

OM GROUP INC  
Form DEFM14A  
July 10, 2015  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**SCHEDULE 14A**  
**(Rule 14a-101)**  
**INFORMATION REQUIRED IN PROXY STATEMENT**  
**SCHEDULE 14A INFORMATION**  
**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

.. Soliciting Material Pursuant to § 240.14a-12

**OM GROUP, INC.**

**(Name of Registrant as Specified in Its Charter)**

N/A

**(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

.. No fee required.

.. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

Common stock, par value \$0.01 per share

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(2) Aggregate number of securities to which transaction applies:

30,980,017 outstanding shares of common stock (includes restricted shares) and options and other equity awards representing 1,746,937 shares of common stock.

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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The maximum aggregate value was determined based upon the sum of (A) 30,980,017 outstanding shares of common stock (includes restricted shares) multiplied by \$34.00 per share (represents the amount of the per share merger consideration); and (B) options and other equity awards representing 1,746,937 shares of common stock multiplied by \$34.00 per share. In accordance with Exchange Act Rule 0-11(c), the filing fee was determined by multiplying 0.0001162 by the sum calculated in the preceding sentence.

(4) Proposed maximum aggregate value of transaction: \$1,112,716,436

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(5) Total fee paid: \$129,298

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Fee paid previously with proxy materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount previously paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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OM Group, Inc.

950 Main Avenue, Suite 1300

Cleveland, Ohio 44113-7210

July 10, 2015

Dear Fellow Stockholders:

You are cordially invited to attend a special meeting of stockholders of OM Group, Inc. ( OM Group, the Company or we ), to be held at 1:00 p.m. (Eastern Time), on Monday, August 10, 2015, in the Riviera Ballroom at the Aloft Hotel, 1111 W. 10th Street, Cleveland, Ohio 44113.

At the special meeting, we will ask you to (1) adopt the merger agreement (the Merger Agreement ), by and among Duke Acquisition Holdings, LLC, a Delaware limited liability company ( Parent ), Duke Acquisition, Inc., a Delaware corporation and a wholly owned subsidiary of Parent ( Merger Sub ), MacDermid Americas Acquisitions Inc., a Delaware corporation ( Carve-out Buyer ), and the Company, (2) approve, on a non-binding advisory basis, the merger-related named executive officer compensation proposal, and (3) approve any motion to adjourn the special meeting to another time or place if necessary or appropriate to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the Merger Agreement.

If the Merger Agreement is adopted and the merger is completed, OM Group will become a wholly owned indirect subsidiary of Parent and each of your shares of OM Group common stock, par value \$0.01 per share ( OM Group common stock ), except for dissenting shares, treasury shares and shares owned by Parent or Merger Sub, will be converted into the right to receive \$34.00 in cash, without interest, less any applicable withholding tax, unless you have properly exercised your appraisal rights with respect to such shares.

Concurrently with entering into the Merger Agreement, Carve-out Buyer and Parent entered into a purchase and separation agreement and related agreements (the Carve-out Agreements ). The Carve-out Agreements provide for the sale of both the Company s photomasks and electronic chemical businesses (together, the Carve-out Business ) to Carve-out Buyer in two separate transactions following the merger (the Carve-out Transactions ). The Carve-out Transactions do not require your approval and the consummation of the Carve-out Transactions is not a condition to the closing of the merger.

OM Group common stock is listed on the New York Stock Exchange (the NYSE ) under the symbol OMG . The closing price of OM Group common stock on the NYSE on May 29, 2015, the last trading day prior to the public announcement of the execution of the Merger Agreement, was \$26.54 per share. The closing price of OM Group common stock on the NYSE on July 9, 2015, the most recent practicable date prior to the date of this proxy statement, was \$34.50 per share.

