Statement From Nelnet Regarding a Subpoena Issued to the Company by the New York Attorney General Today

LINCOLN, Neb., May 3, 2007 /PRNewswire via COMTEX News Network/ -- Nelnet has led the student loan industry in transparency and disclosure regarding our relationships with colleges and universities. We have publicly disclosed our internal findings and adopted a voluntary national code of conduct through an agreement with the Nebraska Attorney General. Today, the New York Attorney General issued a subpoena to the company, requesting information regarding our relationships with college and university alumni associations nationally. Throughout the New York Attorney General's inquiry process we have been open regarding our relationships with alumni associations and in fact specifically discussed this issue with his office several weeks ago.

We have been and remain proud of our affinity relationships with alumni associations. These relationships provide valuable information and opportunities to alumni regarding student loan consolidation, as well as generating income that helps alumni associations carry out their mission.

Clearly, we will continue to cooperate with the New York Attorney General, as we have done all along, which makes today's action by the Attorney General very surprising to us. We believe our agreements are appropriate and completely in accordance with the law. Our agreements are similar to affinity relationships that many companies and industries have with alumni associations to offer members a variety of products and services.

An excerpt from Nelnet's ITEMS UNDER REVIEW AND CONSIDERATION, which is available publicly at www.nelnet.net, is provided below:

> Over the past several years, in order to assist in Nelnet's generalized marketing activity undertaken for its consolidation loan products, Nelnet has entered into affinity agreements and license agreements (like many financial services firms) with various organizations including approximately one hundred twenty (120) college and university alumni associations. Under these agreements, alumni associations grant Nelnet licenses to use certain intellectual property, including (i) member lists in order to market Nelnet's consolidation loan products to the association's members, and (ii) the alumni association's logo for use in Nelnet's marketing correspondence. The correspondence describes Nelnet's consolidation products and asks the borrower to direct any inquiries to Nelnet. In consideration of these rights, Nelnet typically pays the alumni association an annual fee, as well as, in some cases, a fixed fee for each loan consolidation application ready for guarantee that is received by Nelnet from a borrower on a member list. Nelnet markets its consolidation product only to borrowers who become eligible for consolidation loans only after they have separated from school under the Higher Education Act, as identified on the association's member list. It is Nelnet's understanding that these alumni associations have no role in the selection of lenders for placement on any school's preferred lender list. The alumni associations are not involved in contacting prospective applicants or handling applications in any way. Similar to direct marketing arrangements between alumni associations and, for example, insurance companies, car rental agencies and hotels, in these agreements the alumni associations receive a fee in exchange for providing access to their member lists. In addition, Nelnet enters into similar arrangements with entities other than alumni associations.
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> For all of these reasons, Nelnet has concluded that these affinity and license agreements do not constitute prohibited remuneration and are

permitted under federal law; however, to eliminate any potentially perceived conflict of interest, Nelnet will disclose to the individuals consolidating their loans any monetary arrangement that goes to the alumni association. In addition, Nelnet intends to work with alumni associations to eliminate any fixed fee that Nelnet pays for each consolidation loan application. (See Section I of the Code of Conduct.)

For 28 years, Nelnet (NYSE: NNI) has been helping the education-seeking family plan for their education, pay for their education, and prepare for their careers. The company has invested hundreds of millions of dollars in products, services, and technology improvements for students and the educational institutions they attend. These services include live counseling to help families through all aspects of the financial aid process, benefits for borrowers, including tens of millions of dollars in fee reductions, and Nelnet sponsored scholarships. Nelnet serves students in 50 states, employs approximately 4,000 associates, and has $25.0 billion in net student loan assets.

Additional information is available at www.nelnet.net.

Information contained in this press release, other than historical information, may be considered forward-looking in nature and is subject to various risks, uncertainties, and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated, or expected. Among the key factors that may have a direct bearing on Nelnet's operating results, performance, or financial condition are changes in terms of student loans and the educational credit marketplace, changes in the demand for educational financing or in financing preferences of educational institutions, students and their families, or changes in the general interest rate environment and in the securitization markets for education loans. For more information see our filings with the Securities and Exchange Commission.

SOURCE Nelnet

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