



## Nelnet Statement on Missing Data Tape

LINCOLN, Neb., July 17, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- Nelnet (NYSE: NNI) is notifying its potentially affected student loan customers, as well as other lenders whose customers may be affected, that a computer data tape containing the personal information of approximately 188,000 customers in the possession of United Parcel Service (UPS) cannot be located. The tape included data on loans serviced by Nelnet that were previously serviced by the College Access Network (CAN) between November 1, 2002 and May 31, 2006.

Nelnet has no reason to believe that any information has been used inappropriately, and has not received any reports of unauthorized activity. After an exhaustive investigation, UPS has informed Nelnet that the shipment could not be located. There is no indication that the package left UPS's control at any time.

While Nelnet does not believe that the information on the tape has been acquired by an unauthorized person, Nelnet is taking steps to notify potentially affected student loan customers to make them aware of the missing data tape and to encourage them to monitor their credit and protect their identity. Those customers may call a dedicated toll-free number at 1.800.552.7925 if they have any concerns or questions.

"We deeply regret this unfortunate incident and are making every effort to inform our customers of the missing data tape and to assist them in protecting their identity," said Matt Hall, Chief Operating Officer of Nelnet's Education Services division. "The security of customers' personal information is of the utmost importance to Nelnet and we are making sure our customers have the support and information they might need to respond to the situation."

"Tapes of this nature require sophisticated equipment and data-mapping for information to be accessed. The process used to create these tapes is no longer utilized," said Ray Ciarvella, Nelnet Chief Information Officer. "Even though our current policies meet or exceed industry security standards, we are thoroughly reviewing them to protect every customer."

Nelnet is one of the leading education finance companies in the United States and is focused on providing quality products and services to students and schools nationwide. Nelnet ranks among the nation's leaders in terms of total net student loan assets with \$21.3 billion as of March 31, 2006. Headquartered in Lincoln, Nebraska, Nelnet originates, consolidates, securitizes, holds, and services student loans, principally loans originated under the Federal Family Education Loan Program of the U.S. Department of Education.

Additional information is available at [www.nelnet.net](http://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, including the risk that Nelnet's assumptions regarding the missing data tape may be incorrect.

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SOURCE Nelnet

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