

Vellayan Nina K  
Form 4  
January 30, 2009

**FORM 4**

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

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

## OMB APPROVAL

OMB  
Number: 3235-0287  
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2005  
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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Vellayan Nina K

2. Issuer Name **and** Ticker or Trading  
Symbol  
TIER TECHNOLOGIES INC  
[TIER]

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

(Last) (First) (Middle)  
10780 PARKRIDGE BLVD, 4TH  
FLOOR

3. Date of Earliest Transaction  
(Month/Day/Year)  
01/29/2009

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_X\_ Officer (give title \_\_\_\_ Other (specify  
below) below)  
Chief Operating Officer

(Street)  
RESTON, VA 20191

4. If Amendment, Date Original  
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_X\_ Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting  
Person

(City) (State) (Zip)

**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 Indirect Beneficial Ownership (Instr. 4)
			Code	V Amount (D) Price			

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of  
information contained in this form are not  
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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	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount Underlying Security
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)		(Instr. 3 and 4)			
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Am or Nu of
Performance Shares	\$ 0	01/29/2009	A		45,000		12/04/2011 <sup>(1)</sup>	12/04/2011	Common Stock	4.
Performance Shares	\$ 0	01/29/2009	A		45,000		12/04/2011 <sup>(2)</sup>	12/04/2011	Common Stock	4.
Performance Shares	\$ 0	01/29/2009	A		45,000		12/04/2011 <sup>(3)</sup>	12/04/2011	Common Stock	4.
Performance Shares	\$ 0	01/29/2009	A		45,000		12/04/2011 <sup>(4)</sup>	12/04/2011	Common Stock	4.

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Vellayan Nina K 10780 PARKRIDGE BLVD 4TH FLOOR RESTON, VA 20191			Chief Operating Officer	

## Signatures

By: /s/ John Guszak For: Nina K. Vellayan

01/30/2009

          \*\*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) The Performance Stock Unit (PSU) is earned upon Tier's common stock achieving a market price of \$8 per share and maintaining that price for 60 consecutive days. The PSUs have a three year cliff vesting and are payable in cash, common stock, or restricted stock.
- (2) The Performance Stock Unit (PSU) is earned upon Tier's common stock achieving a market price of \$9.50 per share and maintaining that price for 60 consecutive days. The PSUs have a three year cliff vesting and are payable in cash, common, or restricted stock.
- (3) The Performance Stock Unit (PSU) is earned upon Tier's common stock achieving a market price of \$11 per share and maintaining that price for 60 consecutive days. The PSUs have a three year cliff vesting and are payable in cash, common or restricted stock.
- (4) The Performance Stock Unit (PSU) is earned upon Tier's common stock achieving a market price of \$13 and maintaining that price for 60 consecutive days. The PSUs have a three year cliff vesting and are payable in cash, common, or restricted stock.

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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