Nelnet Code of Conduct

LEADING BY EXAMPLE

July 2011

nelnet
EDUCATION PLANNING & FINANCING

Leaders, by virtue of their positions of influence, must be ethical role models for all associates.

An important part of a leader's responsibility is to exemplify the Company values and exhibit the highest standards of integrity. Leaders must communicate the seriousness of the Company's expectations for ethical conduct and their own personal support of these expectations by holding everyone accountable for making sound ethical judgments. Leaders must be alert to any situations or actions that may be unethical or potentially damaging to the Company's reputation. They must take prompt action to address such situations and be careful to avoid even the appearance of implicit approval.

The need for individual judgment

While no code of conduct can address the appropriate behavior for every situation, the Nelnet Code of Conduct generally specifies the standards of behavior expected of each associate. Nelnet relies on each associate to make a judgment of what is right and proper in any particular situation. If you are having difficulty determining whether taking a certain action is appropriate, you should consider the following questions:

- **Is the action legal?**
- **Is the action ethical?**
- **Does the action "feel" right?**
- **Could it be justified to others at Nelnet or to our stakeholders?**
- **Could we defend the action if it appeared in the local newspaper?**
- **Does it comply with Nelnet standards and policies?**
- **Could the action negatively affect Nelnet's reputation?**

Seeking further guidance?

Many of the standards in this Code of Conduct are explained in more detail in the relevant sections of the Nelnet Associate Handbook and applicable business compliance policies. If you have any practical questions arising from this Code, consult with your leader, contact People Services, or submit your inquiry via e-mail to AskEthics.

Each associate, Nelnet officer, and member of its Board of Directors is expected to understand and comply with the Nelnet Code of Conduct.

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

TABLE OF CONTENTS

Introduction 4

Summary of Nelnet Code of Conduct 5

code 1 **Comply with laws, regulations, and Nelnet standards** 6

2 **Speak up** 7

3 **Reject bribery and corruption** 8

4 **Avoid being compromised by gifts and entertainment** 9

5 **Prevent fraud and financial misrepresentation** 10

6 **Avoid conflicts of interest** 11-12

7 **Protect and ensure proper use of company assets** 13

8 **Know the rules for trading Nelnet stock and trade only when you do not possess insider information** 14

9 **Accurately represent Nelnet and its products or services** 15

10 **Resolve customer complaints quickly and fairly** 16

11 **Protect associate, customer, and company confidential information** 17-18

12 **Treat our people fairly** 19

13 **Be open and honest with our regulators** 20

14 **Adhere to the Nelnet Student Loan Code of Conduct** 21

15 **Adhere to the Fee-Based Business Segment Guiding Principles** 22-23

Compliance and enforcement 24

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

Introduction

I believe our corporate mission to make educational dreams possible is a noble one. Our mission is created with the purpose of helping people better themselves and their families and communities through education. This is why we come to work every day. We are serving a higher purpose, a greater cause—to inspire associates and positively influence our customers' experiences.

As we interact with our millions of customers—students, families, schools, and lenders—we are making education possible and positively impacting the world. If you think of the countries in the world today that are great nations, and conversely of the nations that are struggling, you can generally trace a country's success or failure back to the educational opportunities of that nation's populace.

The Nelnet Code of Conduct is not meant to be all-encompassing. It is not written to cover every workplace or ethical dilemma you will face, but it is meant to help you recognize potential issues and understand how to deal with them. In our day-to-day business dealings, each of us relies on our good judgment and experience to ensure we make the right decisions to fulfill our mission. It's our responsibility to our customers, our associates, and to the communities in which we live and work to act with integrity in every situation. Of course, common sense suggests that business conduct issues are not always black and white. This is where the Nelnet Code of Conduct can help. While no document can address every possible issue that you may encounter while performing your job, we have designed the Code to provide you a starting point with very clear avenues of escalation when you have concerns related to the ethics surrounding your work.

Nelnet's Code of Conduct applies to and serves as a guide for each of us—sales, marketing, operations, shared services, management, and board members—as we strive to do business with the highest degree of honesty and integrity. This Code not only summarizes key policies, but provides practical applications that you can use as a guide and reference. I encourage you to become familiar with these policies and look to our Portal for more details about the values and principles we consider critical to a successful organization. We will continue to update or enhance this Code as necessary, including when new regulations and guidelines are adopted.

Periodically, you will be asked to provide a written certification that you have reviewed and understand Nelnet's Code of Conduct, have complied with its standards, and are not aware of any violations of the Code by others. This certification is your pledge to live up to our Code and its expectations and to promptly raise concerns about any situation that you think may violate our Code. Each of us is responsible for adhering to a high standard of conduct. I have committed to these principles, and by working at Nelnet, you need to do the same.

Jeff Noordhoek
President
Nelnet

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

Nelnet Code of Conduct

1. **Comply with laws, regulations, and Nelnet standards:** We must comply with the spirit, not just the letter, of relevant laws, regulations, and Nelnet standards as outlined in this Code and other Nelnet policies. We expect Nelnet associates to deal fairly with all Nelnet stakeholders.

2. **Speak up:** We must speak up if we suspect any actual, planned, or potential behavior that may breach any laws, regulations, or Nelnet standards.

3. **Reject bribery and corruption:** We must not give or accept bribes or engage in any form of corruption.

4. **Avoid being compromised by gifts and entertainment:** We must not offer, give, or accept inappropriate gifts or benefits, as defined later in this Code, to or from third parties.

5. **Prevent fraud and financial misrepresentation:** We must comply with laws, regulations, and Nelnet standards on financial integrity and fraud prevention.

