

CONNS INC
Form DEF 14A
April 13, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934

Filed by the Registrant: x

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))

x Definitive Proxy Statement

.. Definitive Additional Materials

.. Soliciting Material Pursuant to Rule 14a-12

CONN S, 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):

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- x 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:

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

 - 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):

 - 4) Proposed maximum aggregate value of transaction:

 - 5) Total fee paid:
- .. Fee paid previously with preliminary 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:

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

3) Filing Party:

4) Date Filed:

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CONN S, INC.

4055 Technology Forest Blvd.

Suite 210

The Woodlands, Texas 77381

(936) 230-5899

NOTICE OF 2015 ANNUAL MEETING OF STOCKHOLDERS

To Be Held May 28, 2015

To the Stockholders of Conn s, Inc.:

NOTICE IS HEREBY GIVEN that the 2015 annual meeting of stockholders of Conn s, Inc. will be held on Thursday, May 28, 2015, at 4055 Technology Forest Blvd., Suite 210, The Woodlands, Texas 77381, commencing at 11:00 A.M., Central Daylight time, for the following purposes:

1. to elect the seven directors nominated by our Board of Directors and named in this proxy statement;
2. to ratify the Audit Committee s appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending January 31, 2016;
3. to hold a non-binding advisory vote to approve the compensation of our named executive officers; and
4. to transact such other business as may properly come before the meeting.

Only stockholders of record at the close of business on March 30, 2015, are entitled to notice of and to vote at the 2015 annual meeting of stockholders or any postponement or adjournment thereof. A list of such stockholders, arranged in alphabetical order and showing the address of and the number of shares registered in the name of each such stockholder, will be available for examination by any stockholder for any purpose relating to the meeting during ordinary business hours for a period of at least ten days prior to the meeting at our principal executive offices located at 4055 Technology Forest Blvd., Suite 210, The Woodlands, Texas 77381.

If you plan on attending in person, you will need to provide proof of stock ownership, such as an account or brokerage statement reflecting stock ownership as of the record date, and a form of valid government issued picture identification, such as a driver s license or passport.

We are pleased to take advantage of the U.S. Securities and Exchange Commission rule that allows companies to furnish proxy materials to their stockholders over the Internet. As a result, we are mailing to our stockholders, other than those who previously requested electronic or paper delivery of the proxy materials, a **Notice of Internet Availability of Proxy Materials** (the Notice) for the fiscal year ended January 31, 2015, on or about April 17, 2015. The Notice contains instructions on how to access those documents over the Internet. The Notice also contains instructions on how to request a paper copy of our proxy materials, including this proxy statement, our Annual Report on Form 10-K for the fiscal year ended January 31, 2015 and a form of proxy card or voting instruction card.

It is very important that your shares are represented and voted at the meeting. As explained in further detail in the Notice, your shares may be voted via a toll-free telephone number, on the Internet or by signing, dating and returning the enclosed proxy card in the envelope provided. Your proxy card will not be used if you are present and prefer to vote in person or if you revoke your proxy.

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By Order of the Board of Directors,

/s/ Robert F. Bell
Robert F. Bell
Vice President, General Counsel and Secretary

April 17, 2015

The Woodlands, Texas

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**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS
FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 28, 2015**

The Company's Proxy Statement for the 2015 Annual Meeting of Stockholders and the Annual Report to Stockholders for the fiscal year ended January 31, 2015 is/are available on our website at www.conns.com, at www.proxyvote.com, and at the SEC's website at www.sec.gov.

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PROXY STATEMENT

2015 ANNUAL MEETING OF STOCKHOLDERS

Date: May 28, 2015

Time: 11:00 A.M., Central Daylight time

Location: Conn s, Inc. (we, us or the Company)

4055 Technology Forest Blvd.

Suite 210

The Woodlands, Texas 77381

Record Date and Number of March 30, 2015. Holders of our Common Stock, par value \$0.01 per share (Common Stock) are entitled to one vote for each share of Common Stock they owned as of the close of business on March 30, 2015. You may not cumulate votes.

Votes:

- Agenda:**
1. To elect the seven directors nominated by our Board of Directors and named in this proxy statement;
 2. To vote on a proposal to ratify the Audit Committee s appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending January 31, 2016;
 3. To hold a non-binding advisory vote to approve the compensation of our named executive officers; and
 4. To transact such other business as may properly come before the meeting.

