

**MUNICIPAL SECONDARY MARKET DISCLOSURE
INFORMATION COVER SHEET**

Issuer's and/or Other Obligated Person's Name: Pennsylvania Higher Education Assistance Agency

CUSIP Numbers (attach additional sheet if necessary): _____

✓ Nine-Digit CUSIP Number(s) to which this material event notice relates: **See Attached Exhibit**

□ Information relates to all securities issued by issuer having the following six-digit numbers: _____

Number of pages attached material event notice: 4

Description of Material Events Notice (Check One)

- 1. Principal and interest payment delinquencies
- 2. Non-Payment related defaults
- 3. Unscheduled draws on debt service reserves reflecting financial difficulties
- 4. Unscheduled draws on credit enhancements reflecting financial difficulties
- 5. Substitution of credit or liquidity providers, or their failure to perform
- 6. Adverse tax opinions or events affecting the tax-exempt status of the security
- 7. Modifications to rights of securities holders
- 8. Bond calls
- 9. Defeasances
- 10. Release, substitution, or sale of property securing repayment of the security
- 11. Rating changes
- 12. Failure to provide annual financial information as required
- 13. Other material event notice (specify)

*14. Financial information: Please check all appropriate boxes:

- CAFR (a) includes does not include Annual Financial Information
(b) audited? Yes No
- Annual Financial Information: Audited: Yes No
- Operating Data
- Fiscal Period Covered: _____

*Financial Information should not be filed with the MSRB.

I hereby represent that I am authorized by the Issuer and/or Other Obligated Person as an agent of either to distribute this information publicly:

Signature: /s/ James L. Preston
Name: James L. Preston
Title: President and Chief Executive Officer
Employer: Pennsylvania Higher Education Assistance Agency
Address: 1200 North Seventh Street
City, State, Zip Code: Harrisburg, PA 17102-1444
Voice Telephone Number (717): 720-2202

**NOTICE to Holders of
\$7,441,000,000 Original Aggregate Principal Amount
Pennsylvania Higher Education Assistance Agency
Student Loan Revenue Bonds (Senior and Subordinate Series)**

Student Loan Revenue Bonds, Series	CUSIP¹
Student Loan Revenue Bonds, Senior Series A	709163BN8
Student Loan Revenue Bonds, Senior Series C	709163BQ1
Student Loan Revenue Bonds, Senior Series D	709163BR9
Student Loan Revenue Bonds, Senior Series F-1	709163BX6
Student Loan Revenue Bonds, Senior Series F-2	709163BY4
Student Loan Revenue Bonds, Senior Series F-3	709163BZ1
Student Loan Revenue Bonds, Senior Series H	709163BV0
Student Loan Revenue Bonds, Senior Series J-1	709163CB3
Student Loan Revenue Bonds, Senior Series J-2	709163CC1
Student Loan Revenue Bonds, Senior Series J-3	709163CD9
Student Loan Revenue Bonds, Senior Series J-4	709163CE7
Student Loan Revenue Bonds, Senior Series L-1	709163CH0
Student Loan Revenue Bonds, Senior Series L-2	709163CJ6
Student Loan Revenue Bonds, Senior Series R-1	709163CZ0
Student Loan Revenue Bonds, Senior Series R-2	709163DA4
Student Loan Revenue Bonds, Senior Series T-1	709163DC0
Student Loan Revenue Bonds, Senior Series T-2	709163DD8
Student Loan Revenue Bonds, Senior Series T-3	709163DE6
Student Loan Revenue Bonds, Senior Series T-4	709163DF3
Student Loan Revenue Bonds, Senior Series T-5	709163DG1
Student Loan Revenue Bonds, Senior Series V-1	709163DJ5
Student Loan Revenue Bonds, Senior Series V-2	709163DK2
Student Loan Revenue Bonds, Senior Series V-3	709163DL0
Student Loan Revenue Bonds, Senior Series V-4	709163DM8
Student Loan Revenue Bonds, Senior Series Y-1	709163DT3
Student Loan Revenue Bonds, Senior Series Y-2	709163DU0
Student Loan Revenue Bonds, Senior Series Y-3	709163DV8
Student Loan Revenue Bonds, Senior Series Y-4	709163DW6
Student Loan Revenue Bonds, Senior Series BB-1	709163EE5
Student Loan Revenue Bonds, Senior Series BB-2	709163EF2
Student Loan Revenue Bonds, Senior Series BB-3	709163EG0
Student Loan Revenue Bonds, Senior Series BB-4	709163EH8
Student Loan Revenue Bonds, Senior Series CC-1	709163EM7
Student Loan Revenue Bonds, Senior Series CC-2	709163EN5
Student Loan Revenue Bonds, Senior Series CC-3	709163EP0
Student Loan Revenue Bonds, Senior Series DD-1	709163EQ8
Student Loan Revenue Bonds, Senior Series DD-2	709163ER6
Student Loan Revenue Bonds, Senior Series EE-1	709163E54
Student Loan Revenue Bonds, Senior Series EE-2	709163ET2
Student Loan Revenue Bonds, Senior Series EE-3	709163EU9
Student Loan Revenue Bonds, Senior Series EE-4	709163EV7
Student Loan Revenue Bonds, Senior Series GG-1	709163EX3
Student Loan Revenue Bonds, Senior Series GG-2	709163EY1
Student Loan Revenue Bonds, Senior Series GG-3	709163EZ8
Student Loan Revenue Bonds, Senior Series GG-4	709163FA2

