HIGHER EDUCATION LOAN AUTHORITY OF THE STATE OF MISSOURI
ANNUAL FILING
DECEMBER, 2009

The Higher Education Loan Authority of the State of Missouri (the "Authority" or "MOHELA") is making this annual filing pursuant to its various continuing disclosure obligations (the "Continuing Disclosure Obligations") with respect to certain of its outstanding student loan revenue bond issues (as described herein, the "Bonds"). While the Authority is not obligated to file annual continuing disclosure with respect to all of its Bonds, and while the Continuing Disclosure Obligations may differ from series to series of Bonds which do require continuing disclosure, the Authority has determined to voluntarily provide comparable information regarding each of its issuances in an effort to provide its bondholders and other interested parties with information that might be relevant to them. This Annual Filing contains certain information (typically as of September 30, 2009) with respect to each of the Student Loan Program Bond Resolutions or Indentures under which the Authority had debt outstanding during the disclosure year, information regarding the Authority, including additional information regarding its outstanding debt, as well as information regarding recent student loan industry developments. Additional information regarding the various series of Bonds can be found in the Material Event and other filings that have been filed with the various Nationally Recognized Municipal Securities Information Repositories via DisclosureUSA in connection therewith, some of which are referenced herein and on MOHELA's website (www.mohela.com), and by reference to the Official Statements or other offering documents for such Bonds or other MOHELA debt issuance. The Authority reserves the right in the future to discontinue providing certain information not otherwise required by its Continuing Disclosure Obligations.

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GENERAL INFORMATION REGARDING AND DESCRIPTION OF LOANS UNDER AUTHORITY 6TH GENERAL STUDENT LOAN PROGRAM BOND RESOLUTION

The proceeds of the Bonds issued by the Higher Education Loan Authority of the State of Missouri (the "Authority") pursuant to the 6th General Student Loan Program Bond Resolution, as amended to date (collectively, the "6th Resolution"), are used to finance or refinance Eligible Loans (defined hereafter), to fund a reserve account and to pay certain costs of issuance.

As of September 30, 2009, the trust estate under the 6th Resolution held (a) $49.8 million in Bonds outstanding , (b) approximately $3.0 million in cash, accrued receivables and investments on deposit and (c) approximately $53 million in student loans insured, guaranteed or otherwise permitted pursuant to the 6th Resolution ("Eligible Loans") having characteristics substantially similar to those described below. **Eligible Loans financed or refinanced thereafter and held under the 6th Resolution may have characteristics similar to such Loans or the characteristics of such Eligible Loans may vary materially from the characteristics of the Eligible Loans described below.**

The principal of and interest on the Bonds is insured by Ambac Assurance Corporation ("Ambac"). During the 2009 disclosure year, Ambac's Insurer Financial Strength rating underwent downgrades by the various rating agencies. Additional information about these rating downgrades can be found under those filings filed by the Authority during the 2009 disclosure year with the various Nationally Recognized Municipal Securities Information Repositories via DisclosureUSA.

Distribution of Portfolio by Loan Type (as of September 30, 2009)

Loan Type	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
Stafford	$40,978,475.71	77.63%
Consolidation	5,373,146.00	10.17%
PLUS/SLS	6,437,800.96	12.20%
HEAL Loans	0.00	0.00%
Supplemental Loans	0.00	0.00%
TOTALS:	$52,789,422.67	100.00%

Distribution of Portfolio by Borrower Payment Status (as of September 30, 2009)

Borrower Payment Status	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
In School	$ 4,951,309.80	9.38%
In Grace	2,046,683.17	3.88%
Forbearance	9,719,867.39	18.41%
Deferment	10,480,249.59	19.85%
Repayment	25,591,312.72	48.48%
TOTALS:	$52,789,422.67	100.00%

Distribution of Portfolio by School Type (as of September, 30, 2009)

School Type	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
Four-Year Schools	$38,910,280.03	73.71%
Two-Year Schools	8,070,035.06	15.29%
Graduate Schools	41,381.93	0.08%
Other	5,767,725.65	10.92%
TOTALS:	$52,789,422.67	100.00%

GENERAL INFORMATION REGARDING AND DESCRIPTION OF LOANS UNDER AUTHORITY 8TH GENERAL STUDENT LOAN PROGRAM BOND RESOLUTION

The proceeds of the Bonds issued by the Higher Education Loan Authority of the State of Missouri (the "Authority") pursuant to the 8th General Student Loan Program Bond Resolution, as amended to date (collectively, the "8th Resolution"), are used to finance or refinance Eligible Loans (defined hereafter), to fund a reserve account and to pay certain costs of issuance.

As of September 30, 2009, the trust estate under the 8th Resolution held (a) $37,400,000 in Bonds outstanding, (b) approximately $2.7 million in cash, accrued receivables and investments on deposit, (c) approximately $37 million in student loans insured, guaranteed or otherwise permitted pursuant to the 8th Resolution ("Eligible Loans") having characteristics substantially similar to those described below and (d) a reserve account balance of approximately $244 thousand. **Eligible Loans financed or refinanced thereafter and held under the 8th Resolution may have characteristics similar to such Loans or the characteristics of such Eligible Loans may vary materially from the characteristics of the Eligible Loans described below.**

The Bonds are secured by an irrevocable direct-pay letter of credit (the "Letter of Credit") issued by Bank of America, N.A. ("Bank of America"). The Authority recently received notice from Bank of America regarding its election not to renew the Letter of Credit, which expires in March of 2009. The Authority is in the process of negotiating renewal of the Letter of Credit with Bank of America or seeking a replacement letter of credit or other liquidity from another entity.

