

NICE SYSTEMS LTD
Form 6-K
April 21, 2004
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13A-16 OR 15D-16 OF
THE SECURITIES EXCHANGE ACT OF 1934**

For April 21, 2004

NICE-SYSTEMS LTD.

(Translation of Registrant's Name into English)

8 Hapnina Street, P.O. Box 690, Ra'anana, Israel

(Address of Principal Executive Offices)

Indicate by check mark whether the Registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulations S-T Rule 101(b)(1):

Yes No

-

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes No

Indicate by check mark whether by furnishing the information contained in this Form 6-K, the Registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number as-signed to the Registrant in connection with Rule 12g3-2(b): 82-N/A

THIS REPORT ON FORM 6-K IS HEREBY INCORPORATED BY REFERENCE INTO NICE-SYSTEMS LTD.'S ("NICE") REGISTRATION STATEMENTS ON FORM F-3 (REGISTRATION STATEMENT NOS. 333-12350 AND 333-12996) AND NICE'S REGISTRATION STATEMENTS ON FORM S-8 (REGISTRATION STATEMENT NOS. 333-6784, 333-8146, 333-9350, 333-11842, 333-7414, 333-9352, 333-11154 , 333-13686, 333-111112 ,333-111113 AND 333-109766), AND TO BE A PART THEREOF FROM THE DATE ON WHICH THIS REPORT IS SUBMITTED, TO THE EXTENT NOT SUPERSEDED BY DOCUMENTS OR REPORTS SUBSEQUENTLY FILED OR FURNISHED.

CONTENTS

This Report on Form 6-K of NICE consists of the following documents, which are attached hereto and incorporated by reference herein:

. Proxy Statement for Special Meeting of the Shareholders of the Company to be held on May 20, 2004.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

NICE-SYSTEMS LTD.

By: /s/ Daphna Kedmi

Name: Daphna Kedmi

Title: Corporate Vice President

General Counsel

Dated: April 21, 2004

____ 2 ____

NICE-SYSTEMS LTD.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON MAY 20, 2004

Notice is hereby given that the Special Meeting of Shareholders (the "Special Meeting" or the "Meeting") of NICE-SYSTEMS LTD. (the "Company") will be held on May 20, 2004 at 11 a.m., at the offices of the Company, 8 Hapnina Street, Ra'anana, Israel, for the following purpose:

To approve twenty million dollars (\$20,000,000) of additional insurance coverage in excess of the coverage previously approved by the shareholders of the Company for the Company's D&O Insurance Policy covering the Company, its directors and officers, without exceeding the premium previously approved by the shareholders.

Approval of this matter will require the affirmative vote of a majority of the voting rights of the shareholders present, in person or by proxy, and voting thereon.

The Company's Board of Directors recommends a vote FOR approval of the above matter to be voted upon at the Special Meeting.

Edgar Filing: NICE SYSTEMS LTD - Form 6-K

Shareholders of record at the close of business on April 22, 2004, are entitled to notice of and to vote at the Meeting. All shareholders are cordially invited to attend the Special Meeting in person.

Whether or not you plan to attend the Meeting, you are urged to promptly complete, date and sign the enclosed proxy and to mail it in the enclosed envelope, which requires no postage if mailed in the United States. Return of your proxy does not deprive you of your right to attend the Meeting, to revoke the proxy and to vote your shares in person.

Joint holders of shares should take note that, pursuant to Article 26(d) of the Articles of Association of the Company, the vote of the senior of joint holders of any share who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other registered holder(s) of the share, and for this purpose seniority will be determined by the order in which the names appear in the Shareholders Register of the Company. Furthermore, joint holders of shares should take note that all notices to be given to the shareholders shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the Register of Shareholders of the Company, and any notice so given shall be sufficient notice to the holders of such share

At least two (2) shareholders holding at least twenty-five percent (25%) of the voting rights in the Company present in person or by proxy and entitled to vote, will constitute a quorum at the Meeting.

Pursuant to the Articles of Association of the Company, a proxy will be effective only if it is received by the Company at least 48 hours prior to the time of the Meeting.

By Order of the Board of Directors

Daphna Kedmi

Corporate Secretary

Dated: April 21, 2004

NICE-SYSTEMS LTD.

8 HAPNINA STREET

RA`ANANA 69719, ISRAEL

PROXY STATEMENT

SPECIAL MEETING OF SHAREHOLDERS

This Proxy Statement is furnished to the holders of Ordinary Shares, NIS 1.00 nominal value (the "Ordinary Shares"), of NICE-SYSTEMS LTD. ("NICE SYSTEMS" or the "Company") in connection with the solicitation by the Board of Directors of proxies for use at the Special Meeting of Shareholders (the "Special Meeting" or the "Meeting"), or at any adjournment thereof, pursuant to the accompanying Notice of Special Meeting of Shareholders. The Meeting will be held on Thursday May 20, 2004 at 11 a.m., at the offices of the Company, 8 Hapnina Street, Ra`anana, Israel.

