

NIC INC
Form 4
January 09, 2006

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

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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 *
FRASER JEFFERY S

(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)
01/05/2006

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)
Chairman and CEO

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)			
Common Stock	01/05/2006		J ⁽¹⁾	V	505,777 (1)	D	(1)	21,450,805	I ⁽²⁾	By Voting Trust

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)

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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)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Transaction (Instr. 6)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FRASER JEFFERY S C/O NIC INC. 10540 SOUTH RIDGEVIEW ROAD OLATHE, KS 66061	X		Chairman and CEO	

Signatures

Jeffery S. Fraser 01/06/2006

__Signature of Date
Reporting Person

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).

On January 5, 2006, the National Information Consortium Voting Trust ("Voting Trust"), for which the Reporting Person and Ross C. Hartley act as trustees, sold 2,000,000 shares of NIC Inc. ("NIC") common stock. As a result of the sale, the Voting Trust now owns 41,450,805 shares of NIC common stock, all of which are indirectly owned by the Reporting Person as one of the trustees of the Voting

(1) Trust. Of this amount, the Reporting Person indirectly owns 1,023,251 shares held directly by the Voting Trust for the benefit of a trust, of which the Reporting Person is the beneficiary, and 4,401,405 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 1,852,717 of the shares held by one entity.

The Reporting Person also directly owns 301,931 shares of NIC common stock and the following employee stock options to purchase NIC common stock: (i) 77,043 shares at \$2.57 per share, all of which are currently exercisable, (ii) 150,000 shares at \$3.34 per share,

(2) exercisable in four equal annual installments, beginning August 1, 2004, (iii) 20,000 shares at \$7.67 per share, exercisable in four equal annual installments, beginning on November 10, 2004, and (iv) 25,000 shares at \$4.15 per share, exercisable in four equal annual installments, beginning on November 5, 2005.

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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