Proxies: Unless you tell us on the form of proxy to vote differently, the named proxies will vote signed returned proxies:

1. FOR the election of the seven directors nominated by the Board of Directors and named in this proxy statement;

2. FOR the proposal to ratify the appointment by the Audit Committee of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending January 31, 2016; and

3. FOR the approval, on a non-binding, advisory basis, of the compensation of our named executive officers.

The proxy holders will use their discretion on other matters. If a nominee for the Board of Directors cannot serve as a director, the proxy holders will vote for a person whom they believe will carry on our present policies.

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Proxies Solicited The board of directors of the Company (the Board of Directors or

By: Board)

Distribution The Notice or the proxy materials, including this proxy statement, proxy card or voting instruction card and our Annual Report on Form 10-K, are being distributed and made

Date: available on or about April 17, 2015.

YOUR VOTE IS IMPORTANT. PLEASE VOTE PROMPTLY.

Prompt return of your proxy will help reduce the costs of re-solicitation.

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GENERAL INFORMATION REGARDING THE 2015 ANNUAL MEETING OF STOCKHOLDERS

What constitutes a quorum? What is the Record Date? How many shares are outstanding?

The holders of a majority of the outstanding shares of Common Stock entitled to vote at the 2015 annual meeting of stockholders (the 2015 annual meeting or the meeting), represented in person or by proxy, will constitute a quorum at the meeting. However, if a quorum is not present or represented at the meeting, the stockholders entitled to vote at the meeting, present in person or represented by proxy, have the power to adjourn the meeting, without notice, other than by announcement at the meeting, until a quorum is present or represented. At any such adjourned meeting at which a quorum is present or represented, any business may be transacted that might have been transacted at the original meeting.

On March 30, 2015, the Record Date, there were 36,354,899 shares of our Common Stock issued and outstanding and entitled to vote, meaning that 18,177,450 shares of our Common Stock must be present in person or by proxy to have a quorum.

What matters will be voted on at the Annual Meeting?

The following matters will be voted on at the Annual Meeting:

1. the election of seven directors nominated to the Board of Directors;
2. a proposal to ratify the Audit Committee's appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending January 31, 2016;
3. a non-binding advisory vote to approve the compensation of our named executive officers; and
4. such other business as may properly come before the meeting.

How does the Board of Directors recommend that I vote?

The Board of Directors recommends that you vote:

1. FOR the election of the seven directors nominated by the Board of Directors and named in this proxy statement.
2. FOR the ratification of the appointment by the Audit Committee of Ernst & Young LLP, as our independent registered public accounting firm for the fiscal year ending January 31, 2016.
- 3.

FOR the approval, on a non-binding advisory basis, of the compensation of our named executive officers.

What is the effect of a broker non-vote?

Brokers or other nominees who hold shares of our Common Stock for a beneficial owner only have the discretion to vote on routine proposals when they have not received voting directions from the beneficial owner at least ten days prior to the annual meeting. Rule 452 of the New York Stock Exchange, which governs all brokers (including those holding NASDAQ-listed securities), provides that a broker or other nominee holding shares for a beneficial owner may

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generally vote on routine matters, but not non-routine matters, without receiving voting instructions. The uncontested election of directors (Proposal One) is now considered non-routine; the proposal to ratify the appointment of Ernst & Young as our independent registered public accounting firm (Proposal Two) is considered routine, the advisory vote on executive compensation (Proposal Three) is also a non-routine matter. Please provide instructions to your broker or nominee on how to vote your shares. If you do not provide such voting instructions to your broker, they will not be able to vote for Proposals One and Three for you and a broker non-vote will result. Shares that constitute broker non-votes will be counted as present at the meeting for the purpose of determining a quorum, but will only be considered entitled to vote on the proposal to ratify the Audit Committee's appointment of our independent registered public accounting firm and any other routine matters that may properly come before the meeting. To minimize the number of broker non-votes and to ensure that your voice is heard in the election of directors and the other matters to be voted on at the 2015 annual meeting of stockholders, we encourage you to provide voting instructions to the broker or other organization that holds your shares by carefully following the instructions in the Notice.

What vote is required to approve the proposals?

