronic Municipal Market Access system

All applicable Broker-Dealers (as defined in the supplemental indentures pursuant to which the Subject Bonds were issued) with respect to the Subject Bonds

These institutions are called the "Information Services." Delivery by the Corporation of information to the Information Services will be deemed to constitute delivery of this information to each owner of Subject Bonds. None of the Corporation, the Dealer Manager or the Dissemination Agent has any obligation to ensure that an owner of Subject Bonds actually receives any information given to the Information Services.

The Corporation shall also post an Event Notice concerning this Invitation on its website at <http://www.esfweb.com/mheac.html>.

7. How Offers Can Be Made

Offers may only be made

by email to neal.richardson@ramirezco.com or sean.white@ramirezco.com; or

by telefacsimile transmission to 212-248-0528, Attention: Neal.Richardson or Sean.White.

AN OFFER SHALL BE EFFECTIVE ONLY IF THE OFFEROR RECEIVES CONFIRMATION OF RECEIPT THEREOF AT THE EMAIL ADDRESS OR TELEFACSIMILE NUMBER PROVIDED IN THE OFFER.

Each offer, whether transmitted by email or telefacsimile, must include:

- a. The name of the party making the offer;
- b. An email address or a telefacsimile number to which notices concerning the offer can be transmitted;
- c. The CUSIP numbers or numbers for the Subject Bonds offered;
- d. The aggregate principal (par) amount of the Subject Bonds of each CUSIP being offered; and
- e. The offered purchase price for the Subject Bonds being offered.

Each offer, whether transmitted by email or telefacsimile, shall constitute a representation and acknowledgement that: (i) the party submitting such offer is either the owner of the Subject Bonds offered or has been duly authorized by the owner of such Subject Bonds to submit such offer on behalf of such owner; and (ii) such party has read this Invitation and agrees to be bound by all terms hereof.

An owner of Subject Bonds may make one or more offers to sell to the Corporation Subject Bonds of a particular CUSIP in a maximum par amount of its choosing (provided that the par amount offered is an authorized denomination (integral multiples of \$100,000)) and at an Offer Price of its choosing which is less than par. Each Offer Price must be expressed in dollars per \$1,000 of the maximum par amount of the Subject Bonds of the particular CUSIP offered. An Offer Price may contain no more than one number to the right of the decimal point. Any Offer Price containing more than one number to the right of the decimal point will not be processed and will be rejected.

8. Accrued Interest

An Offer Price for Subject Bonds must not include any amount representing Accrued Interest. For Subject Bonds accepted for purchase, Accrued Interest will be added to the Purchase Price (defined below) and paid on the Settlement Date.

9. Provisions Applicable to all Offers

Need for Advice. An owner of Subject Bonds should ask its account executive at the financial institution that maintains the account in which its Subject Bonds are held, or another financial advisor, for help in determining:

- (a) whether to offer Subject Bonds for sale to the Corporation;

- (b) the par amount of Subject Bonds of any CUSIP to be offered for sale to the Corporation;
- (c) whether the financial institution that holds its Subject Bonds will charge a fee for submitting offers (neither the Corporation nor the Dealer Manager will charge any owner of Subject Bonds for making an offer);
- (d) the possibility, advisability and cost of using the cash from the sale of any of its Subject Bonds that may be purchased pursuant to this Invitation to “swap” into other obligations or investments available in the secondary market. An owner of Subject Bonds considering a “swap” should also consult its own tax advisor regarding its individual tax situation in connection with a “swap”; and
- (e) whether to offer Subject Bonds to one or more investment banks pursuant to SEC correspondence or to seek other relief from one or more investment banks. (See <http://www.sec.gov/investor/ars.htm>).

Need for Specificity in Offer. An offer must include the CUSIP numbers of the Subject Bonds offered and the par amount of each CUSIP being offered. Each offer of Subject Bonds at an Offer Price must be in the par amount of an authorized denomination (integral multiples of \$100,000). An offer which does not meet this requirement will be reduced to the greatest authorized denomination (integral multiples of \$100,000) that does not exceed the principal amount identified in the offer.

