

INFINITY PROPERTY & CASUALTY CORP
Form 8-K
June 29, 2018

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)

of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 28, 2018

INFINITY PROPERTY AND CASUALTY CORPORATION

(Exact name of Registrant as specified in its Charter)

Ohio
(State or Other Jurisdiction

000-50167
(Commission

03-0483872
(IRS Employer

of Incorporation)

File Number)

Identification No.)

2201 4th Avenue North, Birmingham, Alabama 35203

(Address of Principal Executive Offices)

(Zip Code)

(205) 870-4000

Registrant's telephone number, including area code

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01 Other Events.

As previously disclosed, on February 13, 2018, Infinity Property and Casualty Corporation, an Ohio corporation (the Company), entered into an Agreement and Plan of Merger (the Merger Agreement), by and among the Company, Kemper Corporation, a Delaware corporation (Kemper), and Vulcan Sub, Inc., an Ohio corporation and a wholly owned subsidiary of Kemper (Merger Sub). The Merger Agreement provides, among other things, that, upon the terms and subject to the conditions set forth in the Merger Agreement, Merger Sub will merge with and into the Company, with the Company surviving as a wholly owned subsidiary of Kemper (the Merger).

Proration of Merger Consideration

Pursuant to the Merger Agreement, as a result of the Merger, each share of Company common stock, no par value per share (Company Common Stock), issued and outstanding as of immediately prior to the effective time of the Merger (the Effective Time) (other than shares owned by Kemper or its wholly owned subsidiaries or the Company or any of its subsidiaries and outstanding and unvested restricted shares of Company Common Stock granted under any Company stock plan owned by employee members of the Company board of directors (all such shares described in this parenthetical, the Excluded Shares)) is contemplated to be cancelled and converted into, at the election of the holder thereof, subject to proration and adjustment as described below, the right to receive either (i) 1.2019 shares of Kemper common stock, par value \$0.01 per share (Kemper Common Stock), and \$51.60 in cash, without interest (the Mixed Consideration), (ii) an amount of cash equal to \$129.00, without interest (the Cash Consideration), or (iii) 2.0031 shares of Kemper Common Stock (the Stock Consideration).

As previously disclosed, the deadline for Company shareholders to have delivered their election forms to elect the form of consideration to be received in the Merger was 5:00 p.m., Eastern Time, on June 18, 2018 (the Election Deadline), subject to the applicable notice of guaranteed delivery period. The consideration to be paid to holders of Company Common Stock electing to receive the Cash Consideration or the Stock Consideration in connection with the Merger is subject to automatic proration and adjustment, as set forth in the Merger Agreement and described in the definitive joint proxy statement/prospectus filed by Kemper with the U.S. Securities and Exchange Commission (the SEC) on April 27, 2018, as amended and supplemented from time to time (the Joint Proxy Statement), to ensure that the total amount of cash paid and the total number of shares of Kemper Common Stock issued in the Merger is approximately the same as what would be paid and issued if all holders of Company Common Stock were to receive the Mixed Consideration.

Kemper and the Company have determined that, based on the valid elections of holders of Company Common Stock prior to the Election Deadline, pursuant to the automatic proration and adjustment provisions set forth in the Merger Agreement and described in the Joint Proxy Statement, the consideration to be received in the Merger by holders of Company Common Stock, following and subject to the closing of the Merger, is as follows:

Those holders of Company Common Stock validly electing to receive the Mixed Consideration in the Merger will be entitled to receive 1.2019 shares of Kemper Common Stock and \$51.60 in cash, without interest, for each share of Company Common Stock with respect to which such election was made;

Those holders of Company Common Stock validly electing to receive the Cash Consideration in the Merger will be entitled to receive \$129.00, without interest, for each share of Company Common Stock with respect to which such election was made;

Those holders of Company Common Stock validly electing to receive the Stock Consideration in the Merger will be entitled to receive 1.2332 shares of Kemper Common Stock and \$49.58 in cash, without interest, for each share of Company Common Stock with respect to which such election was made; and

Those holders of Company Common Stock (not including Excluded Shares) that did not make a valid election prior to the Election Deadline will be deemed to have elected to receive the Mixed Consideration with respect to their shares of Company Common Stock and will be entitled to receive 1.2019 shares of Kemper Common Stock and \$51.60 in cash, without interest, for each share of Company Common Stock held immediately prior to the Effective Time.

Insurance Regulatory Approvals and Closing Timing

On June 28, 2018, Kemper and the Company issued a joint press release announcing that the parties to the Merger Agreement have received all insurance regulatory clearances and approvals that are conditions precedent to the closing of the Merger pursuant to the Merger Agreement. Kemper and the Company expect to close the Merger on July 2, 2018.