6. **Avoid conflicts of interest:** We must take steps to avoid conflicts of interest. If we identify potential conflicts of interest, we must take action to resolve and manage them in an open and honest manner.

7. **Protect and ensure proper use of company assets:** We must protect Nelnet's assets and ensure that they are used efficiently and for legitimate business purposes.

8. **Know the rules for trading Nelnet stock and trade only when you do not possess insider information:** We must comply with Nelnet's Securities Trading Policy.

9. **Accurately represent Nelnet and its products or services:** We must comply with laws, regulations, and Nelnet standards on mis-selling and advertising.

10. **Resolve customer complaints quickly and fairly:** We must ensure that all complaints are resolved quickly and fairly and recorded appropriately.

11. **Protect associate, customer, and company confidential information:** We must respect laws, regulations, and Nelnet standards governing confidentiality of information and data protection.

12. **Treat our people fairly:** We must treat our colleagues with fairness and respect, help them to grow, and enable individuals to make a difference and teams to win.

13. **Be open and honest with our regulators:** We must demonstrate exemplary transparency in all our communications.

14. **Comply with the Student Loan Code of Conduct:** Specific guidelines are defined for those involved in student lending activities.

15. **Comply with the Fee-Based Business Segment Guiding Principles:** Specific guidelines are defined for those involved in fee-based activities.

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

1. Comply with laws, regulations, and Nelnet standards.

We must comply with the spirit, not just the letter, of relevant laws, regulations, and Nelnet standards. We expect Nelnet associates to deal fairly with all Nelnet stakeholders.

We demand the highest ethical standards in carrying out our business activities.

- You must act with integrity and honesty in all circumstances and at all times with all parties.
- You must comply not just with the letter but also with the spirit of all relevant legal and regulatory requirements. This means that you should follow the underlying principles of laws and regulations as well as follow their exact wording.
- You should not participate in any transaction that would violate the laws, rules, or regulations where Nelnet conducts business.
- You should not take unfair advantage of anyone, including customers, suppliers, competitors, or our associates, through manipulation, concealment, misrepresentation, or other unfair dealings.
- You are responsible for complying with laws, regulations, and Nelnet standards and will be held accountable for doing so.
- Violations are not acceptable.
- The practices of competitors or others in the market do not necessarily make such activities acceptable.
- Revenue opportunities will not take priority over protecting our reputation; taking shortcuts to achieve revenue targets is not acceptable.

Why is this important?

As an associate, you are a representative of Nelnet. You have a responsibility to acquire appropriate knowledge of and comply with the laws, regulations, and Nelnet standards that apply to your job and your area of responsibility and to recognize the potential dangers of non-compliance. It is everyone's responsibility to ensure compliance with all laws, regulations, and Nelnet standards in the markets in which we operate. Nelnet's reputation is built on you "doing the right thing" as well as complying with laws. Therefore, you should strive to always deal honestly and ethically with other associates and Nelnet's Board members, officers, advisors, customers, suppliers, and competitors.

What must you do?

If you discover that you are unintentionally violating a law, regulation, or Nelnet standard, you must stop immediately and report the matter. Carefully consider the circumstances and use your judgment when considering how to report a violation. In the case of immaterial or very minor violations, it may not be necessary to contact the Legal Department. If you question whether to contact Legal, first check with your leader. In some instances you may wish to consider using the Speak Up process (see section 2).

You must comply with the laws and regulations or Nelnet standards, whichever is stricter.

If you need additional information in understanding the applicable laws, regulations, and Nelnet standards, you should send an inquiry to ASKPOLICY.

Q. So, as long as I follow the laws, regulations, and Nelnet's polices and standards, I should have nothing to worry about?

A. **In addition to the various written documents provided to guide your behavior, Nelnet expects its associates to recognize and avoid activities and relationships that involve or might appear to involve behavior that may compromise your integrity or that of Nelnet or damage Nelnet's reputation.**

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

2. Speak up.

We must speak up if we suspect or identify any perceived, actual, planned, or potential behavior that may breach any laws, regulations, or Nelnet standards, including this Code of Conduct.

What does Speak Up mean?

The Speak Up process is a way to raise concerns, in confidence, about misconduct and malpractice. Nelnet encourages speaking up by providing associates with a confidential and secure means to raise concerns. The process is outlined below.

Why is this important?

Misconduct and malpractice damage our reputation and the trust placed in us by our stakeholders. Nelnet is committed to maintaining a culture of ethics, integrity, and openness by providing effective procedures to speak up. It is important that you can speak up when you have genuine concerns.

What must you do?

You must, and for some types of suspicious activity, are legally obligated to, speak up if you suspect any actual, planned, or potential behavior that is illegal or unethical. Concerns should normally be raised with your leader. For situations in which you feel unable to do this, procedures are available in the Audit section of the Portal for your concerns to be directed confidentially to Nelnet's Audit Committee Chairperson, an independent member of the Board of Directors If there is a question of ethics, you can contact AskEthics through e-mail.

Nelnet's commitment:

Remember, you do not have to be 100% sure your concerns are accurate. You may have encountered a mistake in the system or process, rather than deliberate wrongdoing. Any concerns raised will be recorded, reviewed, and where appropriate, promptly investigated. Feedback will be provided for instances in which you have voluntarily provided your name. Please note that Speak Up is not a mechanism to raise general complaints.

Nelnet considers associate concerns very important and desires your cooperation in resolving such issues. However, if you feel more comfortable, you may anonymously report activities (via the Anonymous Submission Form accessible via the Audit Portal page) that may involve unethical behavior, criminal conduct, and violations of this Code, business policies, internal controls, financial reports, and other questionable activities.