An owner of Subject Bonds may only offer to sell Subject Bonds it owns.

“All or none” offers are not permitted.

Limitation on Responsibility for Offers. Neither the Corporation nor the Dealer Manager is responsible for making or transmitting any offer to sell Subject Bonds or for any mistakes, errors or omissions in the making or transmission of any offer.

An owner may offer different portions of the principal amount of its Subject Bonds at different Prices; however, an owner may not specify Prices for an aggregate principal amount of Subject Bonds in excess of the aggregate principal amount of Subject Bonds owned by such owner. The same portion of Subject Bonds cannot be tendered at more than one Price. To tender Subject Bonds validly, each offer must be for a portion equal to an Authorized Denomination of such Subject Bonds. An owner who wishes to offer different portions of its Subject Bonds at more than one Price must submit a separate Offer for each price at which the related portion of Subject Bonds is being tendered. In case of withdrawal, owners who tendered portions of their Subject Bonds at multiple Prices pursuant to multiple Offers must comply with the procedures set forth under the heading “Amendments and Withdrawals of Offers” with respect to each Offer and the related amount offered.

10. Procedures For Offering Subject Bonds Held through Brokers and Banks

To offer a Bond that is held through a broker, custodian bank, trust company or other nominee, including through DTC, the owner of Subject Bonds who is the beneficial owner of this Bond must instruct the firm at which this beneficial ownership is held to offer this Bond on the owner of Subject Bonds’s behalf. Some firms will require written instructions to take such actions while others will act on oral or telephonic instructions from their customers. An owner of Subject Bonds should consult its account executive to determine the preferred procedure.

11. Amendments and Withdrawals of Offers

General. An owner of Subject Bonds who has made an offer may amend its offer in any respect consistent with the terms of this Invitation, or may withdraw its offer, so long as such amendment or withdrawal is made by not later than 2:00 p.m. on the Expiration Date (as this Date may have been changed pursuant to this Invitation) in the manner described in this Section.

Subject Bonds Held through Broker-Dealers, Banks and Others. An offer of Subject Bonds may be amended or withdrawn by the owner of these Subject Bonds by an amended offer or notice of withdrawal transmitted in the same manner that offers may be made, received by the Dealer Manager not later than 2:00 p.m. on the Expiration Date (as this Date may have been changed pursuant to this Invitation). The amendment or notice of withdrawal must specify the CUSIP number, the principal amount of these Subject Bonds previously offered, and the name and party which submitted the offer being amended or terminated.

12. Determinations as to Form and Validity of Offers; Right of Waiver and Rejection

All questions as to the validity, form, eligibility and acceptance of any offers will be determined by the Corporation in its discretion and will be final, conclusive and binding, without liability to any owner of Subject Bonds or its nominee.

The Corporation reserves the right to waive any irregularities or defects in any offer. Neither the Corporation nor the Dealer Manager is obligated to give notice of any defects or irregularities in offers, and they will have no liability for failing to give such notice.

The Corporation reserves the absolute right to reject any and all offers with Offer Prices in excess of the Offer Price Ceiling, whether or not they otherwise comply with the terms of this Invitation.

13. Irrevocability of Offers

All offers (including amended offers) to sell Subject Bonds not properly withdrawn will become irrevocable as of 2:00 p.m. on the Expiration Date (as this Date may have been changed pursuant to this Invitation).

14. Determination of Amounts to be Purchased

After the Expiration Date (as this Date may have been changed pursuant to this Invitation), the Corporation will determine the amount (if any) of the Subject Bonds that it will purchase.