Distribution of Portfolio by Loan Type (as of September 30, 2009)

Loan Type	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
Stafford	$32,760,812.97	88.68%
Consolidation	0.00	0.00%
PLUS/SLS	4,183,335.92	11.32%
HEAL Loans	0.00	0.00%
Supplemental Loans	0.00	0.00%
TOTALS:	$36,944,148.89	100.00%

Distribution of Portfolio by Borrower Payment Status (as of September 30, 2009)

Borrower Payment Status	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
In School	$ 2,274,633.48	6.16%
In Grace	1,203,983.65	3.26%
Forbearance	6,029,066.54	16.32%
Deferment	7,052,179.71	19.09%
Repayment	20,384,285.51	55.17%
TOTALS:	$36,944,148.89	100.00%

Distribution of Portfolio by School Type (as of September 30, 2009)

School Type	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
Four-Year Schools	$27,895,489.77	75.51%
Two-Year Schools	5,424,631.26	14.68%
Graduate Schools	6,276.73	0.02%
Other	3,617,751.13	9.79%
TOTALS:	$39,944,148.89	100.00%

GENERAL INFORMATION REGARDING AND DESCRIPTION OF LOANS UNDER AUTHORITY 11TH GENERAL STUDENT LOAN PROGRAM BOND RESOLUTION

The proceeds of the Bonds issued by the Higher Education Loan Authority of the State of Missouri (the "Authority") pursuant to the 11th General Student Loan Program Bond Resolution, as amended to date (collectively, the "11th Resolution"), are used to finance or refinance Eligible Loans (defined hereafter), to fund a reserve account and to pay certain costs of issuance.

As of September 30, 2009, the trust estate under the 11th Resolution held (a) approximately $2.81 billion in Bonds outstanding, (b) approximately $178 million in cash, accrued receivables and investments on deposit under the 11th Resolution, (c) approximately $2.7 billion in student loans insured, guaranteed or otherwise permitted pursuant to the 11th Resolution ("Eligible Loans") having characteristics substantially similar to those described below and (d) a Reserve Account balance of approximately $14 million. **Eligible Loans financed or refinanced thereafter and held under the 11th Resolution may have characteristics similar to such Loans or the characteristics of such Eligible Loans may vary materially from the characteristics of the Eligible Loans described below.**

Since mid-February 2008, almost every auction of the auction rate bonds issued by the Authority under the 11th Resolution has failed to attract enough bidders, resulting in "failed auctions" which have caused the interest rates on the auction rate bonds to be determined on the basis of formulae which do not reflect market interest rates, increased the volatility of interest rates on the auction rate bonds and, at times, increased the interest rates on the auction rate bonds. Additional information about these failed auctions can be found under those filings filed by the Authority with the various Nationally Recognized Municipal Securities Information Repositories via DisclosureUSA during the 2008 disclosure year.

As noted in the annual filing for the 2008 disclosure year, in December 2008 MOHELA purchased and canceled nearly $370 million in its 11th Resolution auction rate bonds in a transaction with Commerce Bank, N.A. Additional information regarding that transaction can be found under those filings dated December 16, 2008 and December 19, 2008 filed by the Authority with the various Nationally Recognized Municipal Securities Information Repositories via DisclosureUSA. Similarly, in May 2009, the 11th Resolution was amended to approve the purchase by another bondholder of certain Eligible Loans financed with the proceeds of those bonds outstanding under the 11th Resolution from the Authority to provide funds to the Authority to purchase and cancel $785,125,000 of auction rate bonds owned by such bondholder. Additional information about this sale and purchase can be found under a filing dated May 27, 2009 filed by the Authority with the various Nationally Recognized Municipal Securities Information Repositories via DisclosureUSA. The Authority has also used funds available in the trust estate to purchase auction rate bonds at a discount for immediate cancellation.

Distribution of Portfolio by Loan Type (as of September 30, 2009)

Loan Type	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
Stafford	$1,325,173,136.90	48.35%
Consolidation	1,183,169,801.26	43.17%
PLUS/SLS	232,061,043.93	8.47%
HEAL Loans	367,731.69	0.01%
Supplemental Loans	0.00	0.00%
TOTALS:	$2,740,771,713.78	100.00%

Distribution of Portfolio by Borrower Payment Status (as of September 30, 2009)

Borrower Payment Status	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
In School	$ 206,981,248.02	7.55%
In Grace	116,208,723.11	4.24%
Forbearance	468,320,805.16	17.09%
Deferment	446,898,315.13	16.31%
Repayment	1,502,362,622.36	54.80%
TOTALS:	$2,740,771,713.78	100.00%

Distribution of Portfolio by School Type (as of September 30, 2009)

School Type	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
Four-Year Schools	$2,049,121,644.04	74.76%
Two-Year Schools	311,372,472.03	11.36%
Graduate Schools	4,909,114.16	0.18%
Other	375,368,483.55	13.70%
TOTALS:	$2,740,771,713.78	100.00%

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GENERAL INFORMATION REGARDING AND DESCRIPTION OF LOANS UNDER AUTHORITY 12TH GENERAL STUDENT LOAN PROGRAM BOND RESOLUTION

The proceeds of the Bonds issued by the Higher Education Loan Authority of the State of Missouri (the "Authority") pursuant to the 12th General Student Loan Program Bond Resolution, as amended to date (collectively, the "12th Resolution"), are used to finance or refinance Eligible Loans (defined hereafter), to fund a reserve account and to pay certain costs of issuance.