Nelnet will not tolerate retaliation toward or victimization of anyone who speaks up. Speak Up is an essential part of our values. No one will be disadvantaged for speaking up, unless the main aim is to cause deliberate damage.

Q. What kinds of things should be reported under the Speak Up process?

A. **You should speak up about breaches of laws, regulations, or Nelnet standards, frauds or other criminal acts, and similar serious incidents that you believe have not already been reported or investigated appropriately. You should also report any issue that you believe may pose a reputation risk to Nelnet or is unethical. You should NOT use this policy to raise grievances or act in bad faith against colleagues.**

Q. Can I speak up without giving my name?

A. **Yes, through the Anonymous Submission Form accessible via the Audit Portal page, the Speak Up process allows for anonymous reporting. However, we encourage you to provide your name so we will be able to provide you with feedback on your report or seek clarification of the issues.**

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

3. Reject bribery and corruption.

We must not give or accept bribes or engage in any form of corruption.

Why is this important?

Bribery and corruption damage our business and undermine our values. Nelnet opposes all forms of bribery and corruption. Nelnet aims to promote the best standards of socially responsible business in the markets in which we operate.

Improper influence of government officials or others is against the law and will not be tolerated. There are legal and company-sanctioned methods of working with government and regulatory officials.

What must you do?

You must follow the guidance of the Nelnet Code of Conduct and any other laws, regulations, and Nelnet standards. You must also report the incident if you suspect an action from anyone is intended to seek or offer personal payments or favors. You must report your suspicions immediately to your leader or the Legal Department.

You must not:

- Use corporate funds (directly or indirectly) to support any political party or candidate. **Note:** The Nelnet Political Action Committee (PAC) continues to be a viable way to legally direct funds to positively affect legislative outcomes on behalf of Nelnet.
- Offer or make any kind of unofficial or unorthodox payment or benefit to government officials or others with decision-making power over Nelnet's business or your own personal affairs.
- Offer to pay a customer or potential customer for its business outside of a legitimate sale and contract.
- Accept any kind of unofficial or unorthodox payment or benefit.

Q. My department is involved in public sector (i.e., government) contracts. Are there any special rules to follow?

A. **In the United States and some other countries, laws and standards govern the public procurement process to protect the integrity of how government agencies select contractors and how contractors perform services. Nelnet associates who interact with government employees have been trained to understand the laws and standards essential to maintaining an effective and lawful business relationship with our public sector clients. If you are in a situation in which you have not been trained accordingly, you should consult with your leader or the Legal Department.**

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

4. Avoid being compromised by gifts and entertainment.

We must not offer, give, or accept inappropriate gifts or benefits to or from third parties.

Why is this important?

Gifts and entertainment are a part of most business relationships. Gifts can be in many forms including trips, tickets, cash, quid pro quo arrangements, discounts, hotel accommodations, or anything that is deemed to be of value by the recipient. Problems arise when they begin to compromise or influence—or even appear to be designed to compromise or influence—business relationships. For this reason, you are not allowed, as a general rule, to offer, give, or accept gifts or other benefits to or from any existing or prospective customer, supplier, or government official outside the guidelines below.

- For FFELP-related business segments, the giving of gifts is limited to items of $10 or less in value per recipient per calendar year. See the Student Loan Code of Conduct (Section 14 of the Code) for additional guidance.
- For fee-based-related business segments, expenditures for meals and entertainment should not exceed the amounts outlined in the Nelnet travel policy and/or the Nelnet affiliate travel policy. Very limited exceptions to this limit will be granted for high cost of living cities such as New York, San Francisco, or Toronto.
- Offering and accepting reasonable business entertainment and hospitality must be appropriate at the level at which the associate works in the business segment concerned.
- Gifts received must be reported via an e-mail to AskEthics (within seven business days), for a determination of compliance with this policy.
- Corporate gifts and mementos given must be tasteful, not be of excessive value, and conform to Nelnet's guidelines. A gift should not be cash or anything that can easily be converted to cash. An example of an inappropriate gift to a customer is a gift card to a store or that can be used as cash.

What must you do?

- Increase your awareness and sensitivity to gifts and entertainment in our business relationships. If you gave or received something of value in the past, confirm that you are in compliance with the rules.
- Understand the nature of quid pro quo arrangements. Most people think that cash needs to change hands for a violation of the Code of Conduct to occur. This is not the case. Trading services for services/products can also be a Code violation.

Q. The hotel staff sent me a gift card in appreciation for holding a recent Nelnet meeting at their location. The card came with a message stating that they thought I was exceptional to work with and that they appreciated Nelnet's business. I'm certain that I should not accept the gift card, but how should I handle the situation?

A. **You are correct; acceptance of the gift card is prohibited under the Code. The right course of action is for you to return the gift card expressing your appreciation for the gift, but that Nelnet's Code of Conduct does not allow your acceptance of the card. By doing so, you are setting the tone that Nelnet's business relationship is not based on the expectation of rewards. Further, you are letting the hotel staff know how they should handle future situations with other Nelnet associates.**

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

5. Prevent fraud and financial misrepresentation.

We must comply with laws, regulations, and Nelnet standards on fraud prevention. This includes compliance with Nelnet's accounting and business expense policies.

Why is this important?

Fraud involves obtaining a benefit, often financial, by deception. Fraud is illegal and costly to our business and can also affect our reputation and undermine the confidence of our stakeholders. Therefore, it is imperative that Nelnet associates are not involved in or knowingly contributing to any form of fraudulent act. It is also imperative that Nelnet's financial condition is transparent and is presented accurately to our stakeholders.

What must you do?

