

NIC INC  
Form 4  
January 31, 2005

**FORM 4**

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

OMB APPROVAL

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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  
RIDGEVEIW 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)  
01/28/2005

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)  
Chairman & 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)
				(A) or (D) Price			
Common Stock	01/28/2005		J <sup>(1)</sup>	660,060 A \$ 0	801,931	D <sup>(2)</sup> <sup>(3)</sup>	

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)**

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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. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
						Code	V	(A)	(D)

**Reporting Owners**

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

**Signatures**

Stephen M. Kovzan,  
Attorney-in-Fact

01/31/2005

\*\*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) Distribution to the Reporting Person from the National Information Consortium Voting Trust.  
The Reporting Person also indirectly owns: (i) 17,550,257 shares of NIC common stock which are held directly by the National Information Consortium Voting Trust ("Voting Trust"), which holds in the aggregate 23,490,805 shares & indirectly by the Reporting Person as one of the Trustees of the Voting Trust; and (ii) 5,940,548 shares of NIC held of record by the Voting Trust for the benefit of entities of which the Reporting Person acts as a manager; however, the Reporting Person disclaims beneficial ownership over 2,589,194 of the shares of NIC held by one entity.
- (3) The Reporting Person also directly owns employee stock options to purchase NIC Inc. common stock: (i) 77,043 shares at \$2.57 per share, exercisable in two equal annual installments, beginning on May 14, 2004, (ii) 150,000 shares at \$3.34 per share, exercisable in four equal annual installments, beginning August 1, 2004, and (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. 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.