The Board of Directors of OM Group (the Board ) has carefully reviewed and considered the terms and conditions of the proposed merger. Based on its review, the Board has unanimously (i) determined that the Merger Agreement and the consummation of the merger is fair to, and in the best interests of, OM Group and its stockholders, (ii) approved and declared advisable the Merger Agreement, the other transaction documents to which OM Group is a party and the execution, delivery and performance of the Merger Agreement and the other transaction documents to which OM Group is a party and the consummation of the merger and the transactions related thereto, (iii) recommended to OM

Group's stockholders that they adopt the Merger Agreement in accordance with OM Group's Certificate of Incorporation, OM Group's Second Amended and Restated By-Laws and the General Corporation Law of the State of Delaware, and (iv) directed that such matters be submitted to OM Group's stockholders at the special meeting for adoption. The Board made its determination after consultation with its financial and legal advisors and consideration of a number of factors, as described in the proxy statement accompanying this letter. **The Board unanimously recommends that you vote FOR the**

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**proposal to adopt the Merger Agreement, FOR approval, on a non-binding advisory basis, of the merger-related named executive officer compensation proposal and, if necessary, FOR the adjournment proposal.**

The Board is soliciting your proxy to assure that a quorum is present and that your shares are represented and voted at the special meeting and any postponement or adjournment thereof.

We cannot complete the merger without the affirmative vote of the holders of at least a majority of the shares of OM Group common stock outstanding and entitled to vote on the proposal to adopt the Merger Agreement. **Your vote is very important, regardless of the number of shares you own. Whether or not you plan to attend the special meeting in person, please complete, sign and date the enclosed proxy card and return it promptly in the enclosed postage-paid return envelope, or submit your proxy by telephone or over the Internet by following the instructions on the proxy card.** You may revoke your proxy at any time prior to its exercise at the special meeting in the manner described in the proxy statement accompanying this letter. Submitting your proxy now will not prevent you from being able to vote at the special meeting by attending the special meeting in person and casting a vote or from being able to submit a later-dated proxy. Your vote in person at the special meeting or the submission of a later-dated proxy will supersede any previously submitted proxy.

If your shares are held in street name, you should instruct your broker, bank or other nominee how to vote your shares on each proposal in accordance with your voting instruction form.

**If you fail to return your proxy or to attend the special meeting in person, your shares will not be counted for purposes of determining whether a quorum is present at the special meeting and will have the same effect as a vote AGAINST the adoption of the Merger Agreement. Similarly, if you hold your shares in street name and fail to instruct your broker, bank or other nominee how to vote your shares, your shares will not be counted for purposes of determining whether a quorum is present and will have the same effect as a vote AGAINST the adoption of the Merger Agreement.**

The proxy statement accompanying this letter explains the proposed merger, the Merger Agreement and the merger-related named executive officer compensation proposal and provides specific information concerning the special meeting. A copy of the Merger Agreement is attached as Annex A to the proxy statement and incorporated therein by reference. Please read the entire proxy statement and its annexes, including the Merger Agreement, carefully. You may obtain additional information about the Company from documents we have filed with the Securities and Exchange Commission.

If you have any questions or need assistance voting your shares of our common stock, please contact Innisfree M&A Incorporated, our proxy solicitor, by calling toll-free at (888) 750-5834.

Thank you for your continued support.

Sincerely,

/s/ Joseph Scaminace

Joseph Scaminace

Chairman of the Board and Chief Executive Officer

The accompanying proxy statement is dated July 10, 2015, and is first being mailed to OM Group stockholders on or about July 10, 2015.



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**950 Main Avenue, Suite 1300**

**Cleveland, Ohio 44113-7210**

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**

**TIME AND DATE**

1:00 p.m., Eastern Time, on Monday, August 10, 2015.

**PLACE**

Riviera Ballroom, Aloft Hotel, 1111 W. 10th Street, Cleveland, Ohio  
44113

**ITEMS OF BUSINESS**

To adopt the Agreement and Plan of Merger, dated as of May 31, 2015, (the Merger Agreement ), by and among Duke Acquisition Holdings, LLC, a Delaware limited liability company ( Parent ), Duke Acquisition, Inc., a Delaware corporation and a wholly owned subsidiary of Parent ( Merger Sub ), MacDermid Americas Acquisitions Inc., a Delaware corporation ( Carve-out Buyer ), and OM Group, Inc., a Delaware corporation ( OM Group, the Company or we ). If the Merger Agreement is adopted and the merger is completed, OM Group will become a wholly owned indirect subsidiary of Parent and each of your shares of OM Group common stock, par value \$0.01 per share ( OM Group common stock ), except for dissenting shares, treasury shares and shares owned by Parent or Merger Sub, will be converted into the right to receive \$34.00 in cash, without interest, less any applicable withholding tax, unless you have properly exercised your appraisal rights with respect to such shares.

To approve, on a non-binding advisory basis, the compensation to be paid to OM Group s named executive officers that is based on or otherwise relates to the merger. This proposal is described in the section entitled The Merger Interests of OM Group s Directors and Executive Officers in the Merger beginning on page 55 (the merger-related named executive officer compensation proposal ).