- Participate in all required training programs related to fraud and financial transparency. This will help you learn what fraud is and how it is perpetrated.
- Identify transactions that are inconsistent with the normal course of business, or that do not match the normal pattern of activity. Any exceptions to process or procedure should be questioned to ensure the rationale is clearly understood and documented.
- Report suspicious activities immediately to your leader or via the anonymous submissions process, located in the Audit section of the Portal (https://www.nelnet.net/audit/default.asp). The process is managed by Nelnet's Audit Committee Chairperson, an independent member of the Board of Directors.
- Disclose changes in business conditions that are material and not known to the public as required by law.
- Follow Nelnet's accounting and business expense policies.
- Ensure that all of Nelnet's public disclosures, including those we provide to or file with the Securities and Exchange Commission (SEC), are accurate.

You must not:

- Falsify or alter the recording of data to conceal or distort financial statements or the nature of the activity.
- Provide company data or other private information to unauthorized personnel.
- Ignore suspicious activity.

Q. I believe that a Nelnet associate may be involved in fraud, but I am not sure. It is a fairly serious thing to say about somebody. Do I have to report it?

A. **Yes, you must speak up and report it. You do not have to be sure, and you do not have to have fool-proof evidence. All that is required is a suspicion—that is, a belief that fraud is or could be occurring given what you know about the associate's behavior, and that alone is a sufficient basis for a report.**

Q. Since we have met our annual sales targets necessary to achieve the maximum bonus, my leader instructs me to "hold off" on bringing in any more contracts until after first of the year."This way, we can have a head start on meeting next year's targets." Is this acceptable? I have some sizeable contracts pending for the remaining two weeks of this year.

A. **Nelnet's Code as well as GAAP (accounting standards) prohibits intentional misclassification of transactions as to accounts, business units, or accounting periods. False and misleading accounting records, transactions, books, and reports are strictly prohibited.**

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

6. Avoid conflicts of interest.

We must take steps to avoid conflicts of interest. If we identify potential conflicts of interest, we must take action to resolve and manage them in an open manner.

What are conflicts of interest?

Conflicts of interest can take many forms, and these can be actual, potential, or perceived; all must be avoided. Broadly, there are two categories of conflicts:

Personal conflicts of interest exist when there is potential to put your personal interests or personal benefit ahead of those of Nelnet or a Nelnet customer. If your judgment is influenced or compromised by your personal interest in an activity, there is likely a conflict of interest.

Business conflicts of interest include situations when Nelnet:

- Has a conflict of interest with a customer
- Is acting for two or more customers who have a conflict of interest over the subject matter of engagement
- Has confidential information about an existing customer that could be used in another customer relationship

Why is this important?

Whichever form they take, all conflicts of interest have two things in common:

- They can expose your personal judgment and that of Nelnet to scrutiny and criticism. Even the perception of a conflict of interest can cause difficulties.
- They can cause damage to Nelnet's reputation and possibly your own.

What must you do?

- Identify all potential conflicts of interest. You must disclose them immediately to Nelnet management, or refer to the Speak Up process. (See Section 2.)
- Be aware of perceptions of conflicts of interest. A perceived conflict of interest can be as damaging to Nelnet's reputation as an actual one.
- Be transparent and open when you identify potential conflicts of interest. You must take action to resolve and manage them in an open manner. Relationships that involve or benefit a Nelnet officer or member of the Board of Directors, but that the Board is aware of and deems to be immaterial, will not be considered a conflict of interest.
- Educate yourself on what constitutes a conflict of interest.
- Avoid situations, recommendations, and decisions where you can individually/financially benefit in an undisclosed manner as a result of Nelnet's activities.
- If you are asked to serve on the board of a K-12 institution or a college/university, special care must be taken. Submit your inquiry to AskEthics as to whether this is advisable and if so, which disclosures must be made.

You must not:

- Take an opportunity to gain personally (or for members of your immediate family to gain) from any situation that may be of interest and value to Nelnet that you discover because your position has access to information, unless such opportunity is first offered to Nelnet and Nelnet determines not to pursue it.
- Receive improper personal benefits as a result of your job at Nelnet.
- Try to resolve a conflict of interest on your own.
- Engage in any business or secondary employment that interferes with your obligations and responsibilities to Nelnet.
- Serve on the board of directors of any corporation not owned or controlled by Nelnet other than nonprofit, charitable, religious, or civic organizations, without the prior written approval of Nelnet's executive management.
- Compete with Nelnet or directly or indirectly have a material financial interest (whether as an investor, lender, associate, or other service provider) in any company that is selling supplies, furnishing services, or otherwise doing business or competing with Nelnet, unless approved by Nelnet's executive management.
- Donate to organizations where the donation is in exchange for business or future business.

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

BUSINESS CONFLICTS OF INTEREST

Q. I am a Nelnet associate and just became a Certified Financial Planner (CFP). I would like to build up my client base. Since I have a large group of Nelnet coworkers, is there any issue with asking them to become clients and invest their personal funds with me?

A. **In order to do this, several conditions would need to be present. First, your CFP business could not interfere with your primary responsibilities as a Nelnet associate. This would preclude you from speaking to any coworkers about your business during scheduled Nelnet business hours. Second, you could not represent yourself as being a Nelnet CFP or in any way use the Nelnet brand. Third, you could not access any Nelnet systems to obtain information about any associates to advance your CFP business. Finally, you should consult with your supervisor about whether he or she believes that your contacting coworkers could, in any way, present a detrimental work environment at Nelnet.**

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

7. Protect and ensure proper use of company assets.

We must protect Nelnet's assets and ensure they are properly used for legitimate business proposes.

