

VECTREN CORP
Form 8-K
February 01, 2019

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): February 1, 2019

VECTREN CORPORATION

(Exact name of registrant as specified in its charter)

Commission

Registrant, State of Incorporation,

I.R.S Employer

File No.	Address, and Telephone Number	Identification No.
1-15467	Vectren Corporation (An Indiana Corporation) One Vectren Square, Evansville, Indiana 47708 (812) 491-4000	35-2086905
1-16739	Vectren Utility Holdings, Inc. (An Indiana Corporation) One Vectren Square, Evansville, Indiana 47708 (812) 491-4000	35-2104850

Former name or address, if changed since last report:

N/A

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:

Written communications pursuant to Rule 425 under the Securities Act (17CFR 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 2.01. Completion of Acquisition or Disposition of Assets.

On February 1, 2019 (the Closing Date), CenterPoint Energy, Inc., a Texas corporation (Parent), completed its previously announced acquisition of Vectren Corporation (the Company) through a merger (the Merger) of Pacer Merger Sub, Inc., an Indiana corporation and wholly owned subsidiary of Parent (Merger Sub), with and into the Company pursuant to the Agreement and Plan of Merger, dated as of April 21, 2018, by and among the Company, Parent and Merger Sub (the Merger Agreement). As a result of the Merger, the Company became a wholly owned subsidiary of Parent as of the Effective Time (as defined below).

On and subject to the terms and conditions set forth in the Merger Agreement, at the effective time of the Merger (the Effective Time), each share of common stock, no par value, of the Company (Company common stock) issued and outstanding immediately prior to the Effective Time was cancelled and converted into the right to receive \$72.00 in cash, without interest. At the Effective Time, each stock unit that was payable in Company common stock or whose value was determined with reference to the value of Company common stock immediately prior to the Effective Time, whether vested or unvested, was cancelled at the Effective Time with cash consideration paid therefor in accordance with the terms of the Merger Agreement. The aggregate value of the consideration paid by Parent in connection with the Merger was approximately \$6 billion, which was funded through a combination of various issuances by Parent of its common and preferred stock, unsecured senior notes and unsecured commercial paper.

The foregoing description of the Merger Agreement and the transactions contemplated thereby does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Merger Agreement, which was filed as Exhibit 2.1 to the Company s Current Report on Form 8-K filed on April 23, 2018, and which is incorporated herein by reference.

Item 3.01. Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

Effective as of the opening of trading on the New York Stock Exchange (NYSE) on the Closing Date, the shares of the Company common stock, which traded under the symbol VVC , were suspended from trading on the NYSE. On the Closing Date, the Company requested that the NYSE file with the Securities and Exchange Commission (SEC) a notification of removal from listing on Form 25 to delist the Company common stock from the NYSE and to withdraw the registration of the Company common stock under Section 12(b) of the Securities Exchange Act of 1934, as amended (the Exchange Act). The Company also intends to file a certification on Form 15 with the SEC requesting the termination of registration of the Company common stock with the SEC under Section 12(g) of the Exchange Act and its reporting obligations under Sections 13 and 15(d) of the Exchange Act. The disclosure set forth in Item 2.01 is incorporated herein by reference.

Item 3.03. Material Modification to Rights of Security Holders.

The disclosure set forth in Items 2.01, 3.01 and 5.03 is incorporated herein by reference.

Item 5.01. Changes in Control of Registrant.

As a result of the consummation of the Merger, a change of control of the Company occurred, and each of the Company and its wholly owned subsidiaries, including Vectren Utility Holdings, Inc. (VUHI), is now a wholly owned subsidiary of Parent. The disclosure set forth in Item 2.01 is incorporated herein by reference.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

In connection with the Merger, at the Effective Time, all of the existing directors of the Company and VUHI ceased to be directors, and Scott M. Prochazka, the sole director of Merger Sub immediately prior to the Effective Time, became the sole director of the Company and the sole director of VUHI. None of the departing directors stated that his or her departure related to any disagreement with the Company or VUHI on any matter relating to the operations, policies or practices of such company.