SOLICITATION OF PROXIES

It is proposed that the Special Meeting be convened for the following purpose:

(A) To approve twenty million dollars (\$20,000,000) of additional coverage in excess of the coverage previously approved by the shareholders of the Company for the Company`s D&O Insurance Policy covering the Company, its directors and officers, without exceeding the premium previously approved by the shareholders.

A form of proxy for use at the Meeting and a return envelope for the proxy are also enclosed. Shareholders may revoke the authority granted by their execution of proxies at any time before the effective exercise thereof by filing with the Company a written notice of revocation or duly executed proxy bearing a later date, or by voting in person at

the Meeting. However, if a Shareholder attends the Special Meeting and does not elect to vote in person, his or her proxy will not be revoked. Unless otherwise indicated on the form of proxy, shares represented by any proxy in the enclosed form, if the proxy is properly executed and received by the Company prior to the Meeting, will be voted in favor of all the matters to be presented to the Meeting, as described above. On all matters considered at the Special Meeting, abstentions will be treated as neither a vote "for" nor "against" the matter, although they will be counted in determining if a quorum is present.

Pursuant to the Articles of Association of the Company, a proxy will be effective only if it is received by the Company at least 48 hours prior to the time of the Meeting.

RECORD DATE; OUTSTANDING VOTING SECURITIES; VOTING RIGHTS

Only shareholders of record at the close of business on April 22, 2004 will be entitled to vote at the Special Meeting and any adjournments or postponements thereof. On March 31, 2004 the Company had 17,322,551 Ordinary Shares issued and outstanding, each of which is entitled to one vote upon each of the matters to be presented at the Meeting. At least two (2) shareholders holding at least twenty-five percent (25%) of the voting rights in the Company present in person or by proxy and entitled to vote, will constitute a quorum at the Meeting.

The resolution included in the Notice of Special Meeting of Shareholders which accompanies this Proxy Statement requires approval by a simple majority of the voting rights attached to the Ordinary Shares represented at the Special Meeting, in person or by proxy, and voting thereon.

SECURITY OWNERSHIP BY CERTAIN

BENEFICIAL OWNERS

The following table sets forth, as of March 31, 2004, the number of Shares owned beneficially by all persons that notified the Company that they own beneficially more than 5% of the Company's Shares.

The information contained herein has been obtained from the Company's records, or from information furnished by the individual or entity to the Company.

<u>Name</u>	<u>Number of Shares</u>	<u>Percentage of outstanding Shares (approx.)</u>
Bank Leumi		

Edgar Filing: NICE SYSTEMS LTD - Form 6-K

24-32 Yehuda Halevi Street	1,271,000	7.3%
Tel-Aviv 65546, Israel		
Bank Hapoalim		
65 Yehuda Halevi Street	1,234,009	7.1%
Tel-Aviv 65227, Israel		
Thales S.A		
45 , ru de Villiers	1,640,625	9.4%
92200 Neuilly-sur-Seine, France		

As of March 31, 2004, the Company had 78 ADS holders of record in the United States, holding approximately 38% of its outstanding Shares, as reported by The Bank of New York, the depositary for the Company's ADSs.

ITEM A

Approval of Twenty Million Dollars (\$20,000,000) of Additional Coverage to the Approved Directors and Officers Insurance Policy Coverage

The shareholders have previously approved that the Company obtain Directors and Officers insurance covering the Company, its directors and officers, of up to thirty million dollars (\$30,000,000) for a premium not to exceed two million one hundred thousand dollars (\$2,100,000).

The Audit Committee and the Board have resolved, subject to shareholder approval, to add twenty million dollars (\$20,000,000) of additional coverage to the Company's Directors and Officers insurance coverage. This does not require any increase of the premium to be paid by the Company which shall not exceed the premium previously approved by the shareholders.

It is proposed that at the Meeting the following Ordinary Resolution will be adopted:

"RESOLVED, (i) that the Company obtain twenty million dollars (\$20,000,000) of additional insurance coverage for the Directors and Officers insurance policy without exceeding the premium previously approved by the shareholders and (ii) that the Company may, from time to time, renew the Directors and Officers insurance policy at the maximum coverage available to the Company without exceeding the previously approved premium."

The Board of Directors recommends a vote FOR approval of this proposed matter.

SHAREHOLDER PROPOSALS

All shareholder proposals to be presented at the Special Meeting must be received by the Company at least 48 hours prior to the time of the Meeting.

By Order of the Board of Directors

[Signed/Daphna Kedmi]

Daphna Kedmi

Corporate Secretary

Dated: April 21, 2004_____

