

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported)

**May 18, 2023**



**NELNET, INC.**

(Exact name of registrant as specified in its charter)

<b>Nebraska</b>	<b>001-31924</b>	<b>84-0748903</b>
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)
<b>121 South 13th Street, Suite 100</b>		
<b>Lincoln, Nebraska</b>		<b>68508</b>
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code **(402) 458-2370**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A Common Stock, Par Value \$0.01 per Share	NNI	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

**Item 5.07 Submission of Matters to a Vote of Security Holders.**

The Company held its 2023 annual meeting of shareholders on May 18, 2023. At the meeting, the following proposals were submitted to a vote of our shareholders, with the voting results indicated below:

**Proposal 1: Election of Directors.** Our shareholders elected the following three Class III directors to hold office until the 2026 annual meeting of shareholders and until their successors have been duly elected or appointed.

	For	Against	Abstain	Broker Non-Votes
Kathleen A. Farrell	123,828,945	4,445,073	5,906	1,074,401
David S. Graff	127,849,867	421,292	8,765	1,074,401
Thomas E. Henning	128,009,575	264,267	6,082	1,074,401

**Proposal 2: Ratification of the appointment of KPMG LLP.** Our shareholders ratified the appointment of KPMG LLP as our independent registered public accounting firm for the year ending December 31, 2023.

For	Against	Abstain	Broker Non-Votes
129,229,489	111,020	13,816	—

**Proposal 3: Advisory vote on executive compensation.** Our shareholders approved, by an advisory vote, the compensation of our named executive officers as disclosed in the proxy statement for the annual meeting.

For	Against	Abstain	Broker Non-Votes
128,109,990	138,044	31,890	1,074,401

**Proposal 4: Advisory vote on the frequency of future advisory votes on executive compensation.** Our shareholders approved, by an advisory vote, an annual advisory vote on the compensation of our named executive officers (as opposed to an advisory vote every two years or every three years).

1 Year	2 Years	3 Years	Abstain
126,334,806	54,315	1,846,534	44,269

**Proposal 5: Approval of an amended and restated Directors Stock Compensation Plan.** Our shareholders approved amendments to and a restatement of the Directors Stock Compensation Plan to (i) increase the number of shares of the Company's Class A common stock that may be issued under the Directors Stock Compensation Plan from a total of 500,000 shares to a total of 700,000 shares, (ii) increase the annual per-director share award limit under the plan from \$300,000 to \$500,000, with the award limit to be based on, in addition to the grant date fair value of shares awarded under the plan, the total annual cash fees paid to the director for service on the Board and its committees, and (iii) allow for Board members who are also employees of the Company to be eligible to participate in the plan and elect to receive their annual retainer fees in shares of stock instead of cash.

For	Against	Abstain	Broker Non-Votes
128,129,726	120,050	30,148	1,074,401

**Proposal 6: Approval of an amended and restated Executive Officers Incentive Compensation Plan.** Our shareholders approved amendments to and a restatement of the Executive Officers Incentive Compensation Plan to extend the expiration date from January 1, 2024 to May 18, 2033.

For	Against	Abstain	Broker Non-Votes
128,139,594	102,487	37,843	1,074,401

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits. The following exhibits are filed as part of this report:

Exhibit No.	Description
10.1	<a href="#">Nelnet, Inc. Directors Stock Compensation Plan, as amended and restated as of May 18, 2023</a>
10.2	<a href="#">Nelnet, Inc. Executive Officers Incentive Compensation Plan, as amended and restated as of May 18, 2023</a>
104	Cover Page Interactive Data File (formatted as Inline XBRL and included as Exhibit 101).

## **SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NELNET, INC.

Date: May 22, 2023

By: /s/ JAMES D. KRUGER

Name: James D. Kruger

Title: Chief Financial Officer

**NELNET, INC.**  
**DIRECTORS STOCK COMPENSATION PLAN**  
(as amended and restated as of May 18, 2023)

1. PURPOSES.

The purposes of this Nelnet, Inc. Directors Stock Compensation Plan are to advance the interests of Nelnet, Inc. and its shareholders by providing a means to attract, retain, and motivate members of the Board of Directors of Nelnet, Inc. upon whose judgment, initiative, and efforts the continued success, growth, and development of Nelnet, Inc. is dependent.