Following the Merger, Carl L. Chapman ceased to be the Chairman, President and Chief Executive Officer of the Company and the Chairman and Chief Executive Officer of VUHI; M. Susan Hardwick ceased to be the Executive Vice President and Chief Financial Officer of the Company and VUHI; Eric J. Schach ceased to be the Executive Vice President and Chief Operating Officer of the Company and the President of VUHI; and Ronald E. Christian ceased to be the Executive Vice President, Chief Legal and External Affairs Officer and Corporate Secretary of the Company and the Executive Vice President, Chief Legal and External Affairs Officer and Secretary of VUHI.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

At the Effective Time and pursuant to the Merger Agreement, (i) the articles of incorporation of Merger Sub immediately prior to the Effective Time became the articles of incorporation of the Company, as the surviving corporation in the Merger, and (ii) the bylaws of Merger Sub immediately prior to the Effective Time became the bylaws of the Company, as the surviving corporation in the Merger. Copies of the articles of incorporation and bylaws of the Company after giving effect to the Merger are included as Exhibit 3.1 and Exhibit 3.2, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

Item 8.01. Other Events.

On February 1, 2019, the Company issued a press release announcing the amount of its previously announced stub period dividend. A dividend in the amount of \$0.41145 per share will be paid no later than February 8, 2019 to shareholders of record immediately prior to the Effective Time. The amount equals \$0.005275 per day times 78 days, which is the number of days from November 16 through and including February 1, 2019, the Effective Time. The press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

The exhibits listed below are filed or furnished, as applicable, herewith.

(d) Exhibits.

INDEX TO EXHIBITS

Exhibit

Number	Description
2.1	<u>Agreement and Plan of Merger by and among Vectren Corporation, Pacer Merger Sub, Inc. and CenterPoint Energy, Inc., dated as of April 21, 2018 (incorporated by reference to Exhibit 2.1 to Vectren Corporation's Current Report on Form 8-K, dated April 23, 2018, File No. 1-15467).</u>
3.1	<u>Amended and Restated Articles of Incorporation of Vectren Corporation.</u>
3.2	<u>Amended and Restated By-laws of Vectren Corporation.</u>
99.1	<u>Press Release, dated February 1, 2019</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.

VECTREN CORPORATION

February 1, 2019

By: /s/ Kristie L. Colvin
 Kristie L. Colvin
 Vice President

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Involuntary
 termination without
 cause or for good
 reason, not during a
 protection period

Involuntary
 termination without
 cause or for good
 reason, during a
 protection period
 (Change of control)

Severance
 \$— \$265,000 \$795,000
 Annual incentive
 — 160,000 480,000
 Car allowance
 — 11,400 34,200
 Transitional
 — 30,000 90,000
 Total
 \$— \$466,400 \$1,399,200

	Death or disability	Involuntary termination without cause or for good reason, not during a protection period	Involuntary termination without cause or for good reason, during a protection period (Change of control)
Elliott J. Kennedy			
Severance	\$ —	\$ 231,000	\$ 462,000
Annual incentive	—	110,000	220,000
Car allowance	—	7,200	14,400
Transitional	—	30,000	60,000

Total	\$	—	\$ 378,200	\$	756,400
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	Death or disability	Involuntary termination without cause or for good reason, not during a protection period	Involuntary termination without cause or for good reason, during a protection period (Change of control)
James L. Rose			
Severance	\$ —	\$ 231,000	\$ 462,000
Annual incentive	—	120,000	240,000
Car allowance	—	7,020	14,040
Transitional	—	30,000	60,000
Total	\$ —	\$ 388,020	\$ 776,040

