

NIC INC
Form 4
February 25, 2005

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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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)
02/23/2005

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	02/23/2005		<u>M</u> ⁽¹⁾		3,750	A	\$ 2.1 7,492
Common Stock	02/23/2005		<u>M</u> ⁽¹⁾		10,350	A	\$ 2.34 17,842
Common Stock	02/23/2005		<u>S</u> ⁽¹⁾		10,489	D	\$ 4.75 7,353
Common Stock	02/23/2005		<u>S</u> ⁽¹⁾		3,611	D	\$ 4.76 3,742

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. 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)	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 2.1	02/23/2005		M ⁽¹⁾	3,750	⁽⁴⁾ 06/25/2006	common stock	3,750
Employee Stock Option (Right to Buy)	\$ 2.34	02/23/2005		M ⁽¹⁾	10,350	⁽⁵⁾ 05/14/2008	common stock	10,350

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BROWN RICHARD L C/O NIC INC. 10540 SOUTH RIDGEVIEW ROAD OLATHE, KS 66061			Ex.V.P.-Technology & Solutions	

Signatures

Stephen M. Kovzan,
Attorney-in-Fact

02/25/2005

__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)

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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) 1,250 shares at \$2.10, exercisable on June 25, 2005; (iii) 39,650 shares at \$2.34, 2,150 of which are currently exercisable and 37,500 of which are exercisable in three equal annual installments, beginning on May 14, 2005; (iv) 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 on August 10, 2005.

(3) The Reporting Person also indirectly owns 12,779 shares of NIC Inc. common stock which are held directly by the National Information 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 vests in four equal annual installments, beginning on June 25, 2002.

(5) The option vests in four equal annual installments, beginning on May 14, 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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