2. DEFINITIONS.

For purposes of the Plan, the following terms shall be defined as set forth below:

- (a) "Board" means the Board of Directors of the Company.
- (b) "Code" means the Internal Revenue Code of 1986, as amended from time to time. References to any provision of the Code shall be deemed to include successor provisions thereto and regulations thereunder.
- (c) "Company" means Nelnet, Inc., a corporation organized under the laws of Nebraska, or any successor corporation.
- (d) "Director" means a member of the Board.
- (e) "Fair Market Value" means, with respect to Shares on any day, the following:
  - (i) If the Shares are at the time listed or admitted to trading on any stock exchange, then the Fair Market Value shall be the closing selling price per share of Shares on the day preceding the date in question on the stock exchange which is the primary market for the Shares, as such price is officially quoted on such exchange. If there is no reported sale of Shares on such exchange on such date, then the Fair Market Value shall be the closing selling price on the exchange on the last preceding date for which such quotation exists; and
  - (ii) If the Shares are not at the time listed or admitted to trading on any stock exchange but are traded in the over-the-counter market, the Fair Market Value shall be the closing selling price per share of Shares on the day preceding the date in question, as such price is reported by the National Association of Securities Dealers through the NASDAQ National Market System or any successor system. If there is no reported closing selling price for Shares on such date, then the closing selling price on the last preceding date for which such quotation exists shall be determinative of Fair Market Value.
- (f) "Participant" means a Director who has elected to receive Shares or defer compensation under the Plan.
- (g) "Plan" means this Nelnet, Inc. Directors Stock Compensation Plan, as amended from time to time.
- (h) "Plan Year" means the calendar year.
- (i) "Shares" means Class A Common Stock, \$.01 par value per share, of the Company.

3. ADMINISTRATION.

The Plan shall be administered by the Board. Subject to the express provisions of the Plan, the Board shall have full and exclusive authority to interpret the Plan, to make all determinations with respect to the Plan, to prescribe, amend, and rescind rules and regulations relating to the Plan, and to make all other determinations necessary or advisable in the implementation and administration of the Plan. The Board's interpretation and construction of the Plan shall be conclusive and binding on all persons.

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4. SHARES SUBJECT TO THE PLAN AND ANNUAL PER-DIRECTOR SHARE AWARD LIMIT.

- (a) Subject to adjustment as provided in Section 6(g), the total number of Shares reserved for issuance under the Plan shall be 700,000.
- (b) Any Shares issued hereunder may consist, in whole or in part, of authorized and unissued Shares or treasury Shares, including Shares acquired by purchase in the open market or in private transactions.
- (c) The maximum aggregate grant date fair value, as computed in accordance with U.S. generally accepted accounting principles, of Shares awarded to any single Director hereunder during any single calendar year (including Shares which the Director may elect to defer delivery of pursuant to Section 6), taken together with any cash fees paid during the calendar year to the Director in respect of the Director's service as a member of the Board during such year (including service as a member or chair of any committee of the Board), shall not exceed \$500,000.

5. SHARE ELECTION.

- (a) Each Director may make an election in writing on or prior to each December 31 to receive the Director's annual retainer fees payable in the following Plan Year in the form of Shares instead of cash. Unless the Director makes a deferral election pursuant to Section 6 below, any Shares elected shall be payable at the time cash retainer fees are otherwise payable. The number of Shares distributed shall be equal to the amount of the annual retainer fee otherwise payable on such payment date divided by 85% of the Fair Market Value of a Share on such payment date. Notwithstanding the foregoing, a Director who is first elected or appointed to the Board may make an election under this Section 5 within thirty (30) days of such election or appointment to the Board in respect of annual retainer fees payable after the date of the election. Any election made under this Section 5 shall remain in effect unless and until a new election is made in accordance with the provisions of this Plan.
- (b) Notwithstanding any provision of this Plan to the contrary, no elections will be available to any Director under Sections 5(a) or 6 with respect to the Director's annual retainer fee payable for calendar year 2004. The annual retainer fee for each Director for calendar year 2004 shall be paid as soon as practicable following the consummation of the Company's initial public offering and registration of the Shares issuable hereunder, and such annual retainer fee shall be paid in the form of Shares, the number of which shall be determined by dividing the amount of the annual retainer fee by 85% of the price paid per Share by the initial purchasers in the Company's initial public offering.