Provided a quorum exists, the following votes are required for each proposal:

Proposal One: Election of Directors - To be elected, each director must receive a *majority* of the votes cast with respect to the director. For purposes of this vote, a majority of the votes cast means that the number of shares voted for a director's election exceeds the number of shares voted against that director's election. Abstentions and broker non-votes will have no effect on this proposal.

Proposal Two: Ratify the Appointment of Ernst & Young LLP as our Independent Registered Public Accounting Firm - An affirmative vote of a *majority* of shares present in person or represented by proxy, and entitled to vote on the subject matter at the meeting is required to ratify the Audit Committee's appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending January 31, 2015. Abstentions will have the same effect as a vote against this proposal and broker non-votes will have no effect on this proposal.

Proposal Three: Advisory Vote on Executive Compensation An affirmative vote of a *majority* of the shares present in person or represented by proxy, and entitled to vote on the subject matter at the meeting is required to give advisory (non-binding) approval of the compensation of our named executive officers as disclosed in this proxy statement. Because your vote is advisory, it will not be binding on the Board of Directors or on us; however, the Board of Directors and we will review the voting results and take them into consideration when making future decisions regarding executive compensation. Abstentions will have the same effect as a vote against this proposal and broker non-votes will have no effect on this proposal.

Who is entitled to vote at the Annual Meeting?

Only stockholders of record as of the close of business on March 30, 2015, the Record Date, are entitled to notice of and to vote at the meeting or any adjournments of the meeting. Each share of Common Stock entitles the holder to one vote per share.

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What will happen if I do not specify how my shares are to be voted, but do submit a proxy?

Stockholders of Record. If you are a stockholder of record and you submit a proxy, but you do not provide voting instructions, your shares will be voted:

FOR the election of the seven directors nominated by our Board of Directors and named in this proxy statement;

FOR the ratification of the Audit Committee's appointment of Ernst & Young LLP, as our independent registered public accounting firm for the fiscal year ending January 31, 2016; and

FOR advisory approval of the compensation of our named executive officers, as disclosed in this proxy statement.

Beneficial Owners. If you are a beneficial owner and you do not provide voting instructions to the broker or other nominee that holds your shares, the broker or other nominee will determine if it has the discretionary authority to vote on a particular proposal, and may not be able to vote on all proposals presented for a vote at the annual meeting.

What will happen if I do not vote my shares?

Stockholders of Record. If you are the stockholder of record and you do not vote by proxy card, by telephone, by the Internet or in person at the annual meeting, your shares will not be voted at the annual meeting. For each of the Proposals, if you are not present at the meeting in person or by proxy, the failure to vote will not affect the outcome of the proposal.

Beneficial Owners. If you are the beneficial owner of shares, your broker or nominee may vote your shares only on those proposals on which it has discretion to vote. See "What is the effect of a broker non-vote?" for more information.

How do I vote and what are the voting deadlines?

Stockholders of Record. If you are a stockholder of record, you may vote by any of the following methods:

By Mail. You may submit your vote by completing, signing and dating your proxy card received and returning it in the prepaid envelope so that it is received no later than May 27, 2015.

By Internet or Telephone. You may vote your shares by Internet or telephone, by following the instructions in your Notice. If you vote by Internet or telephone, you should not return your proxy card. These votes must be received by 11:59 P.M., Eastern Time, on May 27, 2015.

In person at the Annual Meeting. You may vote your shares in person at the annual meeting. Proxy cards will be available for you at the meeting, or you may bring the one provided you, and deliver the

completed and executed card to the inspector of election at the annual meeting.

Beneficial Owners. If you are a beneficial owner of your shares, you should receive a Notice or voting instructions from the broker or nominee holding your shares. You should follow the instructions provided to you by your broker in order to properly advise them of your

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voting instructions. Shares held beneficially may be voted at the annual meeting only if you obtain a legal proxy from your broker or nominee giving you the right to vote, and presenting that legal proxy together with your vote to the inspector of election at the annual meeting.

Can I revoke or change my proxy?

Stockholders of Record. If you are a stockholder of record, you may revoke your proxy at any time before the final vote at the annual meeting by:

signing and returning a new proxy card at a later date;

submitting a vote by telephone or the Internet at a later date;

attending the annual meeting and voting in person; or

delivering a written revocation to our Corporate Secretary at the address of our principal executive offices provided to you in this proxy statement or to **Broadridge Financial Services, 51 Mercedes Way, Edgewood, NY 11717, Attn: Vote Processing.**

Beneficial Owners. If you are the beneficial owner of your shares, you must contact your broker or nominee holding your shares, and follow their instructions for revocation or changing your proxy.