To approve any motion to adjourn the special meeting to another time or place if necessary or appropriate to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the Merger Agreement.

**RECORD DATE**

You are entitled to vote at the special meeting if you were a stockholder of record at the close of business on July 9, 2015.

**PROXY VOTING**

It is important that your shares be represented and voted at the special meeting. You can ensure your shares are voted shares by completing, signing and returning your proxy card or by submitting a proxy by telephone or over the Internet by following the instructions on your proxy card. If you are a beneficial owner, you can ensure your shares are voted by using the voting instruction form provided to you by your broker, bank or other nominee or by using another method allowed by your broker, bank or other nominee. See additional details in the Questions and Answers About the Special Meeting and Merger section under How do I vote?

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**The Board of Directors of OM Group unanimously recommends that OM Group common stockholders vote FOR the proposal to adopt the Merger Agreement.** OM Group cannot complete the merger unless the Merger Agreement is adopted by OM Group common stockholders. Adoption of the Merger Agreement requires the affirmative vote of holders of at least a majority of shares of OM Group common stock outstanding and entitled to vote thereon.

Concurrently with entering into the Merger Agreement, Carve-out Buyer and Parent entered into a purchase and separation agreement and related agreements (the Carve-out Agreements ). The Carve-out Agreements provide for the sale of both the Company's photomasks and electronic chemical businesses (together, the Carve-out Business ) to Carve-out Buyer in two separate transactions following the merger (the Carve-out Transactions ). The Carve-out Transactions do not require your approval and the consummation of the Carve-out Transactions is not a condition to the closing of the merger.

**The Board of Directors of OM Group also unanimously recommends that OM Group common stockholders vote FOR the merger-related named executive officer compensation proposal and FOR approval of any motion to adjourn the special meeting to another time or place if necessary or appropriate to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the Merger Agreement.**

The attached proxy statement describes the proposed merger, the Merger Agreement and the merger-related named executive officer compensation proposal and provides additional information about the parties involved. Please read the entire proxy statement carefully.

**Your vote is very important. Whether or not you plan to attend the special meeting, please complete, sign and date the enclosed proxy card and return it promptly in the enclosed postage-paid return envelope, or submit your proxy by telephone or over the Internet by following the instructions on the proxy card. You may revoke your proxy at any time prior to its exercise at the special meeting in the manner described in the proxy statement. Submitting a proxy now will not prevent you from being able to vote at the special meeting by attending the special meeting in person and casting a vote. Your vote at the special meeting will supersede any previously submitted proxy. If you hold your shares in street name, you should instruct your broker, bank or other nominee how to vote your shares on each proposal in accordance with your voting instruction form.**

**If you fail to submit your proxy or to attend the special meeting in person, your shares will not be counted for purposes of determining whether a quorum is present at the special meeting and will have the same effect as a vote AGAINST the proposal to adopt the Merger Agreement. Similarly, if you hold your shares in street name and fail to instruct your broker, bank or other nominee how to vote your shares, your shares will not be counted for purposes of determining whether a quorum is present and will have the same effect as a vote AGAINST the adoption of the Merger Agreement.**

Please do not send any stock certificates at this time.

Valerie Gentile Sachs

Vice President, General Counsel and Secretary

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**SUMMARY**

*This summary highlights selected information from this proxy statement and may not contain all of the information that is important to you. You should carefully read this entire proxy statement, including the attached annexes, and the other documents to which we have referred you. We have included page references parenthetically to direct you to a more complete description of the topics presented in this summary. You may obtain the information incorporated by reference in this proxy statement without charge by following the instructions under *Additional Information* beginning on page 114.*

**Information About the Parties**

***OM Group, Inc.***

950 Main Avenue, Suite 1300, Cleveland, Ohio 44113-7210

800-519-0083

OM Group, Inc. ( OM Group, the Company, our, we, or us ), a Delaware corporation, is a technology-driven diversified industrial company serving attractive global markets, including automotive systems, electronic devices, aerospace and defense, industrial and medical. We use innovative technologies to address customers' complex applications and demanding requirements. Headquartered in Cleveland, Ohio, OM Group operates manufacturing facilities in the Americas, Europe and Asia. We employ approximately 6,000 associates worldwide.