As of September 30, 2009, the trust estate under the 12th Resolution held (a) $337 million in Bonds outstanding, (b) approximately $41.4 million in cash, accrued receivables and investments on deposit and (c) approximately $310 million in student loans insured, guaranteed or otherwise permitted pursuant to the 12th Resolution ("Eligible Loans") having characteristics substantially similar to those described below. The Debt Service Reserve Fund under the 12th Resolution is funded with a surety bond from Ambac Assurance Corporation ("Ambac"). **Eligible Loans financed or refinanced thereafter and held under the 12th Resolution may have characteristics similar to such Loans or the characteristics of such Eligible Loans may vary materially from the characteristics of the Eligible Loans described below.** Recycling is no longer in place for the 12th Resolution and the Authority is no longer purchasing additional Eligible Loans with proceeds received thereunder.

The principal of and interest on the Bonds is insured by Ambac. During the 2009 disclosure year, Ambac's Insurer Financial Strength rating underwent downgrades by the various rating agencies. Additional information about these rating downgrades can be found under those filings filed by the Authority during the 2009 disclosure year with the various Nationally Recognized Municipal Securities Information Repositories via DisclosureUSA.

Since mid-February 2008, almost every auction of the auction rate bonds issued by the Authority under the 12th Resolution has failed to attract enough bidders, resulting in "failed auctions" which have caused the interest rates on the auction rate bonds to be determined on the basis of formulae which do not reflect market interest rates, increased the volatility of interest rates on the auction rate bonds and, at times, increased the interest rates on the auction rate bonds. Additional information about these failed auctions can be found under those filings filed by the Authority with the various Nationally Recognized Municipal Securities Information Repositories via DisclosureUSA during the 2008 disclosure year.

On December 8, 2008 and February 15, 2009, approximately $9,000,000 and $7,000,000 respectively of the fixed rate bonds issued by the Authority under the 12th Resolution were redeemed at a redemption price of 100% plus accrued interest, if any, to such redemption dates from excess revenues of the Authority held in the trust estate for the 12th Resolution. The Authority has also used funds available in the trust estate to purchase auction rate bonds at a discount for immediate cancellation.

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Distribution of Portfolio by Loan Type (as of September 30, 2009)

Loan Type	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
Stafford	$42,401,722.24	13.66%
Consolidation	30,283,854.33	9.76%
PLUS/SLS	4,225,132.18	1.36%
HEAL Loans	129,840.23	0.04%
Supplemental Loans	233,346,864.51	75.18%
TOTALS:	$310,387,413.49	100.00%

Distribution of Portfolio by Borrower Payment Status (as of September 30, 2009)

Borrower Payment Status	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
In School	$39,052,429.30	12.58%
In Grace	19,092,156.84	6.15%
Forbearance	28,587,635.83	9.21%
Deferment	41,453,462.29	13.36%
Repayment	182,201,729.23	58.70%
TOTALS:	$310,387,413.49	100.00%

Distribution of Portfolio by School Type (as of September 30, 2009)

School Type	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
Four-Year Schools	$269,622,373.33	86.87%
Two-Year Schools	24,605,458.79	7.93%
Graduate Schools	101,487.12	0.03%
Other	16,058,094.25	5.17%
TOTALS:	$310,387,413.49	100.00%

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GENERAL INFORMATION REGARDING AND DESCRIPTION OF LOANS UNDER AUTHORITY'S SERIES 2005 TRUST INDENTURE

The proceeds of the Bonds issued by the Higher Education Loan Authority of the State of Missouri (the "Authority") pursuant to the Series 2005 Trust Indenture, as amended to date (collectively, the "Series 2005 Indenture"), are used to finance or refinance Eligible Loans (defined hereafter), to fund a reserve account and to pay certain costs of issuance.

As of September 30, 2009, the trust estate under the Series 2005 Indenture held (a) $340 in Bonds outstanding, (b) approximately $17 million in cash, accrued receivables and investments on deposit, (c) approximately $311 million in student loans insured, guaranteed or otherwise permitted pursuant to the Series 2005 Indenture ("Eligible Loans") having characteristics substantially similar to those described below and (d) a reserve account balance of approximately $3.9 million. **Eligible Loans financed or refinanced thereafter and held under the Series 2005 Indenture may have characteristics similar to such Loans or the characteristics of such Eligible Loans may vary materially from the characteristics of the Eligible Loans described below.** Recycling was not in place for the Series 2005 Indenture during the 2008 disclosure year and the Authority was no longer purchasing additional Eligible Loans with proceeds received thereunder.

The principal of and interest on the Bonds is insured by MBIA Insurance Corp. ("MBIA"). During the 2009 disclosure year, MBIA's Insurer Financial Strength rating was downgraded by various rating agencies. The Authority further entered into separate liquidity facilities with DEPFA Bank plc ("DEPFA") with respect to the Bonds to provide for payment of the purchase price of properly tendered Bonds. Additional information about all of these rating downgrades can be found under those filings filed by the Authority during the 2009 disclosure year with the various Nationally Recognized Municipal Securities Information Repositories via DisclosureUSA. As of November 5, 2009 the 2005 Trust was redeemed in full. The refinancing of the 2005 Trust was completed through a draw on the Straight-A Conduit facility on October 30, 2009, a LIBOR Floating Rate Note issuance on November 5, 2009 and using other funding sources.