CUSIP is a registered trademark of American Bankers Association. None of PHEAA, the Dealer-Manager, the Structuring Agent, the Trustee, or the Tender Agent makes any representation as to, or takes responsibility for, the accuracy of such CUSIP numbers. CUSIP numbers are provided for convenience of reference only.

Student Loan Revenue Bonds, Series	CUSIP¹
Student Loan Revenue Bonds, Senior Series GG-5	709163FB0
Student Loan Revenue Bonds, Senior Series GG-6	709163FC8
Student Loan Revenue Bonds, Senior Series HH-1	709163FF1
Student Loan Revenue Bonds, Senior Series HH-2	709163FG9
Student Loan Revenue Bonds, Senior Series HH-3	709163FH7
Student Loan Revenue Bonds, Senior Series HH-4	709163FJ3
Student Loan Revenue Bonds, Senior Series HH-5	709163FK0
Student Loan Revenue Bonds, Senior Series HH-6	709163FL8
Student Loan Revenue Bonds, Senior Series HH-7	709163FM6
Student Loan Revenue Bonds, Senior Series HH-8	709163FN4
Student Loan Revenue Bonds, Senior Series HH-9	709163FP9
Student Loan Revenue Bonds, Senior Series HH-10	709163FQ7
Student Loan Revenue Bonds, Senior Series JJ-1	709163FS3
Student Loan Revenue Bonds, Senior Series JJ-2	709163FT1
Student Loan Revenue Bonds, Senior Series JJ-3	709163FU8
Student Loan Revenue Bonds, Senior Series JJ-4	709163FV6
Student Loan Revenue Bonds, Senior Series JJ-5	709163FW4
Student Loan Revenue Bonds, Senior Series JJ-6	709163FX2
Student Loan Revenue Bonds, Senior Series JJ-7	709163FY0
Student Loan Revenue Bonds, Senior Series JJ-8	709163GA1
Student Loan Revenue Bonds, Senior Series JJ-9	709163GB9
Student Loan Revenue Bonds, Senior Series JJ-10	709163GC7
Student Loan Revenue Bonds, Senior Series LL-1	709163GK9
Student Loan Revenue Bonds, Senior Series LL-2	709163GL7
Student Loan Revenue Bonds, Senior Series LL-3	709163GM5
Student Loan Revenue Bonds, Senior Series LL-4	709163GN3
Student Loan Revenue Bonds, Senior Series LL-5	709163GP8
Student Loan Revenue Bonds, Senior Series LL-6	709163GQ6
Student Loan Revenue Bonds, Senior Series LL-7	709163GR4
Student Loan Revenue Bonds, Senior Series LL-8	709163GS2
Student Loan Revenue Bonds, Senior Series LL-9	709163GT0
Student Loan Revenue Bonds, Senior Series LL-10	709163GU7
Student Loan Revenue Bonds, Senior Series MM-1	709163GV5
Student Loan Revenue Bonds, Senior Series MM-2	709163GW3
Student Loan Revenue Bonds, Senior Series MM-3	709163GX1
Student Loan Revenue Bonds, Senior Series MM-4	709163GY9
Student Loan Revenue Bonds, Senior Series MM-5	709163GZ6
Student Loan Revenue Bonds, Senior Series MM-6	709163HB8
Student Loan Revenue Bonds, Subordinate Series B	709163BP3
Student Loan Revenue Bonds, Subordinate Series E	709163BS7
Student Loan Revenue Bonds, Subordinate Series G	709163CA5
Student Loan Revenue Bonds, Subordinate Series I	709163BW8
Student Loan Revenue Bonds, Subordinate Series K	709163CF4
Student Loan Revenue Bonds, Subordinate Series M	709163CK3
Student Loan Revenue Bonds, Subordinate Series S	709163DB2
Student Loan Revenue Bonds, Subordinate Series U	709163DH9
Student Loan Revenue Bonds, Subordinate Series FF	709163EW5
Student Loan Revenue Bonds, Subordinate Series II	709163FR5
Student Loan Revenue Bonds, Subordinate Series KK	709163GD5
Student Loan Revenue Bonds, Subordinate Series NN	709163HA0
Student Loan Revenue Bonds, Senior Series N-1	709163CT4
Student Loan Revenue Bonds, Senior Series N-2	709163CU1
Student Loan Revenue Bonds, Senior Series P-1	709163CW7
Student Loan Revenue Bonds, Senior Series P-2	709163CX5
Student Loan Revenue Bonds, Senior Series W-1	709163DQ9