	Death or disability	Involuntary termination without cause or for good reason, not during a protection period	Involuntary termination without cause or for good reason, during a protection period (Change of control)
Peter R. Buchler			
Severance	\$ —	\$ 225,000	\$ 450,000
Annual incentive	—	—	—
Car allowance	—	—	—
Transitional	—	30,000	60,000
Total	\$ —	\$ 255,000	\$ 510,000

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The Company reviews related party transactions. Related party transactions are Company transactions that involve the Company's directors, executive officers, director nominees, 5% or more beneficial owners of the Company's Common Stock, immediate family members of these persons (which shall include a person's spouse, parents, stepparents, children, stepchildren, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law and persons sharing the same household of the foregoing persons), or entities in which one of these persons has a direct or indirect material interest. A Related Party Transaction means any transaction, or series of similar transactions (and any amendments, modifications or changes thereto), in which the amount exceeds \$120,000. A Related Party Transaction does not include compensatory arrangements with the Board or executive officers or certain other transactions. Pursuant to the Company's Code of Business Conduct and Ethics, employees and directors have a duty to report any potential conflicts of interest to the appropriate level of management or to the Board of Directors. The Company evaluates these reports along with responses to the Company's annual director and officer questionnaires for any indication of possible related party transactions. If a transaction is deemed by the Company to be a related party transaction, the information regarding the transaction is forwarded to the Audit Committee for review and approval. Pursuant to the Audit Committee's charter, it has been delegated the authority to review and approve all related party transactions.

AUDIT COMMITTEE REPORT

The following Report of the Audit Committee does not constitute soliciting material and should not be deemed filed or incorporated by reference in any other filing by us under the Securities Act of 1933 or the Securities Exchange Act of 1934.

The Audit Committee of the Company's Board of Directors consists of three non-employee directors, each of whom the Board has determined (i) meets the independence criteria specified by the SEC and the requirements of NYSE listing standards and (ii) at least one member meets certain standards as a financial expert. Mr. Stoeber, Chairman of the Committee, meets the relevant standards as a financial expert.

Management has the primary responsibility for the financial statements and the reporting process, including the systems of internal controls for financial reporting. The Audit Committee is responsible for the oversight of the Company's financial reporting process on behalf of the Board of Directors. In fulfillment of its responsibilities, the Audit Committee has discussed with the Company's independent auditors their plan for the audit of the Company's annual consolidated financial statements and the independent auditors' evaluation of the effectiveness of the Company's internal control over financial reporting, as well as reviews of the Company's quarterly financial statements. During 2009, the Committee met regularly with the independent auditors, with and without management present, to discuss the results of their audits and reviews, as well as their evaluations of the Company's internal control over financial reporting and the overall quality of the Company's accounting principles. has reviewed and discussed with management and the Company's independent registered public accounting firm the Company's 2009 audited consolidated financial statements and such matters. In addition, the Audit Committee has received from the Company's independent registered public accounting firm the written disclosures required by Statement on Auditing Standards No. 61 Communication With Audit Committees (as amended), the matters required to be discussed by The Public Company Accounting Oversight Board and the Securities and Exchange Commission and the letter from the independent auditors required by the Public Company Accounting Oversight Board ("PCAOB") Ethics and Independence Rule 3526, Communication with Audit Committees Concerning Independence, regarding the independent auditors' communications with the Committee concerning independence. The Committee has also discussed with the independent auditors the auditors' independence from the Company and its management. In determining that the auditors are independent, the Committee also considered whether the provision of any of the non-audit services described below under "Fees of the Independent Auditors" is compatible with maintaining their independence.

In reliance on the reviews and discussions above, the Audit Committee recommended to the Board, and the Board approved, the inclusion of the Company's audited consolidated financial statements in the Company's Annual Report on Form 10-K for the year ended December 31, 2009 filed with the SEC.

Respectfully submitted by the members of the Audit Committee
Gene Stoeber, Chairman
Richard L. Daerr, Jr.
Thomas N. Amonett

Audit Fees

The following table sets forth the aggregate fees Grant Thornton LLP billed to the Company for the years ended December 31, 2009 and 2008.

