

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 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) February 17, 2006**

**Nelnet, Inc.**

(Exact name of registrant as specified in its charter)

Nebraska ----- (State or other jurisdiction of incorporation)	001-31924 ----- (Commission File Number)	84-0748903 ----- (IRS Employer Identification No.)
121 South 13th Street, Suite 201, Lincoln, Nebraska ----- (Address of principal executive offices)		68508 ----- (Zip Code)

Registrant's telephone number, including area code (402) 458-2303

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))

### **ITEM 3.02 UNREGISTERED SALES OF EQUITY SECURITIES.**

On February 17, 2006, Nelnet, Inc. ("Nelnet") entered into agreements to acquire the remaining twenty percent of FACTS Management Co. ("FACTS") capital stock and the remaining fifty percent of INFINET Integrated Solutions, Inc. ("INFINET") capital stock not already owned by Nelnet, with the closing of such agreements subject to certain regulatory approvals and closing conditions. These agreements provide that part of the consideration to be paid by Nelnet for the FACTS and INFINET capital stock includes the issuance of a combined total of 333,617 restricted shares of Nelnet's Class A Common Stock as discussed below. The following information under this Item 3.02 is being furnished since the total of such shares along with the number of shares issued by Nelnet upon completion of the acquisition of 5280 Solutions, Inc. capital stock on November 30, 2005 as discussed below exceeds one percent of the number of shares of Class A Common Stock outstanding as reported in Nelnet's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2005.

#### **FACTS**

The agreement for the acquisition of the remaining twenty percent of FACTS stock provides for a total purchase price for the FACTS stock of \$14.6 million, including the issuance of a total of 238,237 shares of Class A Common Stock valued under the agreement at a total of approximately \$10 million.

Under the FACTS agreement, the shares of Class A Common Stock to be issued will be subject to certain put option arrangements with the shareholders pursuant to which during the thirty-day period after the fourth anniversary date of the closing Nelnet may be required to repurchase the shares at a price of \$83.95 per share. The put shall in the alternative similarly apply to replacement shares of Class A Common Stock purchased by the shareholder from the proceeds of, and within sixty days of, a sale of the shares of Class A Common Stock by the shareholder back to Nelnet pursuant to provisions whereby during the six-month period ending June 30, 2009 Nelnet may be required to repurchase the shares at the market trading price at that time. The exercisability of the put is subject to acceleration and then termination in the event that during the four-year period ending on the fourth anniversary date of the closing the market trading price of the Class A Common Stock is equal to or exceeds \$83.95 per share.

#### **INFINET**

The agreement for the acquisition of the remaining fifty percent of INFINET provides for a total purchase price for the INFINET stock of \$13.5 million, including the issuance of a total of 95,380 shares of Class A Common Stock valued under the agreement at a total of \$4 million.

Under the INFINET agreement, the shares of Class A Common Stock to be issued will be subject to certain stock price guarantee provisions pursuant to which, if on the fifth anniversary after the closing the market trading price of the Class A Common Stock is less than \$104.8375 per share and has not exceeded that price for any twenty-five consecutive trading days during the five years after the closing, then Nelnet may be required to pay additional cash to the shareholder for each share issued in an amount representing the difference between \$104.8375 less the greater of \$41.9335 or the gross sales price such shareholder obtained from a sale of the shares.

## **5280 SOLUTIONS**

As previously reported in Nelnet's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2005, on November 8, 2005 Nelnet entered into an agreement to acquire the remaining fifty percent of 5280 Solutions, Inc. capital stock not already owned by Nelnet. The closing of this agreement occurred on November 30, 2005, and Nelnet issued a total of 258,760 shares of Class A Common Stock valued under the agreement at a total of approximately \$9.7 million.

Under the 5280 Solutions agreement, the shares of Class A Common Stock issued are subject to certain put option arrangements with the shareholders pursuant to which during the thirty-day period ending on the third anniversary date of the closing Nelnet may be required to repurchase the shares at a price of \$37.10 per share.

## **EXEMPTION FROM REGISTRATION**

With respect to the issuance of shares and the put option and other arrangements under the agreements for FACTS, INFINET and 5280 Solutions discussed above, Nelnet intends to rely on the exemption from registration of such securities under the Securities Act of 1933 (the "Securities Act") as provided in Section 4(2) of the Securities Act. The facts relied upon to make such exemption available include the limited number of shareholders involved and the limited manner of offering, the status of each such shareholder as either an "accredited investor" as defined in Regulation D under the Securities Act or sophisticated as to the nature of the particular transaction, and the restricted status of the securities as evidenced by a customary restrictive legend on the certificates for such securities.

