NIC INC Form 4 February 27, 2008

FORM 4

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

Check this box if no longer subject to

Section 16. Form 4 or Form 5

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

obligations may continue. See Instruction 1(b).

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 * FRASER JEFFERY S

(Last) (First) (Middle)

C/O NIC INC., 25501 WEST VALLEY PARKWAY, SUITE 300

(Street)

OLATHE, KS 66061

2. Issuer Name and Ticker or Trading Symbol

NIC INC [EGOV]

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

02/26/2008

4. If Amendment, Date Original

Filed(Month/Day/Year)

OMB APPROVAL

OMB Number:

3235-0287

Expires:

January 31, 2005

Estimated average burden hours per

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0.5

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_X__ Director X__ 10% Owner

Officer (give title below)

_ Other (specify

6. Individual or Joint/Group Filing(Check Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

(City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

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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. Securitin(A) or Dis (Instr. 3, 4)	sposed	of (D)	5. Amount of Securities Beneficially Owned Following	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code V	Amount	(A) or (D)	Price	Reported Transaction(s) (Instr. 3 and 4)		
Common Stock	02/26/2008		M	56,000	A	\$ 3.34	371,894	D	
Common Stock	02/26/2008		M	18,733	A	\$ 4.15	390,627	D	
Common Stock	02/26/2008		S	24,900	D	\$ 6.3	365,727	D	
Common Stock	02/26/2008		S	5,900	D	\$ 6.32	359,827	D	
Common Stock	02/26/2008		S	100	D	\$ 6.33	359,727	D	

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Common Stock	02/26/2008	S	200	D	\$ 6.33	359,527	D
Common Stock	02/26/2008	S	11,047	D	\$ 6.33	348,480	D
Common Stock	02/26/2008	S	900	D	\$ 6.34	347,580	D
Common Stock	02/26/2008	S	100	D	\$ 6.34	347,480	D
Common Stock	02/26/2008	S	3,200	D	\$ 6.34	344,280	D
Common Stock	02/26/2008	S	11,200	D	\$ 6.35	333,080	D
Common Stock	02/26/2008	S	800	D	\$ 6.36	332,280	D
Common Stock	02/26/2008	S	1,800	D	\$ 6.37	330,480	D
Common Stock	02/26/2008	S	2,700	D	\$ 6.38	327,780	D
Common Stock	02/26/2008	S	300	D	\$ 6.39	327,480	D
Common Stock	02/26/2008	S	5,600	D	\$ 6.39	321,880	D
Common Stock	02/26/2008	S	3,686	D	\$ 6.4	318,194	D
Common Stock	02/26/2008	S	1,400	D	\$ 6.41	316,794	D
Common Stock	02/26/2008	S	100	D	\$ 6.42	316,694	D
Common Stock	02/26/2008	S	800	D	\$ 6.43	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	2.	3. Transaction Date	3A. Deemed	4.	5. Number of	6. Date Exercisable and	7. Title and Amount
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transaction	orDerivative	Expiration Date	Underlying Securitie
Security	or Exercise		any	Code	Securities	(Month/Day/Year)	(Instr. 3 and 4)
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Acquired (A)		

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	Derivative Security				or Disposed of (D) (Instr. 3, 4, and 5)						
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amou or Numb of Sha	
Employee Stock Option (Right to Buy)	\$ 3.34	02/26/2008	М			56,000	08/01/2004	03/04/2008(3)	Common Stock	56,0	
Employee Stock Option (Right to Buy)	\$ 4.15	02/26/2008	M			18,733	11/05/2005	11/05/2009	Common Stock	18,7	

Reporting Owners

Reporting Owner Name / Address		Relationships					
coporang of the rame, radical	Director	10% Owner	Officer	Other			
FRASER JEFFERY S							
C/O NIC INC.		v					
25501 WEST VALLEY PARKWAY, SUITE 300	X	X					
OLATHE, KS 66061							

Signatures

Stephen M. Kovzan, Attorney-in-Fact

**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 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) 6,267 shares
- (2) exercisable at \$4.15 per share, 17 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.

Reporting Owners 3

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