Student Loan Revenue Bonds, Series	CUSIP¹
Student Loan Revenue Bonds, Senior Series W-2	709163DR7
Student Loan Revenue Bonds, Senior Series Z-1	709163DX4
Student Loan Revenue Bonds, Senior Series Z-2	709163DY2
Student Loan Revenue Bonds, Senior Series Z-3	709163DZ9
Student Loan Revenue Bonds, Senior Series Z-4	709163EA3
Student Loan Revenue Bonds, Senior Series AA-1	709163EB1
Student Loan Revenue Bonds, Senior Series AA-2	709163EC9
Student Loan Revenue Bonds, Senior Series AA-3	709163ED7
Student Loan Revenue Bonds, Subordinate Series ○	709163CV9
Student Loan Revenue Bonds, Subordinate Series Q	709163CY3
Student Loan Revenue Bonds, Subordinate Series X	709163DS5

The above referenced bonds will be referred to as the "PHEAA Auction Rate Securities".

On May 29, 2008, The Student Loan Revenue Bonds, Senior Subseries P-1 and P-2 and Subordinate Series Q (collectively, the "PQ Bonds") issued by The Pennsylvania Higher Education Assistance Agency ("PHEAA") in the original aggregate principal amount of \$150,000,000 were selected for "examination" by the United States Department of the Treasury, Internal Revenue Service (the "IRS").

During the course of the examination in November, 2010, the IRS advised PHEAA that its position is that any potential settlement will include all of PHEAA's tax exempt bonds issued pursuant to the Indenture dated August 1, 1997 (the "1997 Indenture") and as a result any potential settlement amount would need to cover the Student Loan Revenue Bonds Senior Series N, Student Loan Revenue Bonds Subordinate Series 0, Student Loan Revenue Bonds, Senior Revenue Bonds Series P, Student Loan Revenue Bonds, Subordinate Series Q, Student Loan Revenue Bonds, Senior Revenue Bonds Series W, Student Loan Revenue Bonds, Subordinate Series X, Student Loan Revenue Bonds, Senior Revenue Bonds Series Z, and Student Loan Revenue Bonds, Senior Revenue Bonds Series AA (collectively, the "Tax Exempt Bonds"). As a result of PHEAA's tender offer completed on July 14, 2011, no PQ Bonds remain outstanding. The remaining Tax Exempt Bonds are presently outstanding in the approximate aggregate principal amount of \$205,325,000.

By letters dated July 21, 2011, the IRS advised that examinations had been formally opened with respect to the remaining Tax Exempt Bonds.

PHEAA has entered into a closing agreement with the IRS relating to the examination of the Tax Exempt Bonds (the "Closing Agreement"). The Closing Agreement provides that there is no change to the treatment of interest paid on the Tax Exempt Bonds.

As of December 31, 2010, PHEAA accrued \$3.0 million for a loss contingency in PHEAA's financial statements, as PHEAA believed it was probable that a loss contingency existed, and PHEAA estimated the range of loss could be \$3 million to \$10 million. At September 30, 2011 PHEAA recorded \$5.4 million for the acquired purpose investment (API) liability related to the PQ Bonds and the Student Loan Revenue Bonds, Senior Revenue Bonds Series W, and Student Loan Revenue Bonds, Subordinate Series X.

The Closing Agreement required a payment to the IRS of \$12.3 million. This payment discharged the API liability discussed above, and \$5.4 million of the amount paid to the IRS was therefore paid from funds under the 1997 Indenture. The balance was paid from non-indenture funds pursuant to the original \$3 million loss contingency and an additional loss contingency of \$3.9 million recorded during the three months ended September 30, 2011.

PHEAA makes forward-looking statements herein relating to PHEAA's Auction Rate Securities and PHEAA that are based on current expectations, estimates, beliefs, assumptions and projections.

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.

Forward-looking statements speak only as of the date made. PHEAA 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 Notice or that may be made elsewhere from time to time by, or on behalf of, PHEAA.

Dated: November 17, 2011