

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-EP0	Senior Series 2004-A1
605-354-EQ8	Subordinate Series 2004-B1
605-354-FD6	Senior Series 2007-A1
605-354-FE4	Senior Series 2007-A2
605-354-FF1	Subordinate Series 2007-B1

Events Reported: Supplement to Indenture
Potential Purchases of Obligations

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 June 1, 2004, and supplements thereto (the “Indenture”). The securities listed above are referred to herein as the “Securities.” The trust estate subject to the Indenture is referred to herein as the “Trust Estate.”

The Securities have credit ratings as follows:

Senior Securities:	“Aaa” “AAA”	Moody’s Investors Service Fitch Ratings
Subordinate Securities:	“Caa1” “BB”	Moody’s Investors Service Fitch Ratings

The Securities are subject to auction primarily at 35 day intervals. Since February, 2008, almost all auctions have had an insufficient number of bidders for the Securities resulting in “failed auctions.” As a result, the interest rates on the Securities have usually been the applicable maximum rate under the Indenture.

Supplemental Indenture

On or about July 31, 2009, MHEAC and the trustee pursuant to the Indenture executed a supplemental indenture dated as of July 1, 2009 (the “July 1, 2009, Supplement”). Pursuant to the Indenture: (i) funds credited to the Acquisition Account can be used to acquire Student Loans during a period ending on June 1, 2010 (subject to extension of such period as provided in the Indenture); and (ii) any funds remaining credited to the Acquisition Account after June 1, 2010, are to be transferred to the Redemption Subaccount and used to redeem Securities at par plus accrued and unpaid interest. The July 1, 2009,

Supplement authorizes one or more transfers of moneys from the Acquisition Account to the Redemption Subaccount and application of such funds: (i) to purchase Outstanding Securities pursuant to the Indenture at prices (including expenses) not exceeding 95% of the principal amount thereof, plus accrued and unpaid interest thereon, or (ii) to redeem Outstanding Securities, in either instance as directed by MHEAC. If any of such funds are used to redeem Outstanding Securities, the redemption price will be par plus accrued and unpaid interest, as provided in the Indenture.

The July 1, 2009 Supplement further provides that: (i) if after one hundred eighty (180) days (or such longer period as shall be specified in a Corporation Order delivered to the Trustee and accompanied by written evidence from each Rating Agency that using such longer period for purposes of this subsection will not cause the withdrawal or reduction of any Rating or Ratings then applicable to any of the Securities) of the transfer of funds from the Acquisition Account to the Redemption Subaccount, the amount so transferred and not yet used to purchase or redeem Securities exceeds \$500,000, such excess shall be promptly applied to redeem Outstanding Securities; and (ii) no Subordinate Securities shall be purchased with moneys credited to the Redemption Subaccount unless either (a) after such purchase the Senior Asset Requirement applicable to redemption of Securities shall be met, or (b) the Trustee shall have received written evidence from each Rating Agency that such purchase will not cause a reduction or withdrawal of any ratings then applicable to the Securities.

Approximately \$11,600,000 is currently credited to the Acquisition Account. MHEAC anticipates that: (i) a portion of such funds will be transferred to the Redemption Subaccount and used to purchase Securities at prices not exceeding 95% of the principal amount thereof, plus accrued and unpaid interest thereon; and (ii) the remainder of such funds will remain in the Acquisition Account and be used to purchase Student Loans.

Purchases of Securities – Trading Portals

MHEAC believes that certain holders may be interested in selling their Securities at discounted prices and anticipates purchasing Securities at prices which reflect discounts to par. Purchases by MHEAC provide liquidity for some holders who independently make the decision to sell Securities at a discount. MHEAC is making no recommendation concerning whether any holder should sell Securities.

Purchases of Securities at a discount followed by surrender for cancellation will reduce the principal amount of the debt under the Indenture by an amount greater than the amount of assets from the Trust Estate used to purchase the Securities, and thus will strengthen the Trust Estate.

MHEAC currently anticipates that most, if not all, purchase transactions will be through a trading portal, SecondMarket (formerly Restricted Securities Trading Network), and parties interested in selling Securities to MHEAC should contact SecondMarket (<http://www.secondmarket.com>). MHEAC may consider certain purchases directly from holders and in the future may consider purchasing through one or more entities similar to SecondMarket.

The funds available to purchase Securities are not sufficient to purchase all Securities that may be offered for purchase. MHEAC will purchase Securities using moneys transferred to the Redemption Subaccount from the Acquisition Account only if the purchase price does not result in a total cost exceeding 95% of par, plus accrued and unpaid interest. MHEAC will determine which Securities, if any, to purchase based on a number of factors, including but not limited to the “ask price” bid and the series, maturity, failed auction interest rate provisions, cash available for purchases under the Indenture, and other terms and characteristics related to such Securities.

MHEAC presently anticipates that in the foreseeable future it will only be using funds within the Trust Estate for purchases of Securities, including moneys transferred from the Acquisition Account to the Redemption Subaccount as described above and other moneys transferred from time to time to the Redemption Subaccount pursuant to the Indenture.

The purchase of Securities at a particular price is not an indication of MHEAC's willingness to pay that same price on future purchases. MHEAC may decide not to bid on Securities or may cease bidding on Securities at any time.

Disclaimers

Although MHEAC is not currently considering any proposals to restructure and/or refund the Securities, opportunities to restructure and/or refund the Securities could arise in the future. If Securities are restructured and/or refunded, holders could be paid 100% of the principal amount of the Securities.

There can be no assurance that there will be any restructuring and/or refunding of Securities, when any such actions will occur, if ever, and what proportion of the outstanding Securities will be restructured, redeemed or purchased, if any. Developments in the legislative, regulatory and/or credit market arenas may or may not create additional options for MHEAC's consideration in the future. While there are a number of legislative, regulatory and credit market initiatives ongoing, as mentioned from time to time in the media, MHEAC has no way of gauging how any such initiatives will impact the student loan auction rate bond market, student loan finance markets in general or MHEAC in particular, if at all.

Before deciding to list any Securities with any trading portal, holders should review the structure and procedures of the trading portal, applicable fees and charges, and any restrictions on access to the trading portal with their legal and financial advisors and direct any questions to the trading portal provider. MHEAC is not able to answer questions regarding the structure and procedures of any trading portal, any applicable fees and charges, or any restrictions on access to any trading portal or the valuation of the Securities. Each holder must form his or her own judgment as to the valuation of the Securities, the steps necessary to comply with any access requirements relating to the trading portal and whether participating in the secondary market is appropriate for such holder. In making such determinations, each holder is advised to consult with his or her legal and financial advisors, including, if appropriate, a registered broker-dealer.

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 Securities. 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.

Date submitted: July 31, 2009