6. DEFERRAL ELECTION.

- (a) A Director who has elected to receive Shares pursuant to Section 5 above may make an irrevocable election on or before the December 31 immediately preceding the beginning of a Plan Year of the Company, by written notice to the Company, to defer delivery of all or a designated percentage of the Shares otherwise payable as his or her annual retainer for service as a Director for the Plan Year. Notwithstanding the foregoing, a Director who is first elected or appointed to the Board may make an election under this Section 6(a) within thirty (30) days of such election or appointment to the Board in respect of annual retainer fees payable after the date of the election.
  - (b) Deferrals of Shares hereunder shall be reaffirmed by each director on an annual basis and shall continue until the Director notifies the Company in writing, on or prior to the December 31 immediately preceding the commencement of any Plan Year, which he or she wishes to change his or her election hereunder.
  - (c) All shares which a Director elects to defer pursuant to this Section 6 shall be credited in the form of share units to a bookkeeping account maintained by the Company in the name of the Director. Each such unit shall represent the right to receive one Share at the time determined pursuant to the terms of the Plan.
  - (d) As of each date on which a cash dividend is paid on Shares, there shall be credited to each account that number of units determined by:
    - (i) multiplying the amount of such dividend per Share by the number of units in such account; and
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- (ii) dividing the total so determined by the Fair Market Value of a Share on the date of payment of such cash dividend. The additions to a Director's account pursuant to this Section 6(d) shall continue until the Director's account is fully paid.
- (e) The account of a Director shall be distributed (in the form of one Share for each Share unit) either (x) in a lump sum promptly after the time of termination of the Director's service on the Board or (y) in up to five annual installments commencing promptly after the time of termination of the director's service on the Board, as elected by the Director (with distributions in any case to comply with the timing requirements of Section 409A of the Code). Each Director's distribution election must be made in writing within the later of (A) 60 days after the Effective Date of this Plan, or (B) thirty (30) days after the Director first becomes eligible to participate in the Plan; provided, however, that a Director may make a new distribution election with respect to the entire portion of his or her account subject to this Section 6(e) so long as such election is made at least one year in advance of the Director's termination of service on the Board and provided further, that following such new election, no distribution may occur hereunder until the fifth anniversary following the date such payment would otherwise have been made. In the case of an account distributed in installments, the amount of Shares distributed in each installment shall be equal to the number of Share units in the Director's account subject to such installment distribution at the time of the distribution divided by the number of installments remaining to be paid. Notwithstanding any election made by a Director, in the event of such Director's death, such Director's beneficiary (or if no beneficiary has been designated, to such Director's estate) may elect to have the account of such Director distributed in a lump sum to such beneficiary or such Director's estate, as applicable, promptly after such Director's death, provided that such beneficiary or the legal representative of such Director's estate, as applicable, notifies the Company within 60 days following such Director's death.
- (f) The right of a Director to amounts described under this Section 6 shall not be subject to assignment or other disposition by him or her other than by will or the laws of descent and distribution. In the event that, notwithstanding this provision, a Director makes a prohibited disposition, the Company may disregard the same and discharge its obligation hereunder by making payment or delivery as though no such disposition had been made.
- (g) Adjustments. In the event that any dividend in Shares, recapitalization, Share split, reverse split, reorganization, merger, consolidation, spin-off, combination, repurchase, or Share exchange, or other such change, affects the Shares such that they are increased or decreased or changed into or exchanged for a different number or kind of Shares, other securities of the Company or of another corporation or other consideration, then in order to maintain the proportionate interest of the Directors and preserve the value of the Directors' Share units, (i) there shall automatically be substituted for each Share unit a new unit representing the number and kind of Shares, other securities or other consideration into which each outstanding Share shall be changed, and (ii) the number and kind of shares available for issuance under the Plan shall be equitably adjusted in order to take into account such transaction or other change. The substituted units shall be subject to the same terms and conditions as the original Share units.