Distribution of Portfolio by Loan Type (as of September 30, 2009)

Loan Type	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
Stafford	$89,418,658.27	28.73%
Consolidation	190,214,876.57	61.12%
PLUS/SLS	31,602,192.68	10.15%
HEAL Loans	0.00	0.00%
Supplemental Loans	0.00	0.00%
TOTALS:	$311,235,727.52	100.00%

Distribution of Portfolio by Borrower Payment Status (as of September 30, 2009)

Borrower Payment Status	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
In School	$ 11,903,024.50	3.82%
In Grace	6,759,048.97	2.17%
Forbearance	50,256,776.46	16.15%
Deferment	54,671,374.19	17.57%
Repayment	187,645,503.40	60.29%
TOTALS:	$311,235,727.52	100.00%

Distribution of Portfolio by School Type (as of September 30, 2009)

School Type	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
Four-Year Schools	$267,777,705.87	86.03%
Two-Year Schools	25,208,623.42	8.10%
Graduate Schools	49,349.00	0.02%
Other	18,200,049.23	5.85%
TOTALS:	$311,235,727.52	100.00%

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GENERAL INFORMATION REGARDING AND DESCRIPTION OF LOANS UNDER AUTHORITY SERIES 2008 TRUST INDENTURE

The proceeds of the Series 2008A Bonds (the "Series 2008A Bonds") issued by the Higher Education Loan Authority of the State of Missouri (the "Authority") on October 16, 2008 pursuant to the Series 2008 Trust Indenture, as amended to date (collectively, the "Series 2008 Indenture"), are used to finance or refinance Eligible Loans.

As of September 30, 2009, the trust estate under the Series 2008 Indenture held (a) approximately $262.5 million in Bonds outstanding (b) approximately $12.2 million in cash, accrued receivables and investments on deposit under the 08 Indenture, and (c) approximately $271.4 million in student loans insured, guaranteed or otherwise permitted pursuant to the 08 Indenture ("Eligible Loans") having characteristics substantially similar to those described below. **Eligible Loans financed or refinanced thereafter and held under the Series 08 Indenture may have characteristics similar to such Loans or the characteristics of such Eligible Loans may vary materially from the characteristics of the Eligible Loans described below.**

The Bonds are secured by an irrevocable direct-pay letter of credit (the "Letter of Credit") issued by Bank of America, N.A. ("Bank of America") set to expire in October 2010. During the 2009 disclosure year, Fitch Ratings downgraded the Series 2008A Bonds from "AAA/F1+" to "A+/F1+". Additional information about this rating downgrade can be found under those filings filed by the Authority during the 2009 disclosure year with the various Nationally Recognized Municipal Securities Information Repositories via DisclosureUSA.

Distribution of Portfolio by Loan Type (as of September 30, 2009)

Loan Type	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
Stafford	$ 121,976,532.72	44.94%
Consolidation	121,349,075.57	44.70%
PLUS/SLS	28,135,599.91	10.36%
TOTALS:	$ 271,461,208.20	100%

Distribution of Portfolio by Borrower Payment Status (as of September 30, 2009)

Borrower Payment Status	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
In School	$ 21,201,076.25	7.81%
In Grace	8,441,964.08	3.11%
Forbearance	45,744,379.50	16.85%
Deferment	47,080,950.30	17.34%
Repayment	148,992,838.07	54.89%
TOTALS:	$ 271,461,208.20	100%

Distribution of Portfolio by School Type (as of September 30, 2009)

School Type	Aggregate Outstanding Principal Balance	Percent of Total Principal Balance
Four-Year Schools	$ 218,780,649.36	80.60%
Two-Year Schools	36,551,673.10	13.46%
Graduate	34,382.24	.01%
Other	16,094,503.50	5.93%
TOTALS:	$ 271,461,208.20	100%

THE AUTHORITY

The Authority was established in 1981 pursuant to the Missouri Higher Education Loan Authority Act (the "Authorizing Act") for the purpose of assuring that all eligible post-secondary education students have access to guaranteed student loans. The Authorizing Act was amended, effective August 28, 1994, to provide the Authority with generally expanded powers to finance, acquire and service student loans, including, but not limited to, those guaranteed or insured pursuant to the Higher Education Act.

The Authority is governed by a board of seven members, five of whom are appointed by the Governor of the State of Missouri (the "State"), subject to the advice and consent of the Senate of the State, and two others who are designated by statute: the State Commissioner of Higher Education and a member of the State Coordinating Board for Higher Education. The present members are:

Name	Term Expires	Occupation/Affiliation
Vacant*		Public Higher Education Institution Representative
Jennifer L. Kneib	October 2012	MetLife Home Loans St. Joseph, Missouri
W. Thomas Reeves	October 2011	President, Pulaski Bank St. Louis, Missouri
Dr. John Smith	October 2010	Educational Consultant St. Charles, Missouri
Dr. Willis Jackson Magruder	October 2013	President, A. T. Still University Kirksville, Missouri
Dr. Robert Stein	Indefinite	Commissioner, Missouri Department of Higher Education
Greg Upchurch	Indefinite	Missouri Coordinating Board for Higher Education

* Vacancy is a result of a resignation. Candidates for the vacant position are currently being considered.

The Authority has a staff of approximately 240 individuals performing customary loan servicing, administrative and related functions. The following is biographical information on the executive staff of the Authority.

Raymond H. Bayer, Jr. serves as Executive Director, Chief Executive Officer, and Assistant Secretary of the Authority. Reporting directly to the Authority's Board of Directors, he is responsible for all of the Authority's operations and oversees each of its business units. Mr. Bayer joined the Authority in 1985. Prior to becoming the Executive Director in 2006, he oversaw various business units including Loan Servicing, Loan Origination and Business Development. He holds a Bachelor of Science degree in Business Administration from the University of Missouri-St. Louis, a Master of Business Administration degree from Webster University, and a Master of Arts in Finance degree from Webster University. Mr. Bayer serves on the Advisory Board of the Webster University's School of Business and Technology.