## **ITEM 8.01 OTHER EVENTS.**

On February 20, 2006, Nelnet issued a press release announcing that it had entered into agreements to acquire the remaining twenty percent of FACTS and the remaining fifty percent of INFINET. A copy of the press release is attached as Exhibit 99.1 to this Report and is hereby incorporated by reference into this Item 8.01.

## **ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.**

(d) Exhibits:

99.1 Press Release dated February 20, 2006 - "Nelnet to acquire FACTS and INFINET; company forms Business Solutions unit"

**SIGNATURES**

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.

Dated: February 21, 2006

**NELNET, INC.**

By: /s/ TERRY J. HEIMES

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Terry J. Heimes  
Chief Financial Officer

## EXHIBIT INDEX

Exhibit No. -----	Description -----
99.1	Press release dated February 20, 2006 - "Nelnet to acquire FACTS and INFINET; company forms Business Solutions unit"

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**Lincoln, NE 68506 F 402 458 2344 NELNET CORPORATE  
SERVICES, INC.**

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Media Contact: Sheila Odom, 402.458.2329 Investor Contact: Cheryl Watson, 317.469.2064

For release

Nelnet to acquire FACTS and INFINET; company forms Business Solutions unit

Lincoln, NEB., February 20, 2006 - Nelnet, Inc. (NYSE: NNI) announced it has entered into agreements to acquire the remaining twenty percent ownership of FACTS Management Company of Lincoln, Nebraska and the remaining fifty percent ownership of INFINET INTEGRATED SOLUTIONS, INC. of Chicago, Illinois. The transactions are expected to close later this month or in early March, subject to certain regulatory approvals and closing conditions, with an effective date for valuation purposes of January 31, 2006.

FACTS is the nation's largest provider of tuition payment plans for private and parochial K-12 schools as well as colleges and universities. In addition to providing tuition payment plans to more than 650,000 families, the company provides online payment processing, detailed information reporting, and data integration services at more than 3,500 private and parochial K-12 schools and colleges and universities, while managing more than \$1.8 billion in tuition funds each year. Nelnet previously acquired an 80% interest in FACTS in June 2005.

INFINET is a leading provider of campus-wide commerce services for higher education organizations, incorporating customer-centric electronic transactions, information sharing, and account and bill presentment. The company's QUIKPAY(R) suite of automated billing, payment processing, and commerce services are utilized by more than 170 campuses and approximately 1.5 million students and families nationwide. The company's LOANPAY(TM) service is used by education finance companies nationally to serve 5.5 million borrowers. Nelnet initially made a 50% investment in INFINET in April 2004.

The acquired organizations and their associates will operate under a newly formed Nelnet Business Solutions unit within Nelnet's Education Services division. The unit will focus on providing comprehensive campus commerce, payment processing, and information management solutions for K-12 and post-secondary institutions that improve student services, create efficiencies, and enhance the financial stability and affordability of schools.

Nelnet Business Solutions will be led by David Byrnes, Chief Executive Officer of FACTS, as Chief Executive Officer of the new unit, Harvey Gannon, Chief Executive Officer of INFINET, as President of Campus Commerce, and Tim Tewes, Executive Vice President of FACTS, as President of K-12 and College Sales.

"David and Harvey have grown two great companies that align with Nelnet's culture of delivering value to the customer," said David Bottegai, Chief Executive Officer of Nelnet's Education Services division. "They will enhance the total solutions offered to students, families, and schools by integrating the intellectual capital and products of the two organizations into a comprehensive suite of payment plans and campus commerce solutions. This alignment provides an opportunity to add value to our customers, grow market share, and increase Nelnet's fee-based income."

Under the terms of the agreements, the consideration to be paid by Nelnet includes cash and the issuance of a combined total of 333,617 restricted shares of Class A common stock.

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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 \$20.3 billion as of December 31, 2005. 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. 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 expressed or implied by the forward-looking statements are the pending nature of the reported acquisition transactions, the uncertain nature of the expected benefits from the acquisitions and the ability to successfully integrate operations, 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.