## 7. GENERAL PROVISIONS.

- (a) Compliance with Legal and Trading Requirements. The Plan shall be subject to all applicable laws, rules, and regulations, including, but not limited to, U.S. federal and state laws, rules, and regulations, and to such approvals by any regulatory or governmental agency as may be required. The Company, in its discretion, may postpone the issuance or delivery of Shares under the Plan until completion of such stock exchange or market system listing or registration or qualification of such Shares or other required action under any U.S. federal or state law, rule, or regulation or under laws, rules, or regulations of other jurisdictions as the Company may consider appropriate, and may require any Participant to make such representations and furnish such information as it may consider appropriate in connection with the issuance or delivery of Shares in compliance with applicable laws, rules, and regulations. No provisions of the Plan shall be interpreted or construed to obligate the Company to register any Shares under U.S. federal or state law or under the laws of other jurisdictions.
  - (b) No Right to Continued Service. Neither the Plan nor any action taken thereunder shall be construed as giving any Director the right to be retained in the service of the Company or any of its subsidiaries or affiliates, nor shall it interfere in any way with the right of the Company or any of its subsidiaries or affiliates to terminate any Director's service at any time.
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- (c) Taxes. The Company is authorized to withhold from any Shares delivered under this Plan any amounts of withholding and other taxes due in connection therewith, and to take such other action as the Company may deem advisable to enable the Company and a Participant to satisfy obligations for the payment of any withholding taxes and other tax obligations relating thereto. This authority shall include authority to withhold or receive Shares or other property and to make cash payments in respect thereof in satisfaction of a Participant's tax obligations.
- (d) Section 409A of the Code. Awards under the Plan are intended to be exempt from or comply with the requirements with respect to deferred compensation under Section 409A of the Code, and, accordingly, to the maximum extent permitted, the Plan and each award thereunder shall be interpreted and administered in accordance with that intent. Notwithstanding anything to the contrary in the Plan, to the extent required to avoid accelerated taxation and tax penalties under Section 409A of the Code, if at the time of a Participant's termination of service such Participant is considered to be a "specified employee" with respect to the Company under Section 409A of the Code, amounts that would otherwise be payable pursuant to the Plan to such Participant during the six-month period immediately following such Participant's termination of service shall instead be paid promptly after the expiration of such six-month period (or such Participant's death, if earlier), and in any case in compliance with the timing requirements of Section 409A of the Code. The Company cannot and does not guarantee that this Plan or any award thereunder complies fully with and meets all of the requirements of Section 409A of the Code or an exemption therefrom, and nothing in the Plan or any award will be construed to impose on either the Company or the Board any obligation to take any action to prevent the assessment of any excise tax or penalty on any Participant under Section 409A of the Code and neither the Company nor the Board will have any liability to any Participant for such tax or penalty.
- (e) Amendment. The Board may amend, alter, suspend, discontinue, or terminate the Plan without the consent of shareholders of the Company or Participants, except that any such amendment, alteration, suspension, discontinuation, or termination shall be subject to the approval of the Company's shareholders if such shareholder approval is required by any U.S. federal law or regulation or the rules of any stock exchange or automated quotation system on which the Shares may then be listed or quoted; provided, however, that, without the consent of an affected Participant, no amendment, alteration, suspension, discontinuation, or termination of the Plan may impair the rights or, in any other manner, adversely affect the rights of such Participant under any award theretofore granted to him or her or compensation previously deferred by him or her hereunder.
- (f) Unfunded Status of Awards. The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payments not yet made to a Participant pursuant to a deferral election, nothing contained in the Plan shall give any such Participant any rights that are greater than those of a general unsecured creditor of the Company; provided, however, that the Company may authorize the creation of trusts or make other arrangements to meet the Company's obligations under the Plan to deliver cash, Shares, or other property pursuant to any award, which trusts or other arrangements shall be consistent with the "unfunded" status of the Plan unless the Company otherwise determines with the consent of each affected Participant.
- (g) Nonexclusivity of the Plan. Neither the adoption of the Plan by the Board nor its submission to the shareholders of the Company for approval shall be construed as creating any limitations on the power of the Board to adopt such other compensation arrangements as it may deem desirable, and such arrangements may be either applicable generally or only in specific cases.
- (h) No Fractional Shares. No fractional Shares shall be issued or delivered pursuant to the Plan. The number of Shares to be issued or delivered shall be rounded to the nearest whole Share in lieu of such fractional Shares.
- (i) Governing Law. The validity, construction, and effect of the Plan shall be determined in accordance with the laws of the State of New York, without giving effect to principles of conflict of laws thereof.
- (j) Effective Date; Plan Termination. The Plan as previously amended and restated became effective as of October 21, 2003 (the "Effective Date"). The Plan shall terminate as to future awards, at such time as no Shares remain available for issuance pursuant to Section 4, and the Company has no further obligations with respect to any compensation deferred under the Plan.
- (k) Titles and Headings. The titles and headings of the Sections in the Plan are for convenience of reference only. In the event of any conflict, the text of the Plan, rather than such titles or headings, shall control.

