

NIC INC
Form 4
February 23, 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 *
BROWN RICHARD L

(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)
02/22/2005

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)
Ex.V.P.-Technology & Solutions

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)
				Code V	Amount	(A) or (D)	Price
Common Stock	02/22/2005		<u>M</u> ⁽¹⁾		15,000	A	\$ 1.67
Common Stock	02/22/2005		<u>M</u> ⁽¹⁾		9,076	A	\$ 2.22
Common Stock	02/22/2005		<u>S</u> ⁽¹⁾		2,117	D	\$ 4.65
Common Stock	02/22/2005		<u>S</u> ⁽¹⁾		400	D	\$ 4.66
Common Stock	02/22/2005		<u>S</u> ⁽¹⁾		300	D	\$ 4.67
							18,742
							27,818
							25,701
							25,301
							25,001
							D <u>(2)</u> <u>(3)</u>
							D <u>(2)</u> <u>(3)</u>
							D <u>(2)</u> <u>(3)</u>

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Common Stock	02/22/2005	S ⁽¹⁾	100	D	\$ 4.68	24,901	D ⁽²⁾ ⁽³⁾
Common Stock	02/22/2005	S ⁽¹⁾	1,400	D	\$ 4.69	23,501	D ⁽²⁾ ⁽³⁾
Common Stock	02/22/2005	S ⁽¹⁾	19,082	D	\$ 4.7	4,419	D ⁽²⁾ ⁽³⁾
Common Stock	02/22/2005	S ⁽¹⁾	677	D	\$ 4.71	3,742	D ⁽²⁾ ⁽³⁾

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)

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	02/22/2005		M ⁽¹⁾	15,000	⁽⁴⁾	07/23/2005	common stock	15,000
Employee Stock Option (Right to Buy)	\$ 2.22	02/22/2005		M ⁽¹⁾	9,076	12/18/2001	12/18/2005	common stock	9,076

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BROWN RICHARD L C/O NIC INC.			Ex.V.P.-Technology & Solutions	

10540 SOUTH RIDGEVIEW ROAD
OLATHE, KS 66061

Signatures

Stephen M. Kovzan,
Attorney-in-Fact

02/23/2005

__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).

(1) The transactions reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan executed by the Reporting Person on February 3, 2005 and effective February 21, 2005.

The Reporting Person also directly owns the following employee stock options to purchase shares of NIC Inc. common stock: (i) 7,000 shares at \$10.375, all of which are currently exercisable; (ii) 5,000 shares at \$2.10, exercisable in four equal annual installments, beginning on June 25, 2002; (iii) 50,000 shares at \$2.34, exercisable in four equal annual installments, beginning on May 14, 2004; (iv)

(2) 25,000 shares at \$3.04 per share, exercisable in four equal annual installments, beginning on August 1, 2004; (v) 60,000 shares at \$6.93, 30,000 of which are currently exercisable, and the remaining 30,000 will vest upon NIC's achievement of certain significant milestones in its contract with the Secretary of State of California; and (vi) 100,000 shares at \$5.50 per share, exercisable in four equal annual installments, beginning August 10, 2005.

The Reporting Person also indirectly owns 12,779 shares of NIC Inc. common stock which are held directly by the National Information

(3) Consortium Voting Trust, for which Messrs. Jeffery S. Fraser and Ross C. Hartley act as trustees, for the benefit of the Reporting Person as a direct beneficiary of the Trust.

(4) 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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