Scott D. Giles serves as the Director of Finance and the Chief Financial Officer for the Authority. He is responsible for the Finance, Accounting, Treasury Management, and Lender Services and Reconciliation areas, as well as the Authority's capital structure strategy, financing transactions, interest rate risk management, cash management, investing and insurance. Mr. Giles previously served as the Authority's Treasurer. Prior to joining the Authority, Mr. Giles served as the Director of the Missouri Student Loan Group for the Missouri Department of Higher Education. Mr. Giles has served as a member of the Board of Directors of the National Council of Higher Education Loan Programs and as a member and Chairman of the Board for Mapping-Your-Future. He has also served as a commissioned bank examiner with the Federal Reserve Bank of St. Louis and as an assistant bank examiner with the Missouri Division of Finance. Mr. Giles holds a Bachelor of Science degree in Business Administration with an emphasis in Finance from Southeast Missouri State University and a Master of Public Administration degree from the University of Missouri–Columbia.

Mary J. Stewart serves as the Director of Operations for the Authority. She has direct oversight responsibilities for all operating units including Loan Origination, Loan Servicing, Support Services, Information Systems and Human Resources. Ms. Stewart holds a Bachelor of Science degree in Business Administration with a minor in Computer Science from Dana College in Blair, Nebraska. Ms. Stewart joined the Authority in 1990 and has held senior management roles in various divisions within the Authority, including most of the operational units.

William C. Shaffner serves as the Director of Business Development and Governmental Relations. He has supervisory responsibility for School and Lender Channel Sales, E-Commerce, Marketing and Governmental Relations. He also serves on the National Council of Higher Education Loan Programs and the Americorps-St. Louis Board of Directors. Mr. Shaffner joined the Authority in July 2004 and has over twenty-nine years of progressive experience in the Federal Family Education Loan Program ("FFEL Program") working at University of Central Florida, USA Funds, USA Group, Sallie Mae and American Student Assistance. Mr. Shaffner is a graduate of the University of Central Florida and holds a Bachelor of Science degree in Business Administration.

Dr. James Matchefts serves as General Counsel for the Authority. Dr. Matchefts joined the Authority in 2008. Prior to joining the Authority, Dr. Matchefts served for 10 years as General Counsel to the Missouri Department of Higher Education ("MDHE"). As part of his duties with the MDHE, Dr. Matchefts oversaw the operation of the MDHE Student Loan Program, which is Missouri's state-designated guaranty agency under the FFEL Program. For five years before joining the MDHE, he worked in the St. Louis, Missouri City Counselor's Office, representing the City of St. Louis in various civil litigation and corporate matters. He received his Juris Doctorate degree from Washington University in 1985 and his Doctor of Education degree from Saint Louis University in 2002.

Carol Malon serves as Controller for the Authority. She is responsible for Accounting, Accounts Payable and Accounts Receivable. Ms. Malon is a certified public accountant and holds a Bachelor of Science degree in Business Administration with emphasis in Accounting from the University of Missouri-St. Louis and a Masters of Business Administration degree from Washington University in St. Louis, Missouri. Ms. Malon joined the Authority in September 2008 and has over 20 years progressive experience in accounting and finance for Fortune-500, Mid-Cap and private companies.

Lewis and Clark Discovery Initiative

Legislation regarding the Authority was adopted by the 2007 Missouri General Assembly relative to Missouri Governor Matt Blunt's Lewis and Clark Discovery Initiative to provide funding for certain capital projects for Missouri's public higher education institutions (the "Initiative"). That law became effective on August 28, 2007. The legislation (the "LCDI Legislation") directs the Authority to distribute $350 million into a new fund in the State treasury known as the "Lewis and Clark Discovery Fund" (the "Fund") on the following schedule: $230 million no later than September 15, 2007; and installments of $5 million each calendar quarter ending September 30, 2013. Investment earnings on the Fund are credited against subsequent payments by the Authority. The General Assembly has appropriated the amounts in the Fund for capital projects that it approved at Missouri public colleges and universities.

Under the LCDI Legislation, the Missouri Director of Economic Development is to allocate to and reserve for the Authority in each year through 2021 at least 30% of Missouri's tax-exempt bond volume cap allocation. If any part of the $350 million to be paid into the Fund by the Authority is not paid by the end of 2013, the amount of this allocation may be reduced for 2014 and later years by the percentage of the $350 million not paid by the Authority to the Fund by the end of the preceding year.

In anticipation of the adoption of legislation requiring the Authority to provide funding for the Initiative, the Authority sold approximately $1.43 billion in principal amount of student loans (approximately 24% of its then loan portfolio) over a four-month period. All of the loans sold were consolidation loans believed by the Authority to involve non-Missouri residents. The loan sales resulted in the redemption of over $800 million in principal amount of outstanding taxable bonds of the Authority. The loan sales generated approximately $100 million in premiums, which amounts were used to partially fund the Initiative. In addition, the Authority was able to obtain the release of approximately $75 million in excess collateral under one of its bond resolutions.

These amounts, along with other excess collateral releases under other bond resolutions of the Authority, and other funds on hand, permitted the Authority to make the initial $230 million payment in September 2007 and the first $5 million payment in the fourth quarter of 2007. In the first quarter of 2008, a partial distribution (from investment earnings in the Fund) was made, but the remainder was withheld in accordance with the LCDI Legislation due to concerns that the distribution could materially adversely affect the service and benefits provided to Missouri students or residents, the borrower benefit programs of the Authority or the economic viability of the Authority. In the second quarter of 2008, the Authority voted to make the remainder of the distribution for the first quarter of 2008 but to delay the distribution for the second quarter of 2008 for the same reasons. On September 12, 2008, the Authority voted to distribute the approximately $1,350,000 in investment earnings on the Fund plus a $100,000 contribution from Authority funds. For each subsequent quarter through December 31, 2009, the Authority voted not to make distributions except for investment earnings. The LCDI Legislation provides that the entire $350 million is to be paid by September 30, 2013 unless otherwise approved by the Authority and the Missouri Commissioner of the Office of Administration.