What are company assets?

All associates must protect company assets, such as equipment, hardware, software, inventory, supplies, cash, and intellectual property. Intellectual property includes Nelnet's intangible assets, such as copyrights, patents, trade secrets, software development, and innovations.

What must you do?

- Protect company assets so they are not lost, stolen, or misused
- Use company assets only for legitimate business purposes
- Properly maintain and safely use company equipment
- Treat company assets with the same care as you would if they were your own
- Follow Nelnet's Corporate Security Policy and business security standards to protect information stored on your computers, systems, databases, or mobile devices

You must not:

- Leave computers, mobile smart phones, or any other type of mobile device unprotected at any time
- Make any inappropriate or unauthorized disclosures of intellectual property
- Personally use Nelnet intellectual property

Q. How do I know if something is a Nelnet trade secret or confidential?

A. **You should treat everything you learn about Nelnet and its business as a trade secret or confidential unless it is obviously a matter of general public knowledge. A particular document or other material containing information does not need to be marked "trade secret" or "confidential" to be treated as such. Some examples of Nelnet's confidential information or trade secrets include customer lists; the terms, rates, or fees offered to particular clients; marketing or strategic plans; and software, risk models, tools, and other system developments. If you have any questions, you should contact the Legal Department.**

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

8. Know the rules for trading Nelnet stock, and trade only when you do not possess insider information.

We must comply with insider trading laws and Nelnet's securities trading policy.

What is material information?

Material information is information that would be likely to have an effect (either positive or negative) on the price of the securities to which it relates. In other words, a reasonable shareholder would consider the information important in making an investment decision. Therefore, material information may include earnings estimates, stock, and dividend activity; changes of control or management; pending mergers; sales; acquisitions; reserves numbers; or other significant business information or developments. However, information that the company has changed one of its many suppliers is unlikely to be material. It is irrelevant whether the information is obtained by virtue of your employment or in a personal capacity.

What is non-public information?

Non-public information is information about the company that has not been broadly disseminated to the marketplace through a press release or securities filing with the SEC.

What is insider trading?

Insider trading is, but is not limited to, buying or selling Nelnet stock while in possession of material non-public information ("insider information"). Insider trading includes giving tips to another person or dealing on behalf of relatives, friends, or any other third parties based on insider information. Insider trading is illegal and unethical and will not be tolerated.

Why is this important?

- You must act with integrity and honesty and avoid making personal gains through trading Nelnet stock when in possession of insider information.
- Insider trading is prohibited under the terms of your employment with Nelnet. Any associate who engages in insider trading will be promptly disciplined, if not terminated from employment.
- Insider trading is a violation of federal securities law and may result in stiff punishments, including going to prison.

What must you do?

All associates are expected to comply with Nelnet's Securities Trading Policy (NSTP).

Q. Ordinarily I am not privy to insider information; therefore, I have not been designated as an insider per Nelnet standards. Recently, I saw some confidential information about a deal Nelnet is working on with another company. Since I'm not designated as an insider, can I buy stock in either Nelnet or the other publicly traded company?

A. **No, you must wait until the deal is made public before purchasing stock in either company. You may be liable for insider trading if it is determined that the information you saw is insider information. Even if the information is not material, you should not buy stock because any perception of wrongdoing could harm the reputation of both you and Nelnet.**

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

9. Accurately represent Nelnet and its products or services.

We must comply with laws, regulations, and Nelnet standards on mis-selling and advertising.

What is mis-selling and misrepresentation?

Mis-selling is the sale of a product or service to a customer without regard to the customer's interests. This practice is prohibited. Mis-selling exposes Nelnet to regulatory penalties, reputation damage, and legal action by customers.

Misrepresentation is providing inaccurate or misleading information about Nelnet, its products, or services that will prevent its customers or stakeholders from making an informed decision.

What must you do?

- Not sell products or services to customers that will fail to meet their needs or without regard to the customer's interests.
- Provide relevant and complete information to customers to ensure they have the best choice of product options.
- Know enough about Nelnet's products and about the customer's risk appetite, objectives, finances and personal circumstances. This enables Nelnet to judge the effect the products will have and whether they will meet that customer's needs.
- Make every effort to ensure that the customer understands the product and its risks, particularly with complex products.
- Comply with Nelnet's advertising standards and ensure all advertisements are reviewed by Corporate Communications (send all communications to z-CommunicationsReview@nelnet.net for corporate approval) before they are launched.
- Explain product features clearly both orally and in any marketing literature.

Q. I am responsible for advertising a Nelnet product through a variety of mediums. In some instances, I have a limited amount of space to work with. Therefore, do I still need to include all of the "boilerplate" disclosures about that product?

A. **Yes, when advertising Nelnet's many products and services, whether it be in customer mailings, in brochures, on our website, via text messages, or through any other medium, you must include appropriate disclosures. Additionally, disclosure requirements vary and may be triggered by situations other than advertising, such as phone, text, or online chat communications with customers.**

Q. A competitor is constantly making misleading and disparaging comparisons with our product. What can I do to counter this?

A. **Nelnet expects its associates to compete vigorously and effectively but never unfairly or with intent to retaliate. Therefore, you must make sure that any comparisons with the competition are fair and accurate.**

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

10. Resolve customer complaints quickly and fairly.

We must ensure that all complaints received are resolved quickly and fairly and recorded appropriately.

Why is this important?

Although Nelnet's goal is to provide a great customer experience, we know that it is not reasonable to eliminate all complaints. Therefore, how we handle complaints is important to effectively serving our customers. Customers who have complaints dealt with in a swift and timely manner are often more loyal than those who have encountered no problems at all. Complaints, if they are dealt with quickly and professionally, are an opportunity for us to improve our service to customers.