	2009	Percent Approved by Audit Committee	2008	Percent Approved by Audit Committee
Audit fees(1)	\$ 561,395	100%	\$ 539,344	100%
Audit-related fees (2)	—		—	
Tax fees (3)	—		—	
All other fees	—		—	
Total fees	\$ 561,395	100%	\$ 539,344	100%

- (1) Includes professional services for the audit of the Company's annual financial statements, reviews of the Company's quarterly financial statements, services normally provided by the Company's independent registered public accounting firm in connection with statutory and regulatory filings or engagements that only the independent registered public accounting firm can reasonably provide, such as comfort letters, statutory audits, attest services, consents and assistance and review of documents filed with the SEC.
- (2) Includes fees associated with assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements, including, if applicable, fees related to assistance in financial due diligence related to mergers and acquisitions and consultation regarding generally accepted accounting principles.
- (3) Includes fees associated with tax compliance, tax advice and domestic and international tax planning as well as tax return preparation. The Company retained another accounting firm to provide tax return preparation services in 2008.

Audit and Non-Audit Service Approval Policy In accordance with the requirements of the Sarbanes-Oxley Act of 2002 and the related rules and regulations, the Audit Committee has adopted procedures for the pre-approval of audit and permissible non-audit services provided by the independent registered public accounting firm.

Audit Services. The Audit Committee annually approves specified audit services engagement terms and fees and other specified audit fees. All other audit services must be specifically pre-approved by the Audit Committee. The Audit Committee monitors the audit services engagement and may approve, if necessary, any changes in terms, conditions and fees resulting from changes in audit scope or other items.

Audit-Related Services. Audit-related services are assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements, which historically have been provided by our independent registered public accounting firm, and are consistent with the SEC's rules on auditor independence. The Audit Committee annually approves specified audit-related services within established fee levels. All other audit-related services must be pre-approved by the Audit Committee.

Tax Fees. The Company retains an independent registered public accounting firm other than Grant Thornton LLP to provide tax services.

All Other Services. Other services, if any, are services provided by our independent registered public accounting firm that do not fall within the established audit, audit-related and tax services categories. The Audit Committee may pre-approve specified other services that do not fall within any of the specified prohibited categories of services.

Procedures for Approval of Services. All requests for services that are to be provided by our independent registered public accounting firm, which must include a detailed description of the services to be rendered and the amount of corresponding fees, are submitted to both the President and the Chairman of the Audit Committee. The Chief Financial Officer authorizes services that have been approved by the Audit Committee within the pre-set limits. If there is any question as to whether a proposed service fits within an approved service, the Chairman of the Audit Committee is consulted for a determination. The Chief Financial Officer submits to the Audit Committee any requests for services that have not already been approved by the Audit Committee. The request must include an affirmation by the Chief Financial Officer and the independent registered public accounting firm that the request is consistent with the SEC and PCAOB rules on auditor independence.

OTHER BUSINESS

Management does not intend to bring any business before the meeting other than the matters referred to in the accompanying notice. If, however, any other matters properly come before the meeting, it is intended that the persons named in the accompanying proxy will vote pursuant to discretionary authority granted in the proxy in accordance with their best judgment on such matters. The discretionary authority includes matters that the Board does not know are to be presented at the meeting by others.

Annual Report

The Annual Report to Shareholders, which includes our consolidated financial statements for the year ended December 31, 2009, has been mailed to all shareholders. The Annual Report is not a part of the proxy solicitation material.

SUBMISSION OF STOCKHOLDER PROPOSALS FOR 2011 ANNUAL MEETING

Any proposal that a stockholder intends to present at the 2011 Annual Meeting of Stockholders must be submitted to the Corporate Secretary of the Company no later than December 24, 2010 in order to be considered timely received.

By Order of the Board of Directors
Peter R. Buchler, Secretary