OM Group operates within three business platforms: Magnetic Technologies, Battery Technologies and Specialty Chemicals. The Magnetic Technologies segment develops, manufactures and distributes differentiated, high-performance, industrial-use magnetic materials and related products and systems with exceptional magnetic and/or physical properties. A large majority of our products are specially designed and manufactured for specific customers. We offer the complete range of magnetic technology products, from magnetically soft products to the most powerful permanent magnets in the world. The Battery Technologies segment provides advanced batteries, battery management systems, and energetic devices for defense, aerospace and medical markets. We sell these products directly to customers who incorporate them into sub-assemblies. The business is also focused on developing products, technologies and applications for emerging markets, including commercial aerospace, alternative grid energy storage and oil and gas. The Specialty Chemicals segment develops, produces and supplies chemicals for electronic and industrial applications, and photomasks used by customers to produce semiconductors and related products. The majority of our sales are directly to customers.

Additional information about OM Group and its subsidiaries is included in documents incorporated by reference to this document. See *Additional Information* beginning on page 114.

***Duke Acquisition Holdings, LLC***

c/o Apollo Global Management

9 West 57<sup>th</sup> Street, 43<sup>rd</sup> Floor

New York, NY 10019

Duke Acquisition Holdings, LLC ( Parent ), a Delaware limited liability company, is a wholly owned, indirect subsidiary of funds affiliated with Apollo Management VIII, L.P., and has been formed solely for the purposes of entering into the Merger Agreement (as defined below) and the Carve-out Agreements (as defined below) and completing the transactions contemplate by the Merger Agreement and the Carve-out Agreements.

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***Duke Acquisition, Inc.***

c/o Apollo Global Management

9 West 57<sup>th</sup> Street, 43<sup>rd</sup> Floor

New York, NY 10019

Duke Acquisition, Inc. ( Merger Sub ), and together with Parent, the Apollo Fund Parties ), a Delaware corporation and wholly owned subsidiary of Parent, was formed by Parent solely for the purpose of entering into the Merger Agreement (as defined below) and completing the transactions contemplated by the Merger Agreement.

***MacDermid Americas Acquisitions Inc.***

245 Freight Street

Waterbury, CT 06702

203-575-5700

MacDermid Americas Acquisitions, Inc. ( Carve-out Buyer ), a Delaware corporation, is a wholly owned indirect subsidiary of Platform Specialty Products Corporation ( PSP ) formed solely for the purpose of entering into the Merger Agreement (as defined below) and the Carve-out Agreement (as defined below) and completing the transactions contemplated by the Merger Agreement and the Carve-out Agreement.

PSP, a Delaware corporation, is a global, diversified producer of high technology specialty chemical products. PSP's business involves the formulation of a broad range of solutions-oriented specialty chemicals, which are sold into multiple industries, including agrochemical, animal health, electronics, graphic arts, plating and offshore oil production and drilling. PSP's common stock is listed on the New York Stock Exchange under the ticker symbol PAH.

**The Special Meeting (page 18)**

We are furnishing this proxy statement to our stockholders as part of the solicitation of proxies by our Board of Directors (the Board ) for use at the special meeting and any postponement or adjournment thereof (the special meeting ).

***Date, Time and Place***

The special meeting of stockholders of OM Group will be held at 1:00 p.m. (Eastern Time) on Monday, August 10, 2015, in the Riviera Ballroom at the Aloft Hotel, 1111 W. 10th Street, Cleveland, Ohio 44113, unless postponed or adjourned to a later date.

***Purpose***

In this proxy statement, we refer to the Agreement and Plan of Merger, dated as of May 31, 2015, as it may be amended from time to time, by and among OM Group, Parent, and Merger Sub as the Merger Agreement, and the merger of Merger Sub with and into the Company as the merger.

You will be asked to consider and vote upon a proposal to adopt the Merger Agreement. If the Merger Agreement is adopted and the merger is completed, OM Group will become a wholly owned indirect subsidiary of Parent by means of a merger of Merger Sub with and into OM Group. Each share of OM Group common stock, par value \$0.01 per share ( OM Group common stock ), except shares as to which appraisal rights have properly been demanded, treasury shares and shares owned by Parent or Merger Sub, you own at the effective time of the merger will be converted into the right to receive \$34.00 per share in cash, without interest.