What must you do?

Complaints must be dealt with in a courteous, efficient, and timely manner, and in accordance with Nelnet standards or, if applicable, your department's policy for dealing with complaints. All customer complaints must be recorded in the appropriate place. Failure to follow these procedures can expose Nelnet to reputation damage, lawsuits, and regulatory penalties (including fines).

If the complaint is justified, it must be dealt with quickly. A responsive approach will impress customers and enhance their perception of Nelnet. However, replies should not expose Nelnet to risk, such as litigation. You should always involve the Legal Department if the complaint alleges fraud, illegality, or unethical behavior. Follow established Nelnet escalation procedures when appropriate.

Q. One of Nelnet's customers is complaining about the high interest rate on her loan and has asked for relief from the high rate. Nelnet did not originate the loan and the complaint is not, in any way, about Nelnet's service. Should I escalate this complaint or treat it any differently than a service-related complaint?

A. **Regardless of the legitimacy of the complaint, you need to treat the customer professionally and listen to her concern with empathy. Through how you work with the customer, despite the inability to change the rate on the loan, you can provide a responsive, caring approach to let the customer know that she has been heard. Offering alternative solutions, to the extent that they are available, is another way to assist the customer.**

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

11. Protect associate, customer, and company confidential information.

We must comply with laws, regulations, and Nelnet policies and standards governing confidentiality of information and data protection.

Why is this important?

Customers and associates are legally entitled to have the information they provide to Nelnet kept confidential (i.e., not disclosed to third parties other than those outlined in Nelnet's privacy policy). It can be a serious legal breach to reveal such information to anyone who is otherwise not authorized to have the information. Since the information is entrusted to Nelnet, you must not disclose it unless you are absolutely sure you are legally permitted to do so. Failure to comply with federal and state privacy laws can lead to penalties and legal action.

A significant loss of customer or associate personally identifiable information or security breach that leads to a loss of customer or associate personally identifiable information could lead to company reputation damage, loss of business customers, and regulatory penalties or, worse yet, expose customers to identity theft.

Special care is required regarding the public release of information concerning Nelnet's business, strategies, activities, and plans. Disclosure of such information could be used by competitors, be harmful to Nelnet or our customers, or influence investors trading in Nelnet securities. All media contact, public statements, and discussions of Nelnet business must be coordinated with Nelnet's Corporate Communications Department and should only be made by spokespersons authorized by an officer of Nelnet.

What must you do?

- Take necessary steps to secure customer and associate personally identifiable information (use complex passwords, encrypt data files, limit access to data)
- Follow Nelnet's Guidelines on Social Media
- Follow Nelnet's Privacy Policy
- Follow Nelnet's Corporate Security Policy and business security standards
- Follow Nelnet's Clean Desk Policy

You must ensure information is:

- Accurate and up-to-date, neither biased nor misleading
- Used only for the purposes for which it was received
- Kept only as long as is necessary
- Held securely
- Adequate and relevant, not excessive and unnecessary
- Not disclosed, except as permitted by law and Nelnet policy
- Only distributed if proper authority has been given

You must not:

- Assume that customer information can automatically be shared between business segments within Nelnet
- Disclose information related to Nelnet processes or actions on a social media site without consulting with Nelnet's Corporate Communications Department
- Leave customer or associate information unattended on your desk or computer screen

Q. I have a friend who wants me to compile a list of e-mail addresses of my friends at Nelnet who may be interested in his business. I figure my friends may like the offer. Should I send the list of e-mails to my friend?

A. **No. Personally identifiable information, whether it is an associate's or customer's, including names and e-mail addresses, is protected and cannot be shared.**

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

Q. You have prepared a presentation on a new company promotion. You are excited about the plan but worry that it won't resonate with the younger audience, so you want to discuss it with a longtime friend outside the company, a marketing consultant who is an expert with this customer segment. Should you discuss the plan with your friend?

A. **No. All work created on behalf of the company should be discussed with a third party only if a business agreement is in place.**

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

12. Treat people fairly.

We will treat Nelnet associates with fairness and respect, helping them to grow and make a difference.

Why is this important?

You owe a duty of care to all of your co-workers. Nelnet seeks to promote the well-being of all its associates. You must treat people fairly and operate within Nelnet standards, protecting the rights of all associates, as well as complying with Nelnet's legal obligations.

You should also seek to reach your potential and deliver high performance. As an associate you should continuously develop your skills and capabilities so Nelnet can deliver its commitments to the company's stakeholders. Nelnet aims for a multi-talented and diverse workforce.

What must you do?

Standards of performance and conduct. You must meet the expected standards of performance, behavior, and conduct. The standards are explained in the Associate Handbook. The performance management process is designed to ensure high levels of performance are achieved and maintained. Any discriminatory behavior, harassment, or breach of conduct will not be tolerated.

Health, safety, and security. Nelnet's health and safety rules and procedures are designed to provide a safe and healthy work environment. They are also designed to meet applicable health and safety laws. The safe and healthy choices and behaviors of associates are the greatest contributor to the work environment.

You must:

- Work in a healthy and safe manner, ensuring your actions or omissions do not put others at risk
- Encourage others to work in a healthy and safe manner; report all accidents and incidents
- Bring any hazard in the workplace to the attention of management

Learning and competency. You have a responsibility for continued learning and development. You must maintain the skills and knowledge you need to perform your job well and maximize your potential. This means you should expect to receive assistance from your leader in identifying your learning needs each year. You should participate in relevant development activities that help you develop new skills and capabilities.