15. Determination of Purchase Prices

Mechanics of Auction Procedure. Specific offered Subject Bonds to be purchased will be determined separately by the Corporation through an auction procedure. Under this procedure, the Corporation will determine the specific offered Subject Bonds that it will purchase sequentially in increasing order of Offer Price, so that all the Subject Bonds that were offered in accordance with this Invitation at any Offer Price will be purchased prior to the purchase of any offered Subject Bonds that were offered at a higher Offer Price until the first of: (i) all offered Subject Bonds with Offer Prices that are not in excess of the applicable Offer Price Ceiling have been purchased or (ii) the remaining uncommitted amount of the applicable Tender Ceiling is insufficient to fund the purchase of any remaining offered Subject Bond with an Offer Price that is not in excess of the applicable Offer Price Ceiling, in each case determined on the basis of integrals of the minimum authorized denomination (\$100,000).

The purchase price (the “Purchase Price”) for any of the Subject Bonds purchased pursuant to this Invitation will be the Offer Price specified in the applicable offer from the owner of such Subject Bonds.

Procedures in the Event of Overtender. If the Corporation receives multiple offers at the same Offer Price that together exceed the difference between (i) the remaining uncommitted amount of the applicable Offer Price Ceiling and (ii) the aggregate Purchase Prices of Subject Bonds that were the subject of eligible offers at lower Offer Prices, then the Subject Bonds that were offered at such same Offer Price that are to be purchased will be selected on a pro rata basis reflecting the ratio of (a) the aggregate par amount of the offered Subject Bonds by each owner of Subject Bonds at such Offer Price to (b) the aggregate par amount of the offered Subject Bonds by all owners of Subject Bonds at such Offer Price, determined on the basis of integrals of minimum authorized denominations (\$100,000). If use of such pro rata allocation would result in purchase of more or less than the maximum amount of offered Subject Bonds which can be purchased with the remaining uncommitted amount, or fails to determine which specific offered Subject Bonds will be purchased, then the Corporation, in its sole discretion, will determine which offered Subject Bonds shall be purchased. All such determinations and allocations will be final and binding.

16. Acceptance of Offers Constitutes Irrevocable Agreement; Notice of Results; Payment and Delivery Instructions

On the Business Day following the Expiration Date, the Dealer Manager will notify (“Notice of Acceptance”) each owner of Subject Bonds whose offer to sell Subject Bonds pursuant to this Invitation was accepted, in whole or in part, that such offer was accepted and of the principal amount of Subject Bonds to be purchased from such owner. Such Notice of Acceptance will also provide instructions for delivery of such Subject Bonds (“Delivery Instructions”). Such Notice of Acceptance shall be transmitted to the telefacsimile number or email address specified in the offer.

On the Business Day following delivery of the Notices of Acceptance, each owner of Subject Bonds whose offer was accepted, in whole or in part, must provide instructions for payment (“Instructions for Payment”) to the Dealer Manager.

The acceptance of all or a portion of offered Subject Bonds will be deemed made when a Notice of Acceptance is transmitted to the owner of such Subject Bonds as provided above. Acceptance by the Corporation of offers to sell Subject Bonds will constitute an irrevocable agreement between the offering owner of Subject Bonds and the Corporation to sell and purchase these Subject Bonds, subject to the conditions and terms of this Invitation.

On the Business Day following the Expiration Date, the Dealer Manager will also notify each owner of Subject Bonds whose offer to sell Subject Bonds pursuant to this Invitation was not accepted that such offer was not accepted. Such notice shall be transmitted to the telefacsimile number or email address specified in the offer.

17. Settlement Date; Settlement Procedures

The Settlement Date is the day on which Subject Bonds accepted for purchase will be purchased and paid for at the applicable Purchase Prices, and the Accrued Interest on these Subject Bonds will also be paid. The Settlement Date has initially been set on June 30, 2010. If the Corporation does not complete the purchase of Subject Bonds on June 30, 2010, the right and obligation of the Corporation to purchase any Subject Bonds will automatically terminate, without any liability to any owner of Subject Bonds (or its

nominee). All Subject Bonds which the Corporation purchases pursuant to this Invitation will be cancelled.

