

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): January 30, 2024

Navient Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-36228
(Commission
File Number)

46-4054283
(I.R.S. Employer
Identification No.)

13865 Sunrise Valley Drive, Herndon, Virginia
(Address of principal executive offices)

20171
(Zip Code)

Registrant's telephone number, including area code (703) 810-3000
Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

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(s)	Name of each exchange on which registered
Common stock, par value \$.01 per share	NAVI	The Nasdaq Global Select Market
6% Senior Notes due December 15, 2043	JSM	The Nasdaq Global Select Market
Preferred Stock Purchase Rights	None	The Nasdaq Global Select Market

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 7.01. REGULATION FD DISCLOSURE.

On January 30, 2024, Navient Corporation (the "Company") issued a press release announcing strategic actions to simplify the Company, reduce its expense base, and enhance its flexibility as a result of the in-depth review overseen by the Board of Directors over the past several months. Supplemental materials about these strategic actions will be posted on Navient.com/investors tomorrow morning by 7 a.m. Navient will hold a live audio webcast tomorrow, January 31, 2024, at 8 a.m. ET to provide in-depth commentary on results of the business review and discuss its financial results. A copy of the press release is furnished herewith as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Press Release, dated January 30, 2024.
104	Inline XBRL for the cover page of this Current Report on Form 8-K.

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SIGNATURE

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.

NAVIENT CORPORATION

By: /s/ Mark L. Heleen

Name: Mark L. Heleen

Title: Chief Legal Officer

Date: January 30, 2024

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NEWS RELEASE

For immediate release

Navient announces strategic actions following in-depth business review

- Will outsource student loan servicing and create variable expense model
- Initiates exploration of strategic options for business processing division, including potential divestment
- Intends to streamline shared service infrastructure and corporate footprint

HERNDON, Va., Jan. 30, 2024 — Navient (Nasdaq: NAVI) today announced strategic actions to simplify the company, reduce its expense base, and enhance its flexibility as a result of the in-depth review overseen by the Board of Directors over the past several months.

The strategic actions include outsourcing the servicing of its student loan portfolio to a third party; exploring strategic options for its business processing division—including potential divestment; and streamlining the company’s corporate functions to align with a simplified business model.

“After a thorough review, we are announcing targeted actions intended to simplify our business, reduce our expense base, and increase our financial and operating flexibility,” said David Yowan, president and CEO of Navient. “Over the longer-term, we believe these actions will increase the value shareholders derive from our loan portfolios and the returns we can achieve on business-building investments. As we embark on this important work, we also remain focused on running and growing our business and meeting the needs of our borrowers and clients. We look forward to continuing to provide updates as we establish a new foundation for Navient’s future success.”

Key elements of the steps announced today include the following.

Adopt a variable, outsourced servicing model

Navient has entered into a binding letter of intent that will transition its student loan servicing to MOHELA, a leading provider of student loan servicing for government and commercial enterprises. This transaction is intended to create a variable cost structure for the servicing of our student loan portfolios and provides attractive unit economics across a wide range of servicing volume scenarios. Navient and MOHELA will work toward ensuring a seamless transition in the coming months and providing customers with uninterrupted servicing of their loans.

Explore strategic options for the business processing division

In addition, Navient has launched a process to explore a range of value-creating options for its business processing division. Through various subsidiary brands, this division provides high-quality business processing services for a variety of government and healthcare clients, including hospitals, toll-road authorities, state revenue divisions, and federal agencies. With the decision to outsource student loan servicing, exploring options for the business processing division increases the opportunities for shared cost reduction. Navient is working with financial and legal advisors to assist the company in exploring strategic options for this division, which may include a sale of the division in whole or in part.

Streamline shared services infrastructure and corporate footprint

As it implements these actions, Navient also plans to reshape its shared services functions and corporate footprint to align with the needs of a more focused, flexible and streamlined company.

Based on full-year 2023 operating expenses, approximately \$400 million, which is net of expected outsourced servicing expenses, could be eliminated under a scenario in which the three steps announced today were completed. That scenario would also not include business processing revenue under a full-business divestiture scenario. Actual future expense reductions will depend on a number of factors including the details of the servicing outsourcing transaction and the potential strategic options for the business processing division.

Implementation of these transactions is expected to begin in 2024 and is expected to be largely complete over the next 18 to 24 months.

Supplemental materials and fourth quarter 2023 earnings

Supplemental materials about these strategic actions will be posted on [Navient.com/investors](https://www.navient.com/investors) tomorrow morning, Jan. 31, by 7 a.m.

As previously announced, Navient’s fourth quarter 2023 earnings results will be released tomorrow by 7 a.m. on [Navient.com/investors](https://www.navient.com/investors). In addition to being available on the company’s investor website, the results will be furnished on a Form 8-K available at [SEC.gov](https://www.sec.gov).

In addition, Navient will hold a live audio webcast tomorrow at 8 a.m. ET to provide in-depth commentary on results of the business review and discuss its financial results. The webcast will be hosted by David Yowan, president and CEO, Edward Bramson, vice chair of the Navient Board of Directors, and Joe Fisher, CFO.

Analysts and investors who wish to ask questions are requested to pre-register at [Navient.com/investors](https://www.navient.com/investors) at least 15 minutes ahead of start time to receive their personal dial-in access details. Others who wish to join in listen-only mode do not need to pre-register and may simply visit [Navient.com/investors](https://www.navient.com/investors) to access the webcast.

About Navient

Navient (Nasdaq: NAVI) provides technology-enabled education finance and business processing solutions that simplify complex programs and help millions of people achieve success. Our customer-focused, data-driven services deliver exceptional results for clients in education, healthcare and government. Learn more at Navient.com.

Contact:

Media: Paul Hartwick, 302-283-4026, paul.hartwick@navient.com

Investors: Jen Earyes, 703-984-6801, jen.earyes@navient.com

This news release contains "forward-looking statements," within the meaning of the federal securities law, about our business and prospects and other information that is based on management's current expectations as of the date of this release.

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