The Authority will continue analyzing and determining on a quarterly basis what, if any, distribution the Authority should make to the LCDI Fund. The Authority is unsure whether it will be able to make any significant future distributions required by the LCDI Legislation on a timely basis. Any such distributions by the Authority could substantially decrease the amount of its capital and, accordingly, erode its funds for new programs and contingencies related to current operations.

Outstanding Debt of the Authority

As of September 30, 2009, the Authority had outstanding bonds and notes in the following amounts issued under the following bond resolutions and indentures. All such debt obligations are secured under such bond resolutions and indentures by collateral separate and distinct from, and such debt obligations have no interest in, each other.

		Amount Outstanding
6th General Bond Resolution		$ 49,820,000
8th General Bond Resolution		37,400,000
11th General Bond Resolution		2,811,525,000
12th General Bond Resolution		337,225,000
2005 Indenture		340,000,000[1]
2008 Indenture		262,500,000
	Total	$3,838,470,000

Auction Rate Securities Outstanding. As of September 30, 2009, $2,005,175,000 of the Bonds issued under the 11th Resolution and $337,225,000 of the Bonds issued under the 12th Resolution were Auction Rate Securities; the Authority had an aggregate amount of $2,342,400,000 in Auction Rate Securities outstanding as of September 30, 2009. The total aggregate amount of Authority Auction Rate Securities outstanding as of the date of this filing is $2,333,550,000.

Short-Term Indebtedness. In addition, as of September 30, 2009, the Authority had outstanding short-term indebtedness of $188,550,397 under its Straight A Conduit financing. The Authority had a $80 million Line of Credit from PNC/National City Bank, U. S. Bank and Pulaski Bank.

[1] 2005 Indenture bonds redeemed in full on November 5, 2009.

Outstanding Debt of the Authority by Series of Bonds

The following principal amounts of the Authority's various series of bonds issued under the respective resolutions and indentures were outstanding as of September 30, 2009:

6th General Resolution

Series 1988A Bonds	$49,820,000

8th General Resolution

Series 1990B Bonds	$37,400,000

11th General Resolution

Series 1994C Bonds	$27,300,000	Series 2002J Bonds	$34,900,000
Series 1994D Bonds	$24,200,000	Series 2002K Bonds	$36,000,000
Series 1996I Bonds	$10,000,000	Series 2002L Bonds	$36,200,000
Series 1996J Bonds	$13,850,000	Series 2002M Bonds	$13,400,000
Series 1996K Bonds	$25,000,000	Series 2002N Bonds	$12,800,000
Series 1997O Bonds	$5,045,000	Series 2003A Bonds	$57,850,000
Series 1997R Bonds	$15,700,000	Series 2003B Bonds	$4,850,000
Series 1997S Bonds	$19,100,000	Series 2003C Bonds	$76,650,000
Series 1998U Bonds	$7,150,000	Series 2003D Bonds	$42,050,000
Series 1998X Bonds	$4,650,000	Series 2003E Bonds	$56,150,000
Series 1998Y Bonds	$10,000,000	Series 2003F Bonds	$4,050,000
Series 1998Z Bonds	$22,800,000	Series 2004A Bonds	$14,000,000
Series 1999EE Bonds	$6,750,000	Series 2004B Bonds	$7,700,000
Series 1999LL Bond	$35,000,000	Series 2004C Bonds	$42,050,000
Series 1999MM Bonds	$31,100,000	Series 2004D Bonds	$20,350,000
Series 1999RR Bonds	$5,825,000	Series 2004E Bonds	$60,200,000
Series 2000SS Bonds	$31,400,000	Series 2004F Bonds	$63,350,000
Series 2001A Bonds	$60,200,000	Series 2004G Bonds	$61,400,000
Series 2001B Bonds	$82,600,000	Series 2004H Bonds	$44,900,000
Series 2001C Bonds	$27,950,000	Series 2004I Bonds	$41,300,000
Series 2001D Bonds	$66,000,000	Series 2004J Bonds	$49,600,000
Series 2001E Bonds	$71,250,000	Series 2004K Bonds	$40,350,000
Series 2001F Bonds	$33,200,000	Series 2006F1 Bonds	$100,000,000
Series 2001TT Bonds	$5,550,000	Series 2006F2 Bonds	$100,000,000
Series 2001UU Bonds	$53,400,000	Series 2006F3 Bonds	$100,000,000
Series 2001VV Bonds	$49,950,000	Series 2006F4 Bonds	$100,000,000
Series 2001XX Bonds	$7,450,000	Series 2006F5 Bonds	$100,000,000
Series 2002B Bonds	$31,580,000	Series 2006F6 Bonds	$100,000,000
Series 2002C Bonds	$23,600,000	Series 2006F7 Bonds	$100,000,000
Series 2002D Bonds	$37,000,000	Series 2006F8 Bonds	$50,000,000
Series 2002E Bonds	$62,300,000	Series 2007G Bonds	$42,000,000
Series 2002F Bonds	$64,700,000	Series 2007H Bonds	$65,575,000
Series 2002G Bonds	$51,600,000	Series 2007K Bonds	$27,250,000
Series 2002H Bonds	$54,700,000		
Series 2002I Bonds	$28,700,000		

12th General Resolution

Series 1995A Bonds	$19,850,000	Series 1996H Bonds	$55,000,000
Series 1995B Bonds	$55,000,000	Series 2006I Bonds	$60,600,000
Series 1995C Bonds	$44,750,000	Series 2006J Bonds	$62,675,000
Series 1995D Bonds	$39,350,000		

Series 2005 Indenture

Series 2005A Bonds	$118,800,000
Series 2005B-2 Bonds	$34,800,000
Series 2005B-3 Bonds	$900,000
Series 2005B-4 Bonds	$4,200,000
Series 2005B-5 Bonds	$100,000
Series 2005C-2 Bonds	$19,400,000
Series 2005D Bonds	$10,000,000
Series 2005E-02 Bonds	$6,500,000
Series 2006A Bonds	$88,600,000
Series 2006B-2 Bonds	$21,900,000
Series 2006B-3 Bonds	$8,100,000
Series 2006C-1 Bonds	$300,000
Series 2006C-2 Bonds	$14,700,000
Series 2006D Bonds	$11,700,000

The Series 2005 Trust Indenture was refinanced completely after the end of the 2009 disclosure year with proceeds from the Straight A conduit on October 30, 2009 and proceeds from the 2009-1 LFRN deal on November 5, 2009.