Report violations. An officer or associate should promptly report any discrimination or harassment or any complaint of discrimination or harassment to People Services. Additional information regarding discrimination and harassment may be found in the Associate Handbook.

Where can you find out more?

Nelnet policies and processes are applied consistently across Nelnet. Further information can be obtained via the Nelnet Portal or directly from People Services Consultants.

You must not:

Discriminate or harass. Nelnet is committed to providing a workplace free of discrimination and harassment based on race, color, religion/creed, age, gender/sex, national origin/place of origin/ethnic origin, disability, or any other basis prohibited by applicable U.S. or Canadian law. Similarly, offensive or hostile working conditions created by such harassment or discrimination will not be tolerated.

Q. One of my coworkers is friends outside of work with my supervisor. In fact, they play on the same softball team. Recently, my supervisor gave her a spot bonus for her work on a project that I participated on too, and I didn't receive anything. What should I do about this situation?

A. **Nelnet believes in treating its associates with fairness and respect. You should go to your supervisor and ask her about the situation to clarify what happened. Since Nelnet is a pay-for-performance company, it could be that your contribution on the project was minor compared to your coworker's contributions. If your supervisor cannot provide a satisfactory explanation, you should contact your People Services Consultant.**

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

13. Be open and honest with regulators.

We must demonstrate exemplary transparency in all communications.

Why is this important?

Nelnet is committed to exemplary governance and ethics wherever it operates, and every associate must be able to demonstrate this to all of our stakeholders, including regulators.

Nelnet operates nationwide and is regulated by a number of entities. Maintaining regulatory relationships is essential to enable Nelnet to continue to grow and to serve its customers.

What must you do?

You must be open, honest, and forthright when dealing with Nelnet's regulators. If you discover a problem that should be reported to the regulator, contact the Legal Department.

You must never conceal a problem from the regulator. Pursuing this course of action is strictly prohibited and not only is a breach of Nelnet standards, but may also be a breach of law and regulations.

You are expected to extend full cooperation to regulators at all times. If you have any questions about how to respond to or treat regulatory inquiries and relationships, you must contact the Legal Department.

Q. If I become aware of a regulatory breach in my department, what should I do?

A. **Report it directly to the Legal Department, who will consider the best approach to take with the regulator. It is essential that you do not ignore breaches. Long-term relationships with Nelnet's regulators can only be built on a basis of trust and openness.**

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

14. Adhere to the Nelnet Student Loan Code of Conduct.

We must comply with all provisions of the Nelnet Student Loan Code of Conduct outlined below when interacting with an institution of higher education or an employee of an institution of higher education in any situation directly or indirectly related to Nelnet's student lending activities.

I. Prohibition of certain remuneration to institutions of higher education/revenue sharing prohibition

Nelnet shall not provide anything of value to an institution of higher education in exchange for any advantage or consideration related to our student loan activity with respect to the financial aid office, including but not limited to placement on any institution preferred FFELP loan lender list.

II. Prohibition of certain remuneration to higher education employees/gift and trip prohibition

Nelnet shall not provide anything of more than nominal value ($10, or such other amount as may be provided by federal law) to any officer, trustee, director, employee, or agent of an institution of higher education who is involved in the student lending process in such institution's financial aid office.

III. Limitations on lender advisory boards/advisory board compensation rules

Nelnet shall not provide anything of value, including reimbursement of expenses, to any officer, trustee, director, employee, or agent of an institution of higher education involved in the student lending process in such institution's financial aid office.

IV. Limitations on staffing of financial aid offices

Nelnet will not provide, without proper disclosure and transparency, staff for an institution of higher education's financial aid offices at any time where that employee has contact with students other than general debt counseling.

V. Prohibition on use of opportunity loans

Nelnet shall not arrange with an institution of higher education to provide any private loans to borrowers who would otherwise not satisfy Nelnet's credit criteria (so-called "Opportunity Loans") in exchange for other specified loan volume from the institution of higher education or placement on the institution's preferred FFELP loan lender list.

VI. Maintenance of borrower benefits

Nelnet shall take all commercially reasonable steps to ensure that all benefits originally available on a loan remain in force (or offer other benefits substantially identical or better during the repayment phase of the loan) if that loan is transferred or the servicer is changed as long as the original loan is outstanding.

VII. Full disclosure of sales of loans to another lender

Nelnet will disclose to borrowers any agreement between Nelnet and any unaffiliated entity to sell loans if the sale results in Nelnet no longer servicing such loan.

VIII. Disclosure at the request of institutions of higher education

Upon the request of any institution of higher education, Nelnet shall disclose information concerning the historic default rates of borrowers from said institution and the rates of interest charged to borrowers from the institution.

IX. Private education loans

If a borrower comes through Nelnet's direct-to-consumer channel and Nelnet has a relationship with the school the borrower is attending, Nelnet will offer the borrower the lower of the rate available directly from Nelnet or the rate available if the borrower had gone through the financial aid office to receive their private loan.

X. Preferred lender lists

In connection with recently proposed legislation, Nelnet wants to address choice and competition within the education finance process. Nelnet believes competition and choice on lender lists are critical at both FFELP and Direct Lending schools, and Nelnet supports the proposed requirement of having a minimum of three lenders on each preferred FFELP loan lender list, with at least two being unaffiliated lenders.

Terms of the Nelnet Student Loan Code of Conduct are subject to modification from time to time as changes occur in applicable laws and in the education finance industry. You will be informed of changes to the Student Loan Code of Conduct as they are made.