Your attendance at the annual meeting will not automatically revoke your proxy unless you vote again at the annual meeting.

Who will count the votes?

Broadridge Financial Solutions, Inc. has been engaged as our independent agent to receive and tabulate our stockholder votes, and will act as our independent inspector of election, who will certify the election results and perform any other acts required by the Delaware General Corporation Law.

How are Stockholder Proposals included in the proposals submitted to Stockholders for voting? How is any Other Business voted on by stockholders?

Stockholders have the right to present proposals for inclusion in our proxy statement for consideration at our 2016 annual meeting of stockholders. To be considered at our next annual meeting, you must submit your proposals, in addition to meeting other legal requirements, within the appropriate time periods, as set forth below. If you want to make a proposal for consideration at our 2016 annual meeting and have it included in the Company's proxy materials relating to our 2016 annual meeting, we must receive your proposal at our principal executive office by no later than December 19, 2015, and such proposal must otherwise comply with Rule 14a-8 (Rule 14a-8) of the Securities Exchange Act of 1934 (the Exchange Act) and other SEC rules. If you want to make a proposal or nominate a director for consideration at our 2016 annual meeting without having the proposal included in the Company's proxy materials, you must comply with the then-current advanced notice provisions and other requirements set forth in our Amended and Restated Bylaws (Bylaws). Under our current Bylaws, our Corporate Secretary must receive such proposals for

possible consideration at our 2016 annual meeting at our principal executive officers no earlier than December 19, 2015 and no later than January 18, 2016. However, if the date of the 2016 annual meeting changes by more than 30 days from the first anniversary date of

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this year's meeting, then we will provide notice of the new date of the 2016 annual meeting in our earliest possible quarterly report on Form 10-Q. If we do not receive your proposal or nomination by the appropriate deadline, then it may not be brought before the 2016 annual meeting even if it meets the other proposal or nomination requirements.

We do not intend to bring any business before the 2015 annual meeting other than the matters described in this proxy statement and we have not been informed of any matters or proposals that may be presented at the meeting by stockholders. If however, any other business should properly arise and be properly submitted for a vote at the 2015 annual meeting, the persons appointed in the proxy have discretionary authority to vote in accordance with their best judgment.

Who is paying the cost of solicitation of proxies?

We will bear the cost of soliciting proxies. In addition to the solicitation of proxies by mail, solicitation may be made by our directors, officers and employees by other means, including telephone, e-mail or in person. No special compensation will be paid to directors, officers or employees for the solicitation of proxies. To solicit proxies, we may also request the assistance of banks, brokerage houses and other custodians, nominees or fiduciaries, and, upon request, will reimburse such organizations or individuals for their reasonable expenses in forwarding the Notice and other soliciting materials to beneficial owners and in obtaining authorization for the execution of proxies.

Do we provide for Electronic Delivery of Proxy Materials?

Pursuant to rules adopted by the SEC, we provide access to the proxy materials over the Internet. Accordingly, we are sending a **Notice of Internet Availability of Proxy Materials**, (the "Notice"), to our stockholders owning shares of our Common Stock on or about April 17, 2015. All stockholders will have the ability to access the proxy materials on the website referred to in the Notice or request to receive a printed set of the proxy materials. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found in the Notice. The Notice also contains instructions on how to request a paper copy of our proxy materials, including this proxy statement, our Annual Report on Form 10-K for the fiscal year ended January 31, 2015, and a form of proxy card or voting instruction card. In addition, the Notice will provide stockholders with instructions on how to request to receive proxy materials in printed form by mail or electronically by e-mail on an ongoing basis. A stockholder's election to receive proxy materials by mail or electronically by e-mail will remain in effect until the stockholder terminates such election. We encourage stockholders to take advantage of the availability of the proxy materials on the Internet to help reduce the environmental impact of the annual meeting and lower the costs of printing and distributing our proxy materials. If you choose to receive future proxy materials by e-mail, you will receive an e-mail message each successive year with instructions containing a link to those materials and a link to the proxy voting website.

