

NIC INC
Form 4
February 18, 2005

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
HARTLEY ROSS C

(Last) (First) (Middle)

C/O NIC INC., 10540 SOUTH RIDGEVIEW ROAD

(Street)

OLATHE, KS 66061

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
NIC INC [EGOV]

3. Date of Earliest Transaction (Month/Day/Year)
02/17/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	02/17/2005		M ⁽¹⁾	V	20,000	A	\$ 1.67
					623,469	D	⁽¹⁾

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 1.67	02/17/2005		M ⁽¹⁾	20,000	<u>(2)</u>	07/23/2005	Common Stock	20,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HARTLEY ROSS C C/O NIC INC. 10540 SOUTH RIDGEVIEW ROAD OLATHE, KS 66061	X	X		

Signatures

Stephen M. Kovzan,
Attorney-in-Fact

02/18/2005

 **Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

The Reporting Person also indirectly owns (i) 17,232,249 shares of NIC Inc. common stock, which are held directly by the National Information Consortium Voting Trust ("Voting Trust"), which holds in the aggregate 23,490,805 shares, and indirectly by the Reporting Person as one of the trustees of the trust; (ii) 5,436,454 shares, which are held directly by the Voting Trust, for which the Reporting Person acts as one of the trustees, for his benefit as a direct beneficiary of the trust and (iii) 822,102 shares which are held directly by the Voting Trust, for the benefit of the Reporting Person's minor children. The Reporting Person also directly owns the following stock options to purchase shares of NIC Inc. common stock: (i) 20,000 shares at \$6.97 per share, exercisable in four equal annual installments, beginning on November 10, 2004, and (ii) 25,000 shares at \$4.15 per share, exercisable in four annual installments, beginning on November 5, 2005.

(2) The option vested in two equal installments on July 23, 2003 and 2004.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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