Series 2008 Indenture

Series 2008A-1 Bonds	$37,500,000
Series 2008A-2 Bonds	$225,000,000

STUDENT LOAN INDUSTRY DEVELOPMENTS AND INFORMATION RELATIVE TO THE AUTHORITY AND ITS OBLIGATIONS

Changes to the Higher Education Act, other Congressional Action and to other applicable law

Title IV of the Higher Education Act and the regulations promulgated by the United States Department of Education (the "Department of Education") thereunder have been the subject of frequent and extensive amendments and reauthorizations in recent years. There can be no assurance that relevant federal laws, including the Higher Education Act, or other relevant law or regulations, will not be changed in a manner that could adversely affect the Authority or its student loan programs, the trust estates or MOHELA bonds or notes. Funds for payments of interest benefit payments, special allowance payments, federal insurance and other payments under FFELP are subject to annual budgetary appropriations by Congress. While Congress has consistently extended the effective date of the Higher Education Act and the FFEL Program, it may elect not to reauthorize the Department of Education's ability to provide interest subsidies and federal insurance for loans in the future. This failure to reauthorize could adversely affect the Authority's student loan programs or the ability of various persons to comply with their obligations under the various transaction documents.

In addition, the operation of the FFEL Program has recently been, and may in the future be, affected by proposed and enacted federal budgetary, bankruptcy, tax and other legislation. For example, in early 2009, President Obama proposed a budget under which the FFEL Program would be eliminated in favor of the Federal Direct Student Loan Program (the "FDSL Program"). On April 29, 2009, Congress approved a $3.5 trillion budget that included reconciliation instructions directing the House Education and Labor committee and the Senate Health, Education, Labor and Pensions committee to report recommendations on or before October 15, 2009 to reduce the federal budget deficit by $1 billion for fiscal years 2009 through 2014. If President Obama's education budget proposals are realized during the reconciliation and appropriation processes to follow in Congress, then it is conceivable that FFELP loans made pursuant to the Higher Education Act would cease to be originated and acquired by the Authority and would be originated solely under the FDSL Program in the future.

On September 17, 2009, the United States House of Representatives adopted H.R. 3221 ("The Student Aid and Fiscal Responsibility Act of 2009" or "SAFRA"). On September 22, 2009, the United States Senate referred SAFRA to its Committee on Health, Education, Labor and Pensions, but has not released a timeline for its consideration of the proposed legislation. If SAFRA is enacted in the form adopted by the United States House of Representatives, then the FFELP Program would be eliminated and all loans made pursuant to the Higher Education Act would be originated solely under the FDSL Program beginning on July 1, 2010. In addition to the House's proposal, there are several other proposals for changes to the education financing framework that may be considered as the SAFRA legislation moves forward. These include a possible extension of the Ensuring Continued Access to Student Loans Act of 2008, which expires on July 1, 2010 and other proposals that propose alternatives to the 100% federal direct lending proposal reflected in SAFRA. In addition, various amendments to the Higher Education Act also authorize the Secretary to offer borrowers direct consolidation loans whereby a borrower may consolidate various student loans into a single loan with income sensitive repayment terms. The financing of such consolidation loans by the Secretary on a large scale basis may cause an increase in the number of prepayments of federal student loans and reduce the size of the Authority's student loan programs. As a result of all the changes to the FFEL Program, the net revenues resulting to holders of federal student loans have in some cases been reduced and may be reduced further in the future. As these reductions occur, cost increases and revenue reductions for guaranty agencies may occur.

The Authority cannot predict whether the 2010 Federal budget proposal will be approved or whether any other changes will be made to the Higher Education Act or other relevant federal laws, and rules and regulations promulgated by the Secretary of Education in future legislation, or the effect of such legislation on the Authority, the Servicers, the guaranty agencies, the financed student loans or the Authority's loan programs.

Competition from the Federal Direct Student Loan Program and other lenders

The FDSL Program was established under the Student Loan Reform Act of 1993. Under the FDSL Program, approved institutions of higher education, or alternative loan originators approved by the Department of Education, make loans to students or parents without application to or funding from outside lenders or guarantors. The Department of Education provides the funds for such loans, and the program provides for a variety of flexible repayment plans, including consolidations under the FDSL Program of existing FFEL Program student loans. Such consolidation permits borrowers to prepay existing student loans and consolidate them into a Federal Direct Consolidation Loan under the FDSL Program. The FDSL Program represents a competitive program to the FFEL Program and (a) may result in a reduced volume and variety of student loans available to be purchased or originated by the Authority; or (b) may result in prepayments of financed student loans if such financed student loans are consolidated under the FDSL Program. As described in the previous risk factor, current proposals would eliminate the FFEL Program in favor of the FDSL Program.

In addition to the competition from the FDSL Program, the Authority faces competition from other lenders that could decrease the volume of student loans that could be originated or purchased by the Authority. Due to the limited recourse nature of the trust estate for MOHELA bonds and notes, competition from the FDSL Program should not impact the payment of the bonds or notes unless it causes (i) erosion in the finances of the Authority to such an extent that it cannot honor any repurchase, administration or similar obligations under the Resolution or Indenture or (ii) causes the interest rates on the bonds or notes to increase more than the interest rates and subsidies received by the Authority on the financed student loans.