Our proxy materials are also available on our website at www.conns.com, at www.proxyvote.com, and at the SEC's website at www.sec.gov.

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How can I find the result of the voting at the annual meeting?

Preliminary voting results will be announced at the annual meeting. Final results will be published in a current report on Form 8-K or in our Form 10-Q for the quarter ending April 30, 2015, which will be posted on our website at www.conns.com, under Investor Relations .

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PROPOSALS FOR STOCKHOLDER ACTION

PROPOSAL ONE:

ELECTION OF DIRECTORS

Number of Directors to be Elected

Our Board is currently constituted with ten director positions and we currently have eight members on our Board. In March 2015, Jon E.M. Jacoby informed the Board that he will not stand for re-election at the 2015 annual meeting and intends to retire from the Board upon the completion of his current term at the 2015 annual meeting. The Board and management express their sincere gratitude to Mr. Jacoby for his leadership, dedication and many years of service. Accordingly, our stockholders will vote for seven director nominees. We also intend for all vacancies to remain vacant until our Board of Directors desires to fill such vacancies or reduce the size of the Board. The seven directors to be elected at the 2015 annual meeting will hold office until the 2016 annual meeting of stockholders or until their respective successors have been elected and qualified or their earlier death, resignation or removal. You may not vote for a greater number of directors than those nominated.

Criteria for Nomination to the Board of Directors. Those persons nominated to our Board of Directors are selected by the Nominating and Corporate Governance Committee in accordance with the committee's charter, our Certificate of Incorporation and Bylaws, our Corporate Governance Guidelines, and the criteria determined by the board for our director candidates. In considering the nomination of the directors identified below to serve until the 2016 annual meeting, the Nominating and Corporate Governance Committee sought and considered individuals with strong personal reputations and experience in business and other areas that are relevant and important to the financing, strategy and operations of the Company, as well as financial expertise to qualify as a financial expert for our Audit Committee. Each nominee for election as a director at this annual meeting of the stockholders of the Company holds or has held senior executive positions in organizations providing such background and expertise objectives, and each has the necessary business and financial experience sought by the Company in those areas, including strategic and financial planning, public company financing and reporting, compliance, risk management and leadership. Each of the nominated directors also has experience of serving on boards or in senior executive management of publicly held companies or governmental services requiring strong business and leadership acumen and implementation.

The Nominating and Corporate Governance Committee also considered and believes that each of the nominated individuals to serve as members of the Board of Directors has valuable personal and business attributes that have and will continue to be valuable to the Company in their advice and guidance to executive management of the Company. The Nominating and Corporate Governance Committee takes into account in its consideration, diversity in range of backgrounds, perspectives and experience of the individuals it recommends for nomination to our Board of Directors. Information on the specific experience of each nominee considered by the Nominating and Corporate Governance Committee can be found under the caption Board of Directors Board of Director Nominees for 2015 2016.

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Our Board of Directors met in March 2015 and considered the candidates for nomination for election to the board at the 2015 annual meeting. The Nominating and Corporate Governance Committee, consisting of three independent members of the current Board of Directors, recommended that the full Board nominate the following individuals for re-election to the Board of Directors at the 2015 annual meeting:

Kelly M. Malson

Bob L. Martin

Douglas H. Martin

William E. Saunders, Jr.

David Schofman

Scott L. Thompson

Theodore M. Wright

Mr. Saunders was appointed to the Board on August 1, 2014 to fill a vacancy. Mr. Saunders was recommended to the Nominating and Corporate Governance Committee by our Chief Executive Officer. Each other nominated director was elected at our 2014 annual meeting and served on the Board of Directors throughout the fiscal year ended January 31, 2015. In making these recommendations, the Nominating and Corporate Governance Committee considered the experience, qualifications, attributes and skills of each of the nominees as described above and the requirements and qualifications discussed under *Board of Directors - Nomination Policies and Procedures*. Based on this recommendation, our Board of Directors has nominated the following individuals to be elected by the stockholders at the 2015 annual meeting. Each of the nominees currently serves as a director on the board.