The Subject Bonds are held in book-entry-only form through the facilities of The Depository Trust Company, New York, New York (“DTC”). As a result, positions in Subject Bonds are held by the broker-dealers, banks, trust companies and other financial institutions that are participants in DTC, for the benefit of the owners of Subject Bonds who own the actual beneficial ownership interests in these Subject Bonds. Owners of Subject Bonds who own beneficial ownership interests in Subject Bonds held through DTC and who are not DTC participants, can only sell these Subject Bonds through the financial institution which maintains the account in which their Subject Bonds are held.

On or prior to the Settlement Date, each owner of Subject Bonds whose offer was accepted must provide instructions for transfer of the Subject Bonds to the account of the Trustee in accordance with the Delivery Instructions.

Neither the Corporation nor the Dealer Manager has any responsibility or liability for the distribution of the Purchase Prices plus Accrued Interest to the owners (or their nominees) by DTC and nominees or when such distributions are made.

On the Settlement Date, the Corporation will cause the Trustee to pay to DTC, in immediately available funds, the Purchase Prices and Accrued Interest of the Subject Bonds accepted for purchase. It is expected that, in accordance with DTC’s standard procedures, DTC will transmit the aggregate of the Purchase Prices plus Accrued Interest in immediately available funds to each of its participant financial institutions holding those Subject Bonds accepted for purchase on behalf of owners of Subject Bonds for delivery to the owners of Subject Bonds.

It is anticipated that, in all cases, payment by DTC to holders or beneficial owners of Subject Bonds purchased pursuant to this Invitation will be made only after receipt by the Trustee of timely confirmation of a book-entry transfer of such Subject Bonds into the Trustee’s account at DTC.

18. Purchase Funds

The funds (the “Purchase Funds”) to purchase Subject Bonds and the Accrued Interest due on purchased Subject Bonds on the Settlement Date will be provided by the Corporation from the sources described in Section 2.

19. Conditions to Purchase

The Corporation will not be required to purchase any Subject Bonds it has decided to purchase, and will incur no liability as a result, if, before payment for the Subject Bonds:

- (a) Litigation or another proceeding is pending or threatened which the Corporation believes may, directly or indirectly, have an adverse impact on this Invitation or the expected benefits of this Invitation to the Corporation or the owners of Subject Bonds.
- (b) A war, national emergency, banking moratorium, suspension of payments by banks, general suspension of trading by the New York Stock Exchange or limitation of prices on the New York Stock Exchange exists and the Corporation believes this fact makes it inadvisable to proceed with the purchase of Subject Bonds.

- (c) A material change in the business or affairs of the Corporation has occurred which the Corporation believes makes it inadvisable to proceed with the purchase of Subject Bonds.
- (d) The Trustee shall have objected in any respect to or taken any action that could, in the reasonable judgment of the Corporation, adversely affect the consummation of purchases pursuant to this Invitation or has taken any action that challenges the validity or effectiveness of the procedures used by the Corporation in the making purchases pursuant to this Invitation or the acceptance for payment of, or payment for, Subject Bonds.

These conditions are for the sole benefit of the Corporation. They may be asserted by the Corporation regardless of the circumstances giving rise to any of these conditions or may be waived by the Corporation in whole or in part at any time and from time to time in its discretion. The failure by the Corporation at any time to exercise any of these rights will not be deemed a waiver of any of these rights, and the waiver of these rights with respect to particular facts and other circumstances will not be deemed a waiver of these rights with respect to any other facts and circumstances. Each of these rights will be deemed an ongoing right of the Corporation which may be asserted at any time and from time to time. Any determination by the Corporation concerning the events described in this Section will be final and binding upon all parties. If, prior to the time of payment for any Subject Bonds, any of the events described happens, the Corporation will have the absolute right to cancel its obligations to purchase Subject Bonds without any liability to any owner of Subject Bonds (or its nominee).

20. Extension, Termination and Amendment of Invitation; Changes to Terms

The Corporation has the right to announce an extension of this Invitation at any time prior to 2:00 p.m. on the third business day prior to the Expiration Date then in effect (including any prior extension(s) thereof). Notice of an extension of the Expiration Date will be given to the Information Services and will be effective when this notice is transmitted to the Information Services.

