

**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)

**March 22, 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 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 8.01 Other Events.

On March 22, 2023, each of Nelnet Servicing, LLC (“Nelnet Servicing”) and Great Lakes Educational Loan Services, Inc. (“Great Lakes”), both subsidiaries of Nelnet, Inc. (the “Company”), received Modifications of Contract with an effective date of April 1, 2023 (collectively the “Modifications”) with the United States Department of Education (the “Department”). Such modifications outline the Department’s intent to amend the student loan servicing contracts between the Department and each of Nelnet Servicing and Great Lakes (the “Servicing Contracts”) to reduce the current prices earned by Nelnet Servicing and Great Lakes under the Servicing Contracts. Under the Servicing Contracts, Nelnet Servicing and Great Lakes earn a monthly fee from the Department for each unique borrower they service on behalf of the Department. The Modifications reduce the monthly fee by \$0.19 per borrower. As of December 31, 2022, Nelnet Servicing and Great Lakes were servicing student loans for 15.8 million borrowers under their contracts.

On March 23, 2023, the Company issued a press release announcing a reduction in staff due to the Modifications and the previously disclosed transfer of Department servicing borrowers to another servicer. In February 2023, the Department notified the Company of its intention to transfer up to one million borrowers of the Company’s existing Department servicing borrowers to another servicer. The transfer of these borrowers, which was not based on the Company’s performance, is scheduled to occur over the next few months.

Approximately 550 associates who work in the Loan Servicing and Systems operating segment, including some in related shared services areas that support the Loan Servicing and Systems operating segment, were notified their positions are being eliminated. The Company will record a charge of up to \$5 million in fiscal year 2023 related to the staff reductions, and we anticipate the majority of the charge will be recognized in the three months ending March 31, 2023.

A copy of the press release is furnished as Exhibit 99.1 to this report.

## Item 9.01 Financial Statements and Exhibits.

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

Exhibit No.	Description
99.1*	<a href="#">Press release dated March 23, 2023 - "Nelnet Announces Reduction of Staff Due to Contract Changes Impacting Student Loan Servicing."</a>
104**	Cover Page Interactive Data File (formatted as Inline XBRL and included as Exhibit 101).
*	Furnished herewith
**	Filed herewith

## Forward-looking and cautionary statements

This report and Exhibit 99.1 hereto contain forward-looking statements within the meaning of federal securities laws. The words “anticipate,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “future,” “intend,” “may,” “plan,” “potential,” “predict,” “scheduled,” “should,” “will,” “would,” and similar expressions, as well as statements in future tense, are intended to identify forward looking statements. These statements are based on management’s current expectations as of the date of this report and are subject to known and unknown risks and uncertainties that may cause actual results or performance to differ materially from those expressed or implied by the forward-looking statements. Such risks include, but are not limited to, risks related to the ability to successfully maintain and increase allocated volumes of student loans serviced by the Company under the existing Servicing Contracts with the Department, as amended by the Modifications, and any future servicing contracts with the Department, which current contracts accounted for 32 percent of the Company’s revenue in 2022, risks that the current Servicing Contracts, as amended by the Modifications, will not be extended beyond December 14, 2023, risks to the Company related to the Department’s initiatives to procure new contracts for federal student loan

servicing, including the pending and uncertain nature of the Department's procurement processes, risks that the Company may not be successful in obtaining any of such potential new contracts, and risks related to the Company's ability to comply with agreements with third-party customers for the servicing of Federal Direct Loan Program, Federal Family Education Loan Program, and private education and consumer loans. For more information, see the "Risk Factors" sections and other cautionary discussions of risks and uncertainties included in documents filed or furnished by the Company with the Securities and Exchange Commission. Although the Company may voluntarily update or revise its forward-looking statements from time to time to reflect actual results or changes in the Company's expectations, the Company disclaims any commitment to do so except as required by law.

---

## 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: March 23, 2023

By: /s/ JAMES D. KRUGER

Name: James D. Kruger

Title: Chief Financial Officer

## Nelnet Announces Reduction of Staff Due to Contract Changes Impacting Student Loan Servicing

LINCOLN, Neb., March 23, 2023 – Nelnet (NYSE: NNI) today announced a staffing reduction to address lower pricing and reduced servicing volume for the company's federal servicing contracts as well as to align with the company's strategic consolidation and sunseting of select loan servicing systems.

On March 22, 2023, Nelnet received a contract modification from the Department of Education (Department) for the company's current loan servicing contracts with the Department. The modification significantly decreased the price earned by the company per borrower per month. Additionally, last month, the Department notified Nelnet of its intent to transfer 1 million borrowers from Nelnet Loan Servicing to another federal servicer. The transfer, which was not based on Nelnet's performance, is scheduled to occur over the next few months. Both the price reduction and the unanticipated transfer of a million borrowers will have a material impact on NDS.

Approximately 550 associates who work in Nelnet's Diversified Services (NDS) division and some in related shared services areas that support NDS were notified today their positions are being eliminated. Nelnet will also look for redundancies and efficiencies throughout the year related to the conclusion of projects centered on the consolidation of select loan servicing platforms. No other Nelnet businesses are impacted.

"Of all the strategic business decisions we must make, the rightsizing of teams is always the most difficult," said chief executive officer Jeff Noordhoek. "While some terms of employment end knowingly because the specific work is completed, other unanticipated staff reductions are the result of challenging circumstances that have a significant impact on the business. We must adjust accordingly to continue providing value to customers to the best of our ability while also positioning the company for long-term success."

Regarding its loan servicing systems, Nelnet continues to develop modern, innovative technology platforms to support federal and consumer loan servicing, respectively. Throughout the remainder of the year, the company will strategically continue migrating borrowers from legacy systems to modern platforms and then sunset the legacy systems, with the goal of creating ongoing efficiencies.

"While the current federal student loan servicing climate is not ideal, creating the need to make hard decisions—Nelnet remains firmly committed to helping students and their families fulfill their educational dreams," said Noordhoek.

### Forward-looking and cautionary statements

This press release contains forward-looking statements within the meaning of federal securities laws. The words "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "forecast," "future," "intend," "may," "plan," "potential," "predict," "scheduled," "should," "will," "would," and similar expressions, as well as statements in future tense, are intended to identify forward looking statements. These statements are based on management's current expectations as of the date of this press release and are subject to known and unknown risks and uncertainties that may cause actual results or performance to differ materially from those expressed or implied by the forward-looking statements. Such risks include, but are not limited to, risks related to the ability to successfully maintain and increase allocated volumes of student loans serviced by Nelnet under the existing servicing contracts with the Department, as amended by the modifications, and any future servicing contracts with the Department, which current contracts accounted for 32 percent of Nelnet's revenue in 2022, risks that the current servicing contracts, as amended by the modifications, will not be extended beyond December 14, 2023, risks to Nelnet related to the Department's initiatives to procure new contracts for federal student loan servicing, including the pending and uncertain nature of the Department's procurement processes, risks that Nelnet may not be successful in obtaining any of such potential new contracts, and risks related to Nelnet's ability to comply with agreements with third-party customers for the servicing of Federal Direct Loan Program, Federal Family Education Loan Program, and private education and consumer loans. For more information, see the "Risk Factors" sections and other cautionary discussions of risks and uncertainties included in documents filed or furnished by Nelnet with the Securities and Exchange Commission. Although Nelnet may voluntarily update or revise its forward-looking statements from time to time to reflect actual results or changes in Nelnet's expectations, Nelnet disclaims any commitment to do so except as required by law.