The Authority may be subject to investigations or the potential for litigation in connection with its outstanding auction rate securities

Auction rate securities generally, including student loan auction rate securities, have been the subject of significant scrutiny since the collapse of the auction rate securities market. Many auction rate securities broker-dealers and underwriters have reported receiving inquiries and subpoenas from the Securities and Exchange Commission ("SEC") and state regulators, and a number of such broker-dealers and underwriters have entered into settlements with the Securities and Exchange Commission stemming from such investigations. It is unclear what impact, if any, these actions may have on the Authority's auction rate securities. Beginning in 2008, several class action lawsuits have been filed against many of the investment banking firms who have acted as broker-dealers for auction rate securities and also against issuers of auction rate securities. Among the theories on which such litigation has been based are inadequate disclosure and misrepresentation. Some of the complaints have alleged that auction rate securities were sold to investors as "cash equivalents," and that auction rate securities are now illiquid. The Authority has not been a party to any such lawsuit nor has any such lawsuit been threatened against the Authority. However, no assurance can be given that such a lawsuit will not be filed against the Authority or that if such a lawsuit is filed against the Authority and is successful what the impact on the Authority's ongoing operations and programs might be.

The Authority may be subject to student loan industry investigations

Since 2007, a number of state attorneys general have announced or are reportedly conducting broad investigations of possible abuses in the student loan industry by various lenders and higher education institutions ("institutions"). The primary issues under review appear to include revenue sharing arrangements between lenders and institutions, the limiting by institutions of a borrower's ability to borrow from the lender of their choice, lenders' undisclosed plans to sell student loans to other lenders, undisclosed agreements between lenders and institutions regarding "opportunity loans" to students with little or no credit history, potential conflicts of interest in connection with the placement of lenders on "preferred lender" lists at institutions, and other arrangements between lenders and institutions which could adversely affect student borrowers. "Preferred lender lists" are lists of lenders recommended by the institutions' financial aid departments or other organizations to students and parents seeking financial aid. The Attorney General of New York was the first official to conduct such investigations and has reported agreements with dozens of institutions and several lenders. Other states followed quickly thereafter. In early 2007, Missouri's Attorney General announced that he had sent civil investigative demands to institutions in the State of Missouri and lenders nationwide inquiring as to their practices with respect to the matters described above. In late 2007, he announced that many Missouri institutions had entered into code of conduct agreements ("School Codes of Conduct") with the Attorney General regarding their student lending practices. Generally, these School Codes of Conduct prohibit institutions, as well as their employees, from receiving remuneration from lenders and employees from participating on lender advisory boards in exchange for compensation. Further, the employees of a lender are not allowed to staff the financial aid office of an institution, and lenders may not provide opportunity loans that might prejudice other student loan borrowers. The School Codes of Conduct go into great detail regarding the composition of preferred lender lists and required disclosure regarding the institution's decision-making process with respect to the lists and any agreements of lenders on the preferred lender lists to sell student loans to another lender. The Authority has loans to students from across the country, but it has not been contacted by other Attorneys General to respond to such investigations. Since such processes are typically confidential, the Authority will not necessarily be able to advise of any such contacts or its involvement in such matters. The activity and number of investigations nationally appears to have greatly diminished. The Authority adopted a Code of Conduct in December 2007, which it believes is consistent with the guidelines of the Missouri Attorney General and those of other states. The Authority plans to continue to cooperate with the institutions with which it works, the third-party lenders that participate in its Program, and the Attorneys General of Missouri and other states with respect to adopting a code of conduct describing the Authority's practices and affirming its commitment to be a responsible participant in the student loan industry.

The Department of Education has adopted regulations that impact the practices which are the subject of the foregoing investigations. See "Changes to the Higher Education Act and other applicable law may affect your notes" above.

General economic conditions

The United States economy has experienced a downturn or slowing of growth that started in the last five or six months of 2008. It is unclear at this time how long this downturn or slower growth may continue or if it will worsen. A downturn in the economy resulting in substantial layoffs either regionally or nationwide may result in an increase in delays by borrowers in paying financed student loans, thus causing increased default claims to be paid by guaranty agencies. It is impossible to predict the status of the economy or unemployment levels or at which point a downturn in the economy would significantly reduce revenues to the Authority or the guaranty agencies' ability to pay default claims. General economic conditions may also be affected by other events including the prospect of increased hostilities abroad. Certain such events may have other effects, the impact of which are difficult to project.

The United States military build-up may result in delayed payments from borrowers called to active military service

The ongoing build-up of the United States military has increased the number of citizens who are in active military service. The Servicemembers Civil Relief Act limits the ability of a lender under the FFELP to take legal action against a borrower during the borrower's period of active duty and, in some cases, during an additional three month period thereafter. The Authority does not know how many student loans have been or may be affected by the application of the Servicemembers Civil Relief Act. Payments on financed student loans may be delayed as a result of these requirements, which may reduce the funds available to the Authority to pay principal and interest on MOHELA bonds or notes.

State not liable on MOHELA bonds or notes

MOHELA bonds or notes shall not be deemed to constitute a debt or liability of the State of Missouri or any political subdivision, thereof, or a pledge of the faith and credit of the State or any such political subdivision, but are payable solely from the trust estate. Neither the faith and credit nor the taxing power of the State or of any political subdivision thereof is pledged to the payment of the principal of or the interest on MOHELA bonds or notes. The Authorizing Act does not in any way create a so called moral obligation of the State or of any political subdivision thereof to pay debt service in the event of a default. The Authority does not have taxing power.

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