The Corporation also has the right to terminate this Invitation at any time by giving notice to the Information Services of such termination. The termination will be effective at the time specified in such notice; provided that such notice can only become effective before the date on which the notice of acceptance of offers is given pursuant to Section 16 hereof.

The Corporation also has the right to amend or waive the terms of this Invitation in any respect and at any time by giving notice to the Information Services of this amendment or waiver. The amendment or waiver will be effective at the time specified in such notice; provided that, except for the waivers specified in any other Section of this Invitation, such notice can only become effective before the date on which the notice of acceptance of offers is given pursuant to Section 16 hereof.

If the Corporation extends this Invitation, or amends the terms of this Invitation (including a waiver of any term as described above) in any material respect, the Corporation may (but is not required to) disseminate additional Invitation material and extend this Invitation to the extent required to allow, in the Corporation's judgment, reasonable time for dissemination to owners of Subject Bonds and for owners of Subject Bonds to respond.

No extension, termination or amendment of this Invitation (or waiver of any terms of this Invitation) will (a) change the Corporation's right to decline to purchase any Subject Bonds without liability or (b) give rise to any liability of the Corporation or the Dealer Manager to any owner of Subject Bonds (or its nominee).

None of the Corporation, the Dealer Manager or the Dissemination Agent has any obligation to insure that an owner of Subject Bonds actually receives any information given to the Information Services.

21. Certain Federal Income Tax Consequences

The following discussion is a summary of the important United States federal income tax consequences to owners from the sale of Subject Bonds to the Corporation pursuant to this Invitation. **This summary is for general information only and is not legal or tax advice. The following discussion is not intended to be a complete analysis or description of all potential U.S. Federal income tax considerations or any other considerations of the sale of Subject Bonds pursuant to this Invitation. Thus, owners are urged to consult their own tax advisors as to the specific tax consequences of the Invitation to them, including tax return reporting requirements, the applicability and effect of federal, state and local, foreign and other applicable tax laws and the effect of any proposed changes in the tax laws.**

This discussion:

- does not purport to be a complete analysis of all the potential tax consequences that may be important to an owner based on the owner's particular tax situation;
- is based on the current provisions of the United States Internal Revenue Code of 1986, as amended, which we refer to as the "Internal Revenue Code", the existing applicable United States federal income tax regulations promulgated or proposed under the Internal Revenue Code, which we refer to as the "Treasury Regulations," judicial authority and current administrative rulings and practice, all of which are subject to change, possibly with retroactive effect, and which are subject to differing interpretations;
- is applicable only to owners who:
 - are beneficial owners of Subject Bonds; and
 - hold Subject Bonds as capital assets for United States federal income tax purposes;
- does not describe all of the United States federal income tax consequences that may be relevant to owners in light of their particular circumstances or to owners subject to special rules, such as:
 - a foreign person;
 - banks, thrifts, regulated investment companies or other financial institutions;
 - insurance companies;
 - tax-exempt entities;
 - pension funds;
 - brokers, dealers and certain traders in securities or foreign currency, or traders that elect to mark-to-market their securities;

- persons holding Subject Bonds as part of a position in a constructive sale transaction, “straddle,” “hedge,” “conversion” or other risk reduction or integrated transaction for United States federal income tax purposes;
- individuals subject to special rules as a result of the termination of their United States citizenship or residency;
- owners subject to the alternative minimum tax;
- corporations that accumulate earnings in order to avoid United States federal income tax;
- owners that have a functional currency that is not the United States dollar;
- foreign owners subject to special rules under the Internal Revenue Code, such as “controlled foreign corporations” and “passive foreign investment companies”; and
- partnerships and other pass-through entities for United States federal income tax purposes that hold Subject Bonds and investors holding interests in such partnerships or pass-through entities;
- does not discuss any possible applicability of any alternative minimum taxes or state, local or non-United States taxes and any United States federal tax other than the income tax, including but not limited to the United States federal gift tax and estate tax; and
- does not discuss any reporting requirements of or other consequences under the Treasury Regulations relating to certain tax shelter transactions.

