

**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-DW6	Senior Series 1999-A1
605-354-DY2	Senior Series 1999-A3
605-354-DZ9	Subordinate Series 1999-B1
605-354-EA3	Senior Series 2000-A1
605-354-EB1	Subordinate Series 2000-B1
605-354-EC9	Senior Series 2000-A2
605-354-ED7	Senior Series 2000-A3
605-354-EE5	Subordinate Series 2000-B2
605-354-EF2	Senior Series 2000-A4
605-354-EG0	Subordinate Series 2000-B3
605-354-EH8	Subordinate Series 2000-B3
605-354-EJ4	Senior Series 2001-A1
605-354-EK1	Senior Series 2003-A1
605-354-EL9	Senior Series 2003-A2
605-354-EM7	Subordinate Series 2003-B1
605-354-EN5	Senior Series 2003-A3
605-354-ER6	Senior Series 2004-A2
605-354-ES4	Senior Series 2004-A3
605-354-ET2	Senior Series 2004-A4
605-354-EU9	Senior Series 2005-A3
605-354-EV7	Senior Series 2005-A4
605-354-EW5	Senior Series 2005-A5
605-354-EX3	Senior Series 2005-A1
605-354-EY1	Senior Series 2005-A2
605-354-EZ8	Subordinate Series 2005-B1
605-354-FA2	Senior Series 2006-A1
605-354-FB0	Subordinate Series 2006-B1
605-354-FC8	Senior Series 2006-A2

**Events Reported:** Fitch Ratings Press Release

On or about January 30, 2009, Fitch Ratings issued a press release with respect to its rating actions on the above-referenced obligations. A copy of that press release is attached.

The information contained in this Event Notice has been submitted by Mississippi Higher Education Assistance Corporation (“MHEAC”) to report certain events with respect to the above-referenced 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 Securities, or any other securities of MHEAC. General information concerning MHEAC is available at [www.esfweb.com/mheac.html](http://www.esfweb.com/mheac.html).

Date submitted: February 4, 2009

**Fitch Takes Various Rating Actions on Mississippi Higher Education Assistance Corporation 1999 Trust.**

Fitch Ratings-New York- 30 January 2009: Fitch Ratings has affirmed 20 classes of senior bonds and 7 classes of subordinate bonds remained on Rating Watch Negative. The bonds were issued by Mississippi Higher Education Assistance Corporation 1999 Trust. The Class B notes were initially placed on Rating Watch Negative on Oct. 31, 2008. The actions follow a review of the trust collateral performance taken in conjunction with Fitch's ongoing review of student loan transactions with auction rate exposure.

As of September 30, the trust had a balance of approximately \$133 million in the redemption account, of which approximately \$117 million was recycling proceeds not used to purchase additional student loans into the trust by the end of the period ending on July 1, 2008, and approximately \$16 million was revenues transferred to the redemption account. As per the legal documents, unused recycling proceeds are to be transferred to the redemption account without an actual date specified on which these funds are to be used to pay debt principal. As a result, these funds create negative carry affecting the ability of the trust to generate excess spread and reach an asset to liability, or parity, ratio of 100%. In October 2008, the issuer contributed \$3 million to the trust primarily to mitigate such negative carry. As of the September 30, 2008 remittance report, total parity was 99.64% and senior parity was approximately 109%.

The issuer has indicated to Fitch its intention to use these funds to redeem debt by July 1, 2009. If these funds are not used by this date and trust parity remains below 100%, Fitch will take appropriate rating action, which may include downgrading the subordinate bonds as much as three notches.

The trust consists of 35.0% tax exempt auction rate debt and 63.5% taxable auction rate debt and 1.5% fixed rate debt. For the taxable auction rate bonds, the maximum rates are capped at the lesser of 1 Month LIBOR+1.5% for the 'AAA' rated bonds and 1 Month LIBOR+2.5% for the 'A' rated bonds, not to exceed the Net Loan Rate. The Net Loan Rate is calculated by subtracting program expenses and bond fees from the effective student loan rate. For the tax exempt debt the maximum rate is capped the SIFMA rate times 175% for bonds rated 'A-' and higher.

Credit enhancement consists of a reserve fund. Additionally, the senior bonds benefit from subordination provided by the lower priority bonds.

The collateral supporting the bonds consists of federally guaranteed student loans originated under the Federal Family Education Loan Program (FFELP). FFELP loans are guaranteed by an eligible guarantor to at least 97% of principal and accrued interest, depending on loan origination date. The FFELP loans are also reinsured by the U.S. Department of Education up to the same amounts.

The student loan portfolio is serviced by Education Services Foundation (ESF), Chase Student Loan Servicing and Pennsylvania Higher Education Assistance Agency.

The ratings affirmed are as follows:

- Class 1999 A-1, 'AAA';
- Class 1999 A-3, 'AAA';
- Class 2000 A-1, 'AAA';
- Class 2000 A-2, 'AAA';
- Class 2000 A-3, 'AAA';
- Class 2000 A-4, 'AAA';
- Class 2001 A-1, 'AAA';
- Class 2003 A-1, 'AAA';
- Class 2003 A-2, 'AAA';
- Class 2003 A-3, 'AAA';
- Class 2004 A-2, 'AAA';
- Class 2004 A-3, 'AAA';
- Class 2004 A-4, 'AAA';
- Class 2005 A-1, 'AAA';
- Class 2005 A-2, 'AAA';
- Class 2005 A-3, 'AAA';
- Class 2005 A-4, 'AAA';
- Class 2005 A-5, 'AAA';
- Class 2006 A-1, 'AAA';
- Class 2006 A-2, 'AAA'.

The ratings that remain on rating watch negative are as follows:

- Class 1999 B-1, 'A';
- Class 2000 B-1, 'A';
- Class 2000 B-2, 'A';
- Class 2000 B-3, 'A';
- Class 2003 B-1, 'A';
- Class 2005 B-1, 'A';
- Class 2006 B-1, 'A'.

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Fitch's rating definitions and the terms of use of such ratings are available on the agency's public site, '[www.fitchratings.com](http://www.fitchratings.com)'. Published ratings, criteria and methodologies are available from this site, at all times. Fitch's code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance and other relevant policies and procedures are also available from the 'Code of Conduct' section of this site.