You will also be asked to vote to approve, on a non-binding advisory basis, the compensation to be paid to OM Group s named executive officers that is based on or otherwise relates to the merger. This proposal is referred to as the merger-related named executive officer compensation proposal. As an advisory vote, the

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result will not be binding on OM Group, the Board or the compensation committee of the Board. Therefore, if the merger is adopted by the stockholders of OM Group and completed, this compensation, including amounts that the Company may be contractually obligated to pay, could still be payable to the OM Group named executive officers regardless of whether the stockholders of OM Group approve this proposal.

You will also be asked to vote on a proposal to approve adjournments of the special meeting if necessary or appropriate to permit further solicitation of proxies.

### ***Record Date; Stockholders Entitled to Vote***

You are entitled to vote at the special meeting if you owned shares of OM Group common stock as of the close of business on July 9, 2015, the record date for the special meeting. As of the record date, there were 30,982,141 shares of OM Group common stock outstanding and entitled to vote at the special meeting, held by approximately 779 holders of record. You will have one vote on each matter submitted to a vote at the special meeting for each share of OM Group common stock that you owned as of the close of business on the record date.

### ***Voting and Proxies; Revocation of Proxies***

Stockholders can vote their shares of OM Group common stock at the special meeting in the following four ways: (i) by completing, signing and returning the enclosed proxy card, (ii) by submitting a proxy by telephone using the toll-free number **1-800-690-6903**, (iii) by submitting a proxy over the internet at the website **www.proxyvote.com**, or (iv) in person at the special meeting. See and read carefully *Proposals to be Considered at the Special Meeting* Voting beginning on page 21.

You may revoke your proxy at any time prior to the vote at the special meeting by delivering to OM Group's Secretary a signed notice of revocation or submitting a later-dated proxy. You also may revoke your proxy by attending the special meeting and voting in person. Attendance at the special meeting will not, in and of itself, result in the revocation of a proxy or cause your shares of OM Group common stock to be voted.

If your shares are held in street name by a broker, bank or other nominee, you should instruct your broker how to vote your shares on each proposal in accordance with your voting instruction form. In addition, if your shares are held in street name by a broker, bank or other nominee, if you attend the special meeting in person, you will not be able to vote your shares in person at the meeting unless you obtain a legal proxy from your broker, bank or other nominee giving you the right to vote the shares at the meeting.

### ***Quorum***

A quorum of stockholders is necessary to convene a meeting of the stockholders. Under our Second Amended and Restated By-Laws, the holders of a majority of the shares of OM Group common stock issued and outstanding and entitled to vote at the meeting, present in person or by proxy, shall constitute a quorum.

If a quorum is not present in person or by proxy at any meeting of OM Group stockholders, the stockholders entitled to vote at the meeting, present in person or by proxy, have the power to adjourn the meeting from time to time, without notice of the adjourned meeting if the time and place, if any, of the adjourned meeting and the means of remote communication, if any, by which stockholders may be deemed to be present in person or by proxy at such meeting are announced at the meeting at which the adjournment is taken, until a quorum is present in person or by proxy.

If you submit (and do not thereafter revoke) a properly executed proxy card, even if you abstain from voting, your shares of OM Group common stock will be counted for purposes of determining whether a quorum

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is present at the special meeting. In the event that a quorum is not present at the special meeting or additional votes must be solicited to adopt the Merger Agreement, it is expected that the meeting will be adjourned or postponed to solicit additional proxies.

### ***Vote Required***

Adoption of the Merger Agreement requires the affirmative vote of the holders of at least a majority of the OM Group common stock outstanding and entitled to vote thereon.

The approval, on a non-binding advisory basis, of the merger-related named executive officer compensation proposal requires the affirmative vote of the holders of a majority of the shares of OM Group common stock present in person or represented by proxy and voting on the proposal at the special meeting.

A proposal to approve an adjournment of the special meeting, whether or not a quorum is present, requires the affirmative vote of the holders of a majority of the shares of OM Group common stock present in person or represented by proxy and voting on the proposal at the special meeting.

The Carve-out Transactions do not require your approval and consummation of the Carve-out Transactions is not a condition to the closing of the merger.

As of the record date, there were 30,982,141 shares of OM Group common stock outstanding.