The Corporation has not sought and will not seek any rulings from the Internal Revenue Service with respect to any matter discussed herein. No assurance can be given that the Internal Revenue Service would not assert, or that a court would not sustain, a position contrary to any of the tax characterizations and tax consequences set forth below.

Sale of Subject Bonds to the Corporation pursuant to the Invitation

The Corporation has been advised that sales by owners of Subject Bonds pursuant to this Invitation will be transactions on which gain or loss is recognized for federal income tax purposes. Under current federal law, in the case of an individual or corporate taxpayer who holds Subject Bonds as capital assets (other than taxpayers that are subject to special tax treatment, such as banks and certain other financial institutions), and except as otherwise described below, any such gain or loss will be characterized as a capital gain or loss.

The amount of such gain or loss is equal to the difference between:

- (i) the amount received by the taxpayer in exchange for the purchase of Subject Bonds (less the amount attributable to accrued and unpaid interest, as discussed below), and
- (ii) the taxpayer’s adjusted tax basis of the Subject Bonds at the time of the sale.

The taxpayer’s adjusted tax basis of the Subject Bonds generally will equal the original cost of the Subject Bonds:

- (i) increased by
 - (a) any original issue discount the taxpayer is required to accrue, and
 - (b) any market discount the taxpayer has previously taken into income; and
- (ii) decreased by the required amortization of any amortizable bond premium.

Capital gains or losses are classified for tax purposes as either long-term or short-term. In order for any such gain to be classified as a long-term capital gain, the taxpayer must have held the Subject Bonds for more than one year. Individual taxpayers may benefit from classification as long-term capital gains, which are subject to a maximum income tax rate. During the 2010 tax year the maximum income tax rate on long-term capital gains is 15%. Beginning on or after January 1, 2011, the maximum income tax rate on long-term capital gains is slated to increase to 20%. No preferential rate is available for corporations. Capital losses, whether long-term or short-term, can be used to offset capital gains. If an individual taxpayer's capital losses exceed his capital gains, such taxpayer may use up to \$3,000 (\$1,500 for married filing separately) to offset his ordinary income.

Amounts received on the sale of the Subject Bonds attributable to interest accrued (but not paid) from the last interest payment date, and accrued original issue discount (if any), will be treated as interest on the Subject Bonds that is excluded from gross income to the same extent as other interest on the Subject Bonds for federal income tax purposes.

An exception to the capital gain treatment described above may apply to an offering owner of Subject Bonds who acquired Subject Bonds after April 30, 1993 at a price that was less than their "adjusted issue price" (generally, original issue price plus accrued original issue discount (if any)). Any gain recognized on the sale of such Subject Bonds, to the extent of the accrued "market discount" on the date of sale, will be treated as ordinary income rather than capital gain. The "market discount" on the Subject Bonds is the excess of the adjusted issue price of the Subject Bonds over the price at which the owner originally acquired the Subject Bonds. Market discount will be treated as accruing either ratably over the period from the date of the owner of Subject Bonds's acquisition of the Subject Bonds to the Subject Bonds' maturity date or, at the election of the owner of Subject Bonds, on a constant interest rate basis.

Subject Bonds purchased, whether at original issuance or otherwise, for an amount greater than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Subject Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of Subject Bonds the interest on which is excluded from gross income for federal income tax purposes. However, an owner of Subject Bonds's tax basis in the Premium Subject Bonds will be reduced by the amount of amortizable bond premium properly allocable to such owner of Subject Bonds. Owners of Subject Bonds of Premium Subject Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Backup Withholding and Information Reporting

Amounts paid to owners of Subject Bonds offering Subject Bonds for purchase may be subject to a withholding of tax at a rate of 28% ("backup withholding") by reason of events specified in Section 3406 of the Internal Revenue Code and Treasury regulations thereunder. Backup withholdings may also apply to owners of Subject Bonds who are otherwise exempt from such withholding if they fail to properly document their status as exempt recipients.