A copy of the joint press release is filed herewith as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Cautionary Statements Regarding Forward-Looking Information

This Current Report on Form 8-K may contain or incorporate by reference statements or information that are, include or are based on forward-looking statements within the meaning of the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give expectations, intentions, beliefs or forecasts of future events or otherwise for the future, and can be identified by the fact that they relate to future actions, performance or results rather than relating strictly to historical or current facts. Words such as believe(s), goal(s), target(s), estimate(s), anticipate(s), forecast(s), project(s), plan(s), intend(s), expect(s), might, may, could and other words and expressions of similar meaning are intended to identify such forward-looking statements. However, the absence of such words or other words and expressions of similar meaning does not mean that a statement is not forward-looking.

Any or all forward-looking statements may turn out to be wrong, and, accordingly, readers are cautioned not to place undue reliance on such statements. Forward-looking statements involve a number of risks and uncertainties that are difficult to predict, and are not guarantees or assurances of future performance. No assurances can be given that the results and financial condition contemplated in any forward-looking statements will be achieved or will be achieved in any particular timetable. Forward-looking statements involve a number of risks and uncertainties that are difficult to predict, and can be affected by inaccurate assumptions or by known or unknown risks and uncertainties that may be important in determining actual future results and financial condition. The general factors that could cause actual results and financial condition to differ materially from those expressed or implied include, without limitation, the following: (a) the satisfaction or waiver of the conditions precedent to the consummation of the proposed Merger involving Kemper, Merger Sub and the Company; (b) unanticipated difficulties or expenditures relating to such proposed Merger; (c) risks relating to the value of the shares of Kemper's common stock to be issued in such proposed Merger; (d) disruptions of Kemper's and the Company's current plans, operations and relationships with third persons caused by the announcement and pendency of such proposed Merger, including, without limitation, the ability of the combined company to hire and retain any personnel; (e) legal proceedings that may be instituted against Kemper and the Company in connection with such proposed Merger; and (f) those factors listed in annual, quarterly and periodic reports filed by Kemper and the Company with the SEC, whether or not related to such proposed Merger.

The Company assumes no, and expressly disclaims any, duty or obligation to update or correct any forward-looking statement as a result of events, changes, effects, states of facts, conditions, circumstances, occurrences or developments subsequent to the date of this Current Report on Form 8-K or otherwise, except as required by law. Readers are advised, however, to consult any further disclosures the Company makes on related subjects in its filings with the SEC.

Additional Information About the Transaction and Where to Find It

This Current Report on Form 8-K does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. This Current Report on Form 8-K relates to the proposed Merger involving Kemper, Merger Sub and the Company, among other things. In connection therewith, Kemper filed with the SEC a Registration Statement on Form S-4 that includes a definitive joint proxy statement of Kemper and the Company and also constitutes a definitive prospectus of Kemper, and each of Kemper and the Company may be filing with the SEC other documents regarding the proposed transaction. Kemper and the Company commenced mailing of the definitive joint proxy statement/prospectus to Kemper's shareholders and the Company's shareholders on April 30, 2018. BEFORE MAKING ANY INVESTMENT DECISION, INVESTORS AND SECURITYHOLDERS OF KEMPER AND/OR THE COMPANY ARE URGED TO READ THE DEFINITIVE JOINT PROXY STATEMENT/PROSPECTUS REGARDING THE PROPOSED MERGER AND ANY OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION.

Investors and securityholders may obtain free copies of the definitive joint proxy statement/prospectus, any amendments or supplements thereto and other documents filed with the SEC by Kemper and the Company through the website maintained by the SEC at www.sec.gov. Copies of the documents filed with the SEC by Kemper are available free of charge under the Investors section of Kemper's website located at <http://www.kemper.com> or by contacting the Kemper's Investor Relations Department at 312.661.4930 or investors@kemper.com. Copies of the documents filed with the SEC by the Company are available free of charge under the Investor Relations section of the Company's website located at <http://www.infinityauto.com> or by contacting the Company's Investor Relations Department at 205.803.8186 or investor.relations@infinityauto.com.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. The following exhibit is filed with this report:

Exhibit

No.	Description of Exhibit
99.1	<u>Joint Press Release of Kemper Corporation and Infinity Property and Casualty Corporation, dated June 28, 2018</u>

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, hereunto duly authorized.

INFINITY PROPERTY AND CASUALTY
CORPORATION

BY: /s/ Samuel J. Simon
Samuel J. Simon
President and General Counsel

June 28, 2018