**NELNET, INC.**  
**EXECUTIVE OFFICERS INCENTIVE COMPENSATION PLAN**  
(as amended and restated as of May 18, 2023)

1. Purpose.

The purpose of the Nelnet, Inc. Executive Officers Incentive Compensation Plan is to advance the interests of Nelnet, Inc. and its shareholders by strengthening its ability to attract, retain, and motivate executive officers of Nelnet, Inc. upon whose judgment, initiative, and efforts ensure the continued success, growth and development of Nelnet, Inc. The intent is to provide them with opportunities to earn performance-based incentive compensation, whether or not based on financial reporting measures, that aligns their interests with the interests of the shareholders, including the achievement of long-term strategic business objectives.

2. Definitions.

For purposes of the Plan, the following terms shall be defined as set forth below:

- (a) “Award” means the amount of incentive compensation in the form of a Performance-Based Award for a Performance Period that the Committee has determined is payable to a Participant in accordance with the Plan.
- (b) “Beneficiary” means the person, persons, trust or trusts which have been designated by a Participant in his or her most recent written beneficiary designation filed with the Company to receive the benefits specified under this Plan upon the death of the Participant, or, if there is no designated Beneficiary or surviving designated Beneficiary, then the person, persons, trust or trusts entitled by will or the laws of descent and distribution to receive such benefits.
- (c) “Board” means the Board of Directors of the Company.
- (d) “Code” means the Internal Revenue Code of 1986, as amended from time to time. References to any provision of the Code shall be deemed to include successor provisions thereto and regulations thereunder.
- (e) “Committee” means the People Development and Compensation Committee of the Board (or a subcommittee thereof to which authority under this Plan may be delegated by the People Development and Compensation Committee of the Board pursuant to Section 3 of this Plan).
- (f) “Company” means Nelnet, Inc., a corporation organized under the laws of Nebraska, or any successor corporation.
- (g) “Executive Officer” means an “executive officer” of the Company within the meaning of Rule 3b-7 under the Securities Exchange Act of 1934, as amended, including the Executive Chairman of the Board.
- (h) “Participant” means an Executive Officer who has been selected by the Committee to participate in the Plan for a particular Performance Period and be eligible to receive an Award for that Performance Period.
- (i) “Performance-Based Award” means an Award as described under Section 4 of the Plan.
- (j) “Performance Period” means a calendar year or such other period established by the Committee in its sole discretion.
- (k) “Plan” means this Nelnet, Inc. Executive Officers Incentive Compensation Plan.

3. Administration. The Plan shall be administered by the Committee, provided that the Committee may from time to time delegate all or any part of its authority under this Plan to a subcommittee thereof and, to the extent of any such delegation, references in this Plan to the Committee shall be deemed to be references to such subcommittee. For each Performance Period, the Committee shall select those Executive Officers who will participate in the Plan and be eligible for an Award under the Plan for that Performance Period. The Committee shall have the authority to adopt, alter, and repeal such administrative rules, guidelines, and practices governing the Plan as it shall deem advisable, and to interpret the terms and provisions of the Plan. All determinations made by the Committee with respect to the Plan and Awards thereunder shall be final and binding on all persons, including the Company and all Executive Officers selected by the Committee to participate in the Plan.
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4. Performance-Based Awards.

(a) The Committee may, from time to time, establish performance criteria with respect to Awards which Participants may be eligible to receive with respect to a Performance Period, and performance goals may be based on one or more of the following criteria:

- (i) Levels of earnings per share; net income; income before income taxes; net interest income; earnings per share or net income excluding derivative market value and other adjustments as the Committee deems appropriate in the Committee's sole discretion; revenues from fee-based businesses (including measures related to the diversification of revenues from fee-based businesses and increases in revenues through both organic growth and acquisitions); federally insured student loan assets; private education loan assets; consumer and other loan assets; and total assets;
- (ii) Return on equity (including return on tangible equity); return on assets or net assets; return on capital (including return on total capital or return on invested capital); return on investments; and ratio of equity to total assets;
- (iii) Student loan servicing and other education finance or service customer measures (including loan servicing volume and service rating levels under contracts with the U.S. Department of Education);
- (iv) Success or progress made in efforts to obtain new contracts with the U.S. Department of Education, as well as other loan servicing business;
- (v) Cash flow measures (including cash flows from operating activities, cash flow return on investment, assets, equity, or capital, and generation of long-term cash flows (including net cash flows from the Company's securitized loan portfolios));
- (vi) Market share;
- (vii) Customer satisfaction levels, and employee engagement, productivity, retention, and satisfaction measures;
- (viii) Operating performance and efficiency targets and ratios, as well as productivity targets and ratios;
- (ix) Levels of, or increases or decreases in, operating margins, operating expenses, and/or nonoperating expenses;
- (x) Business segment, division, or unit profitability and other performance measures (including growth in customer base, revenues, earnings before interest, taxes, depreciation and amortization, and segment profitability, as well as management of operating expense levels);
- (xi) Acquisitions, dispositions, projects, or other specific events or transactions (including specific events or transactions intended to enhance the long-term strategic positioning of the Company);
- (xii) Performance of investments;
- (xiii) Regulatory compliance measures; or
- (xiv) Any other criteria as determined by the Committee in its sole discretion.

Any criteria may be used to measure the performance of the Company as a whole and/or any one or more operating segments, divisions, business units, and/or subsidiaries (including minority owned subsidiaries) of the Company or any combination thereof, as the Committee may deem appropriate.

(b) The Committee shall determine whether, with respect to a Performance Period, the applicable performance goals have been met with respect to a particular Participant and, if they have, to ascertain the amount of the applicable Performance-Based Award. The Committee may provide that any evaluation of attainment of a performance goal may include or exclude any extraordinary items.

5. Payment of Awards. The Award of each Participant for a Performance Period shall be paid after the determination of the payability of such Award is made by the Committee, and in any event the timing of the payment of an Award shall comply in all respects with the provisions of Section 409A of the Code. If a Participant dies after the end of a calendar year but

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before receiving payment of any Award earned with respect to such year or any period within such year, the amount of such Award shall be paid to a designated Beneficiary, or, if no Beneficiary has been designated, to the Participant's estate, as soon as practicable after the payability of such Award has been determined, and in any event in compliance with Section 409A of the Code.

6. **Maximum Annual Per-Participant Award Limit.** In no event shall the amount paid under the Plan to a Participant with respect to any calendar year exceed 150% of that Participant's annual base salary for that calendar year.
7. **Form of Award.** The Committee, at their discretion, can determine if an Award is to be paid in cash, stock, or a combination thereof, or provide the option for the Participant to elect to receive their Award in cash, stock, or a combination thereof. The payment of any Award, or any applicable portion of any Award, in stock shall be made pursuant to the Nelnet, Inc. Restricted Stock Plan.
8. **Nontransferability.** No Award or rights under this Plan may be transferred or assigned other than by will or by the laws of descent and distribution.
9. **Amendments and Termination.** The Board may terminate the Plan at any time and may amend it from time to time; provided, however, that no termination or amendment of the Plan shall adversely affect the rights of a Participant or a Beneficiary to a previously earned Award.
10. **General Provisions.**
  - (a) Nothing set forth in this Plan shall prevent the Board or the Committee from adopting other or additional compensation arrangements. Neither the adoption of this Plan or any Award hereunder shall confer upon an Executive Officer any right to continued employment.
  - (b) No member of the Board or the Committee, nor any officer or employee of the Company acting on behalf of the Board or the Committee, shall be personally liable for any action, determination, or interpretation taken or made with respect to the Plan, and all members of the Board or the Committee and all officers or employees of the Company acting on their behalf shall, to the extent permitted by law, be fully indemnified and protected by the Company in respect of any such action, determination, or interpretation.
  - (c) **Governing Law.** The validity, construction, and effect of this Plan, and any rules and regulations relating to this Plan, shall be determined in accordance with the laws of the State of Nebraska, without giving effect to principles of conflict of laws thereof.
  - (d) **Effective Date; Term of Plan.** The Plan shall be effective as of May 18, 2023, subject to approval of the Plan by the Company's shareholders at the Company's 2023 annual meeting of shareholders. If such shareholder approval is obtained and the Plan becomes effective, the Plan shall expire on May 18, 2033.
  - (e) **Titles and Headings.** The titles and headings of the Sections in the Plan are for convenience of reference only. In the event of any conflict, the text of the Plan, rather than such titles or headings, shall control.