### ***Effect of Abstentions and Broker Non-Votes on Voting***

Abstentions and shares not present in person or represented by proxy at the special meeting will have the same effect as a vote **AGAINST** the proposal to adopt the Merger Agreement. Abstentions will have the same effect as a vote **AGAINST** the merger-related named executive officer compensation proposal, but shares not present in person or represented by proxy at the special meeting will have no effect on the merger-related named executive officer compensation proposal. Abstentions will have the same effect as a vote **AGAINST** the proposal to adjourn the special meeting, if necessary, but shares not present in person or represented by proxy at the special meeting will have no effect on the proposal to adjourn the special meeting, if necessary. Without instruction from you, any broker, bank or other nominee holding shares of OM Group common stock in street name for you may not vote your shares of OM Group common stock on the proposal to adopt the Merger Agreement, the merger-related named executive officer compensation proposal or the proposal to adjourn the special meeting, if necessary. Therefore, unless you attend the special meeting in person with a properly executed legal proxy from your broker, bank or other nominee, your failure to provide instructions to your broker, bank or other nominee will result in your shares not being represented at the special meeting and not being voted on those proposals. Consequently, there cannot be any broker non-votes occurring in connection with these proposals at the special meeting. It is very important that **ALL** of our stockholders vote their shares of OM Group common stock, so please promptly complete and return the enclosed proxy card or submit your proxy by telephone or over the Internet following the instructions on the enclosed proxy card or, if you hold your shares in street name, promptly submit your voting instruction form to your broker, bank or other nominee.

### ***Expenses of Proxy Solicitation***

Our directors, officers and other employees may solicit proxies in person, by telephone, electronically, by mail or by other means, but they will not be specifically compensated for these services. Brokers, banks and other nominees will be reimbursed by us for expenses they incur in forwarding proxy material to obtain voting instructions from beneficial stockholders. We have also hired Innisfree M&A Incorporated ( Innisfree ) to assist in the solicitation of proxies. The

total cost of solicitation of proxies will be borne by us. For a description of the costs and expenses to us of soliciting proxies, see [Proposals to be Considered at the Special Meeting](#) [Solicitation Costs](#) beginning on page 22.



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**Stockholders should not send in their stock certificates with their proxies.** A transmittal form with instructions for the surrender of certificates representing shares of OM Group common stock will be mailed to stockholders if the merger is completed.

**Board Recommendation (page 36)**

The Board has unanimously (i) determined that the Merger Agreement and the consummation of the merger is fair to, and in the best interests of, OM Group and its stockholders, (ii) approved and declared advisable the Merger Agreement, the other transaction documents to which OM Group is a party and the execution, delivery and performance of the Merger Agreement and the other transaction documents to which OM Group is a party and the consummation of the merger and the transactions related thereto, (iii) recommended to OM Group's stockholders that they adopt the Merger Agreement in accordance with OM Group's Certificate of Incorporation, OM Group's Second Amended and Restated By-Laws and the General Corporation Law of the State of Delaware and (iv) directed that such matters be submitted to OM Group's stockholders at the special meeting for adoption. The Board made its determination after consultation with its financial and legal advisors and consideration of a number of factors, as described below.

The Board unanimously recommends that our stockholders vote **FOR** the proposal to adopt the Merger Agreement. The Board also unanimously recommends that you vote **FOR** the merger-related named executive officer compensation proposal and **FOR** any adjournment of the special meeting if necessary to permit solicitation of further proxies if there are not sufficient votes at the time of the special meeting to adopt the Merger Agreement. For additional information regarding certain factors the Board considered in making its recommendation, please see "The Merger - OM Group's Reasons for the Merger" beginning on page 32, "The Merger - Opinion of BNP Paribas Securities Corp." beginning on page 37, "The Merger - Opinion of Deutsche Bank Securities Inc." beginning on page 45 and "The Merger - Certain OM Group Financial Projections" beginning on page 53.

**The Merger, the Carve-out Transactions and the Merger Agreement (pages 23, 108 & 75)**

The rights and obligations of the parties to the Merger Agreement are governed by the specific terms and conditions of the Merger Agreement and not by any summary or other information in this proxy statement. Therefore, the information in this proxy statement regarding the Merger Agreement and the merger is qualified in its entirety by reference to the Merger Agreement, a copy of which is attached as Annex A to this proxy statement and incorporated herein by reference. We encourage you to read the Merger Agreement carefully and in its entirety because it is the principal legal agreement that governs the merger.

***Structure of the Merger and the Carve-out Transactions***

At the effective time of the merger, OM Group will be acquired indirectly by Parent by means of a merger of Merger Sub with and into OM Group, with OM Group continuing as the surviving corporation and a wholly owned indirect subsidiary of Parent. Following the effective time of the merger, Parent will sell to Carve-out Buyer the Carve-out Business. The closing of the Carve-out Transactions is conditioned only on the closing of the merger.