Backup withholding is not an additional tax. The amount of any backup withholding from a payment to an owner of Subject Bonds may be allowed by the Internal Revenue Service as a credit against such owner's federal income tax liability.

22. Waiver and Indemnity

In addition to the foregoing, (a) all owners of Subject Bonds, who sell Subject Bonds to the Corporation pursuant to this Invitation, shall agree to waive any and all claims which may be available to such owner of Subject Bonds or losses or liabilities which have been, or will be in the future, incurred by such owner of Subject Bonds in connection with the owner of Subject Bonds's ownership of such Subject Bonds, and (b) all owners of Subject Bonds, which sell Subject Bonds to the Corporation pursuant to this Invitation and are a broker, dealer or financial institution which has purchased such Subject Bonds from an investor, shall agree to indemnify and hold harmless the Corporation and each person, if any, who controls the Corporation against any and all losses, claims, damages and liabilities arising out of any litigation or action commenced or threatened by such investor against the Corporation. In case any such claim shall be made or action brought against the Corporation or person controlling the Corporation in respect of which indemnity may be sought against the owner of Subject Bonds, the Corporation shall promptly notify the owner of Subject Bonds in writing setting forth the particulars of such claim or action and the owner of Subject Bonds shall assume the defense thereof including the employment of counsel, satisfactory to the Corporation (who shall not, except with the consent of the Corporation, be counsel for the owner of Subject Bonds), and the payment of all expenses. The Corporation or any such controlling person shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the Corporation or such controlling person or persons unless the employment, and payment by the owner of Subject Bonds, of such counsel has been specifically authorized by the owner of Subject Bonds or unless, in the opinion of counsel to the Corporation, the Corporation has a defense or defenses not available to the owner of Subject Bonds.

23. Fees and Expenses

The Corporation will pay the Dealer Manager fees based upon the amount of Subject Bonds purchased pursuant to this Invitation. In addition, the Corporation will pay the Dissemination Agent its reasonable out-of-pocket costs and expenses (including, but not limited to, the fees and expenses of its attorneys) relating to this Invitation and fees and expenses of counsel representing the Corporation.

No fees or commissions have been or will be paid by the Corporation to any other broker, dealer or other person in connection with this Invitation. Beneficial owners of Subject Bonds holding through brokers, dealers, custodian banks, depositories, trust companies or other nominees are urged to consult their brokers, dealers, custodian banks, depositories, trust companies or other nominees to determine whether transaction costs are applicable.

24. Miscellaneous

In accordance with the Indenture, the Corporation will direct and authorize the Trustee to purchase Subject Bonds on behalf of the Corporation upon the terms and conditions of this Invitation. Therefore, pursuant to such instruction and authorization, and in compliance with the Indenture, any solicitation, acceptance, allocation and purchase of Subject Bonds upon the terms and conditions of this Invitation is being made by the Corporation.

MISSISSIPPI HIGHER EDUCATION ASSISTANCE CORPORATION

By: /s/ Sid J. Sims

Authorized Officer

APPENDIX A
Mississippi Higher Education Assistance Corporation
Subject Bonds

Auction Rate Student Loan Revenue Bonds

CUSIP*	Series	Initial Principal Amount	Outstanding Principal Amount (June 3, 2010)	Maturity
605-354-DM8	Senior Series 1996-A	\$39,200,000	\$29,200,000	9/1/2016
605-354-DV8	Senior Series 1998-B	\$42,100,000	\$42,100,000	9/1/2033
Total Outstanding			\$71,300,000	

* None of the Corporation, the Dealer Manager or the Dissemination Agent shall be responsible for the selection or use of the CUSIP numbers, nor is any representation made as to the correctness thereof as indicated in this Invitation. CUSIP numbers are included solely for the convenience of owners.