
NIC Inc. and Executives Settle With the SEC Regarding Charges of Non-Disclosure of Perquisites

Date: 01/20/11

NIC Inc. ("NIC"), a Kansas-based company that manages government websites, and its former CEO, current CEO and former CFO have agreed to pay a combined \$2.8 million to settle charges by the Securities and Exchange Commission ("SEC") that they failed to disclose to investors more than \$1.18 million in perquisites that were paid to former CEO, Jeffery Fraser, from the years 2002 through 2007. NIC, Fraser, current CEO Harry Herington and former CFO Eric Bur have agreed to settle the case without admitting or denying the allegations. Of the combined settlement amount, Fraser is responsible for paying \$1,184,246 in disgorgement, \$358,844 in prejudgment interest, and a \$500,000 penalty. He has also agreed to be permanently barred from serving as an officer or director of a public company. NIC agreed to pay a \$500,000 penalty and to hire an independent consultant to recommend appropriate improvements to policies, procedures, controls and training regarding the payment of expenses, handling of whistleblower complaints and related party transactions.

Attorney

- Charles A. Gilman