**NIC INC** Form 4 February 26, 2008

## FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

#### **OMB APPROVAL**

OMB 3235-0287 Number:

January 31, Expires: 2005

0.5

Estimated average burden hours per response...

Check this box if no longer subject to Section 16.

Form 4 or Form 5 obligations may continue.

See Instruction

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

1(b).

(Last)

(Print or Type Responses)

1. Name and Address of Reporting Person \* FRASER JEFFERY S

(Middle)

C/O NIC INC., 10540 SOUTH RIDGEVIEW ROAD

(Street)

(First)

2. Issuer Name and Ticker or Trading Symbol

NIC INC [EGOV]

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

02/25/2008

4. If Amendment, Date Original

Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to

Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check

Applicable Line)

\_X\_ Form filed by One Reporting Person Form filed by More than One Reporting

**OLATHE, KS 66061** 

(City)	(State)	(Zip) Tabl	e I - Non-E	Derivative S	Securi	ities Acqu	ired, Disposed of	f, or Beneficial	ly 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. Securit on(A) or Dis (Instr. 3, 4)	sposed	of (D)	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 Indirect Beneficial Ownership (Instr. 4)
Common Stock	02/25/2008		M	94,000	A	\$ 3.34	409,894	D	
Common Stock	02/25/2008		S	80,400	D	\$ 6.3	329,494	D	
Common Stock	02/25/2008		S	100	D	\$ 6.302	329,394	D	
Common Stock	02/25/2008		S	6,500	D	\$ 6.305	322,894	D	
Common Stock	02/25/2008		S	2,800	D	\$ 6.308	320,094	D	

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Common Stock	02/25/2008	S	200	D	\$ 6.309	319,894	D
Common Stock	02/25/2008	S	2,500	D	\$ 6.31	317,394	D
Common Stock	02/25/2008	S	1,500	D	\$ 6.32	315,894	D (1) (2)

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

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SEC 1474

(9-02)

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

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. Transactic Code (Instr. 8)	5. Number of or Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	ivative Expiration Date urities (Month/Day/Year) uritied (A) Disposed of  tr. 3, 4,		7. Title and Amount Underlying Securitic (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amou or Numb of Sha
Employee Stock Option (Right to Buy)	\$ 3.34	02/25/2008		M	94,000	08/01/2004	03/04/2008(3)	Common Stock	94,0

# **Reporting Owners**

\*\*Signature of Reporting Person

Reporting Owner Name / Address	Relationships						
<b>FG</b>	Director	10% Owner	Officer	Other			
FRASER JEFFERY S C/O NIC INC. 10540 SOUTH RIDGEVIEW ROAD OLATHE, KS 66061	X	X					
Signatures							
Stephen M. Kovzan, Attorney-in-Fact	02/20	02/26/2008					

Reporting Owners 2

Date

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## **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 21,400,805 shares of NIC Inc. common stock, which are held directly by the National Information Consortium Voting Trust, for which the Reporting Person and Ross C. Hartley act as trustees. Of this amount, the Reporting
- (1) Person indirectly owns 1,020,866 shares held directly by the Voting Trust for the benefit of a trust, of which the Reporting Person is the beneficiary, and 4,391,146 shares held directly by the Voting Trust for the benefit of entities of which the Reporting Person acts as manager; however, the Reporting Person disclaims beneficial ownership over 1,848,398 of the shares held by one entity.
  - The Reporting Person also directly owns the following stock options to purchase NIC common stock, which were granted to him as a Director of the Registrant: (i) 20,000 shares exercisable at \$7.67 per share, all of which are currently exercisable, (ii) 25,000 shares
- (2) exercisable at \$4.15 per share, 18,750 of which are currently exercisable and 6,250 which will become exercisable on November 5, 2008, and (iii) 10,000 shares exercisable at \$6.16 per share, 5,000 of which are currently exercisable and 5,000 which will become exercisable in two equal annual installments, beginning on November 8, 2008.
- (3) Mr. Fraser has 30 days from the date of his retirement as Chief Executive Officer (February 4, 2008) to exercise any vested options that were granted to him as an employee of the Registrant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.