



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

March 18, 2020

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FDIC Approves the Deposit Insurance Application for Nelnet Bank, Salt Lake City, Utah Area

The Board of Directors of the Federal Deposit Insurance Corporation (FDIC) approved the deposit insurance application submitted by Nelnet, Inc., Lincoln, Nebraska, to create a *de novo* industrial bank.

Nelnet Bank will originate and service private student loans and other consumer loans. As an internet-only bank, Nelnet Bank will operate from a main office located in Salt Lake City, Utah area.

Nelnet, Inc., was formed as a Nebraska corporation in 1978 to service federal student loans, and has since diversified its business activities to include, among other activities, education technology and payment processing.

Applications for deposit insurance are evaluated under a framework of seven factors that include: the financial history and condition of the institution; the adequacy of the institution's capital structure; the future earnings prospects of the institution; the general character and fitness of the management of the institution; the risk presented by the institution to the Deposit Insurance Fund; the convenience and needs of the community to be served by the institution; and whether the institution's corporate powers are consistent with the purposes of the Federal Deposit Insurance Act.

Nelnet Bank is awaiting approval from the Utah Department of Financial Institutions. The approval for deposit insurance requires the bank to be established within 12 months.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-34-2020

Attachments:

Approval Order for Deposit Insurance

Chairman McWilliams' Statement



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