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

15. Adhere to the fee-based business guiding principles.

Nelnet competes for fee-based business beyond the student loan program both within and outside of educational markets. The Student Loan Code of Conduct (see Section 14) applies in circumstances where the financial aid office of an institution of higher education or an employee of such office is involved. Also, associates of Nelnet's fee-based businesses must strictly adhere to any code of conduct established by a third party with whom Nelnet is doing business and made known to us when interacting with that third party. The following additional guiding principles for Nelnet's fee-based businesses are provided for clarity.

I. Avoid conflicts of interest.

Conflicts of interest can take many forms and can be actual, potential, or perceived. All must be avoided. If conflicts are identified, you must report them to your leader or directly to the Legal Department. Some specific examples and related guidance include:

a. **Revenue sharing agreements.** Unless prohibited by law or other applicable guidance, business operations may include certain revenue sharing agreements to the extent that such revenue sharing agreements are clearly documented and explained. Furthermore, in educational markets, institutions must be encouraged to be transparent about the agreements and provide disclosure to students and parents as appropriate.[1]

b. **User groups/advisory boards.** Nelnet's customer-centric focus encourages gathering and implementing customer feedback. Unless prohibited by other guidance, Nelnet may request that employees of clients, prospective clients, educational institutions (both higher education and K-12), government entities, or trade associations serve on user groups or advisory boards. Nelnet will not provide pay for such services but may provide reasonable limited reimbursement of travel and entertainment costs.

c. **Sponsorships/donations/awards of scholarship dollars.** Nelnet may provide sponsorships for events involving clients, prospective clients, educational institutions (both higher education and K-12), government entities or trade organizations to the extent that the business purpose of the event is documented. The sponsorship, donation, or award cannot be given in exchange for business, or a promise for future business, and all participation must include an acknowledgement that sponsorship of the event is in no way a quid pro quo.

   All conference or convention sponsorships must be reviewed and approved in advance by the appropriate Managing or Executive Director (hereafter "Director"). (For sponsored events involving higher education entities or organizations, a Nelnet associate must be present.)

d. **Staffing/customer contact centers.** In educational markets, Nelnet fee-based business associates must identify themselves as employees of Nelnet (or the appropriate Nelnet affiliate) when calling on behalf of an educational institution to provide service to students or parents. If an institution specifically requests that such disclosure is not made, that request must be explained and submitted in writing, signed by an appropriate institution administrator and approved by the appropriate Nelnet Director.

e. **Lending relationships.** Nelnet fee-based businesses cannot provide anything of value, including discounts on fee-based products, to an institution of higher education in exchange for any advantage or consideration related to student lending with respect to the financial aid office, including, but not limited to, placement on any institution's preferred lender list.

[1] Specifically, fee-based businesses dealing with educational institutions must include appropriate language in their agreements that set forth the policy on revenue sharing or refunds. Agreements must also indicate that revenue sharing is not an inducement for loans or in any way connected to loan business or opportunities.

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

II. Avoid being compromised or compromising our customers by gifts and entertainment.

Gifts, business entertainment, or other benefits are a part of most business relationships. However, problems arise when the benefits are excessive or appear to compromise the integrity of commercial relationships. Corporate gifts and reimbursement of travel or business entertainment expenses must be tasteful, reasonable, and not of excessive value, and must conform to applicable corporate guidelines.

a. **Business meals and entertainment.** Nelnet will establish reasonable limitations on spending related to meals and entertainment for various business units. Unless governed by other guidance (such as the Student Loan Code of Conduct), expenditures for meals and entertainment should not exceed $200 per recipient per day.

b. **Reimbursement of travel and lodging.** Nelnet's fee-based businesses may provide limited reimbursement of travel, meals, and lodging to the extent that a Director or above has established reasonable criteria and guidelines in writing.

   Specifically, unless pre-approved, Nelnet will not cover travel or lodging costs for annual user group meetings.

   Nelnet may reimburse travel and lodging costs consistent with the guidelines contained in Nelnet's Travel Policy for "early adopter" participants or, under limited circumstances, the travel costs of certain customers who incur travel expenses at the request of the company.

Any exceptions to this policy must be reasonable and approved in advance, in writing by the appropriate Director. The exception approval must be submitted with the expense report. In instances where pre-approval was not possible, the expense will be reviewed by the Director immediately. All exceptions will be subject to review by Nelnet's Controller.

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.

Compliance and enforcement.

Associates are encouraged to talk to Supervisors, People Services Consultants, or a Nelnet officer when in doubt about the best course of action in a particular situation. Questions of interpretation or application of this Code regarding a particular situation should be addressed to the Legal Department. These requests can be made in writing or orally and will be handled discretely. Compliance with this Code is a condition of employment for each officer and associate.

Any suspected violation of applicable laws, rules, or regulations of this Code, including any transaction or relationship that reasonably could be expected to give rise to a conflict of interest, should be reported promptly to the Legal Department, without regard to the usual lines of reporting. No adverse action will be taken against any associate for making a complaint or disclosing information in good faith, and any officer or associate who retaliates in any way against an associate who in good faith reports any violation or suspected violation of this Code will be subject to disciplinary action, which may include termination. Any violation of this Code will be grounds for immediate disciplinary action up to and including termination.

Any amendment or modification of this Code must be approved by Nelnet's Board of Directors. Any waiver of this Code for non-executive officers or associates may be granted by the Chief Executive Officer. Any waiver of this Code for Directors or Executive Officers may be granted only by the Board of Directors or a duly authorized committee of the Board of Directors, subject to the disclosure and other provisions of the Securities Exchange Act of 1934, the rules associated with it, and the applicable rules of the New York Stock Exchange.

©2011 Nelnet, Inc. All rights reserved. Nelnet is a registered service mark of Nelnet, Inc.