



## **Nelnet Eagerly Announces New Academic PLUS Loan Program to Help Students and Families Afford College, After Passage of New Legislation**

### **Nelnet Helps Borrowers With 3 Percent Interest Credit Benefit on All PLUS loans**

LINCOLN, Neb., Feb 08, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- Nelnet (NYSE: NNI) today announced a new Nelnet Academic PLUS loan program to aid graduate and professional students in paying for college. The new Nelnet Academic PLUS loan offers borrowers the same benefits as the traditional PLUS loan for parents, and allows graduate and professional students to borrow up to the entire cost of attending school, less other financial aid.

The guaranteed federal PLUS loan program was recently expanded by the U.S. Congress in the Deficit Reduction Act of 2005 and signed into law today by President George W. Bush. The new PLUS loan program has a fixed interest rate of 8.5 percent, easing the minds of many borrowers who now know that their interest rate will be the same for the life of the loan.

"Nelnet is very excited to offer yet another tool for students to afford higher education," said David Bottegal, Chief Executive Officer of Nelnet's Education Services Division. "The Academic PLUS loan is yet another avenue for graduate and professional students to pursue when trying to cover the rising cost of education."

Just as the new bill was signed into law, Nelnet continued its commitment to financing educational dreams by announcing new incentives for the PLUS loan program. All Nelnet Academic PLUS loan borrowers will receive a 3 percent interest credit after the loan enters repayment, including the parent PLUS loan for dependent students. This credit will be applied 210 days after the PLUS loan is fully disbursed. In addition, students will receive a 3.33 percent reduction of their original principal loan balance after making 30 initial, on-time payments, as well as a 0.25 percent interest rate reduction for auto-debit payments. These borrower benefits may vary by state, lender, and servicer.

Last week, the U.S. Congress went a long way to meet the needs of millions of American families who know a college education is vitally important to their future. The Deficit Reduction Act will provide much-needed help to families paying for college by increasing loan limits as well as providing new financial tools and repayment options. Items passed through the Deficit Reduction Act effectively reauthorized the Federal Family Education Loan Program provisions of the Higher Education Act through 2012.

"We at Nelnet stand ready to make a college education a reality for every student who dreams of the kind of future that higher education can bring," said Nelnet Chairman and co-Chief Executive Officer Mike Dunlap.

The new Nelnet Academic PLUS loan becomes a very attractive program for students who need to fill the gap in their college expenses. It also provides a simple qualification process which includes a credit check. These loans are eligible for Federal Family Education Loan Program tax benefits that include the Hope Credit, Lifetime Learning Credit, and student loan interest deductibility.

Nelnet will begin offering the new Academic PLUS loan for graduate and professional students on July 1, 2006.

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).

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