***Consideration to be Received in the Merger***

At the effective time of the merger, each share of OM Group common stock, other than shares that are to be cancelled pursuant to the Merger Agreement and shares as to which appraisal rights have properly been demanded, will be converted into the right to receive \$34.00 per share in cash (the "merger consideration"), without interest, less any applicable withholding tax. For additional information regarding the cancellation of shares, see "The Merger

Agreement Cancellation of Shares beginning on page 76. After the effective time of the merger, shares of OM Group common stock will no longer be publicly traded.

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Following the merger, Carve-out Buyer will acquire most of the Carve-out Business from Parent for approximately \$240 million and enter into an agreement to acquire the remaining portion of the Carve-out Business in January of 2016 for approximately \$125 million. No holder of shares of OM Group's common stock will be entitled to receive any consideration in connection with the Carve-out Transactions. For more information regarding the Carve-out Transactions, see *The Carve-out Transactions* beginning on page 108.

***Treatment of Existing Stock Options and Other Equity Awards******OM Group Stock Options***

Pursuant to the Merger Agreement, at the effective time of the merger, each outstanding option to purchase a share of OM Group common stock granted under any OM Group equity incentive plan (an *Option*), whether vested or unvested, will be cancelled and converted into the right to receive a payment in cash of an amount equal to the product of (1) the total number of shares of OM Group common stock subject to the Option and (2) the excess, if any, of the merger consideration over the exercise price per share of the Option, and less any applicable tax withholding. To the extent the exercise price per share of any Option is equal to or greater than the merger consideration, such Option will be cancelled in exchange for no consideration at the effective time of the merger.

***OM Group Restricted Stock***

Pursuant to the Merger Agreement, at the effective time of the merger, any restrictions or vesting conditions applicable to restricted shares of OM Group common stock granted under any OM Group equity incentive plan (*Restricted Stock*) that are outstanding immediately prior to the effective time of the merger will lapse with respect to (1) the number of shares of Restricted Stock determined as if the applicable performance goals had been achieved at the target level of performance in the case of Restricted Stock subject to performance-based vesting conditions and (2) the total number of shares of Restricted Stock in the case of Restricted Stock not subject to performance-based vesting conditions, and each such share of Restricted Stock will be converted into the right to receive an amount in cash equal to the merger consideration, without interest, and less any applicable tax withholding. Promptly following the effective time of the merger, any cash dividends previously paid by OM Group with respect to Restricted Stock that becomes vested at the effective time of the merger and held by OM Group or its designated agents as of the effective time of the merger will be distributed by OM Group to the holder of such Restricted Stock, less any applicable tax withholdings. The Restricted Stock that remains unvested and subject to restriction as of the effective time of the merger and any cash dividends previously paid and held by OM Group or its designated agent on such Restricted Stock will be forfeited as of the effective time of the merger.

***OM Group Share Units***

Pursuant to the Merger Agreement, at the effective time of the merger, each outstanding award of a right under any OM Group equity incentive plan (other than awards of Options or Restricted Stock) entitling the holder thereof to a share of OM Group common stock or cash equal to or based on the value of a share of OM Group common stock (a *Share Unit*) will be cancelled and converted into the right to receive a cash payment in an amount equal to the product of (1) the merger consideration and (2) (a) in the case of Share Units subject to performance-based vesting conditions, the number of shares of OM Group common stock underlying such Share Units determined as if the applicable performance goals had been achieved at the target level of performance and (b) in the case of Share Units not subject to performance-based vesting conditions, the total number of Share Units not subject to performance-based vesting conditions, less any applicable tax withholding. Promptly following the effective time of the merger, any dividend

equivalent rights previously earned with respect to Share

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Units that become vested at the effective time of the merger and held by OM Group or its designated agents as of the effective time of the merger will be converted into the right to receive a cash payment that is equal to the cash dividends that would have been paid and such cash payment will be distributed by OM Group to the holder of such Share Units, less any applicable tax withholdings. The Share Units that remain unvested and subject to restriction as of the effective time of the merger and any dividend equivalent rights previously earned on such Share Units will be forfeited as of the effective time of the merger.

***Conditions to the Merger***

A number of conditions must be satisfied or waived