Name	Position	Age	Term of Office	Fiscal 2015 Committee Membership
Kelly M. Malson	Independent Director	44	August 2012 - Current	Audit Committee - Chair (Financial Expert) Strategic Alternatives Committee
Bob L. Martin	Lead Independent Director	66	September 2003 - Current	Nominating and Corporate Governance Committee

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				Compensation Committee
Douglas H. Martin	Director	61	February 2003 - Current	Credit Risk and Compliance Committee

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William E. Saunders, Jr. (Appointed August 1, 2014)	Independent Director	41	August 2014 - Current	Audit Committee (Financial Expert) Nominating and Corporate Governance Committee Credit Risk and Compliance Committee (Chair) Strategic Alternatives Committee (Chair)
David Schofman	Independent Director	43	May 2012 - Current	Audit Committee Strategic Alternatives Committee
Scott L. Thompson	Independent Director	56	June 2004 - Current	Audit Committee (Financial Expert) - replaced in August of 2014 Compensation Committee (Chair)
Theodore M. Wright	Chairman of the Board	52	September 2003 - Current	None Credit Risk and Compliance Committee
	Director			

Chief Executive Officer and
President

Those identified as independent director have been determined by our Board to be independent under NASDAQ rules. All nominees have consented to serve as directors. The

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board has no reason to believe that any of the nominees will be unable or unwilling to act as a director. In the event any nominated director is unable to stand for election, the Board of Directors may either reduce the size of the board or designate a substitute.

For biographical information and the experience, qualifications, attributes and skills of each that caused the Nominating and Corporate Governance Committee and our Board of Directors to determine that the nominees should serve as one of our directors regarding each of the board's nominees for director, please refer to the information under the caption Board of Directors Board of Director Nominees for 2015 2016, below.

Each director will be elected by the vote of a majority of the votes cast. This means the number of votes cast for a director must exceed 50% of the votes cast with respect to that director (excluding abstentions and broker non-votes). Each director has tendered his or her resignation which shall be effective only in the event that (i) the votes cast for such director nominee are less than 50%, and (ii) the Board of Directors accepts such resignation. The Nominating and Corporate Governance Committee will make a recommendation to the Board of Directors whether to accept any resignation in the event any director-nominee fails to receive over 50% of the votes cast for such director. The Board of Directors will then consider the recommendation and publicly disclose its decision within 90 days after the certification of the election results.

The Board of Directors Recommends That You Vote FOR the Election Of Each Of The Seven Board Nominees.

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PROPOSAL TWO:

RATIFICATION OF THE SELECTION OF INDEPENDENT

REGISTERED PUBLIC ACCOUNTING FIRM

Ernst & Young LLP served as our independent registered public accounting firm for the fiscal year ended January 31, 2015. The Audit Committee has appointed Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending January 31, 2016. Our Board of Directors has further directed that we submit the selection of our independent registered public accounting firm for ratification by the stockholders at the 2015 annual meeting. Stockholder ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm is not required by our Bylaws or otherwise. However, the board is submitting the selection of Ernst & Young LLP to the stockholders for ratification as a matter of good corporate practice. The Audit Committee believes it to be in the best interests of our stockholders to retain Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending January 31, 2016. If the stockholders fail to ratify the selection, the Audit Committee will reconsider whether or not to retain Ernst & Young LLP. Even if the selection is ratified, the Audit Committee in its discretion may direct the appointment of a different independent public accounting firm at any time during the year if they determine that such a change would be in our best interests and those of our stockholders. The Audit Committee annually reviews the performance of our independent public accountants and the fees charged for their services. The Audit Committee anticipates, from time to time, obtaining competitive proposals from other independent public accounting firms for our annual audit. Based upon the Audit Committee's analysis of this information, we will determine which independent public accounting firm to engage to perform our annual audit each year. Representatives of Ernst & Young LLP will attend the 2015 annual meeting of stockholders and will be available to respond to appropriate questions that may be asked by stockholders. These representatives will also have an opportunity to make a statement at the meeting if they desire to do so.

The Board of Directors and the Audit Committee Recommends That You Vote FOR The Ratification Of Ernst & Young LLP As Our Independent Registered Public Accounting Firm.

Principal Accounting Firm Fees and Services

Fees for professional services rendered by Ernst & Young LLP during fiscal 2015 and 2014 in each of the following categories, including related expenses, are:

	Fiscal Years Ended	
	January 31,	
	2015	2014
Audit Fees	\$ 1,037,756	\$ 799,213
Audit-Related Fees	-	-
Tax Fees	233,000	122,021
All Other Fees	-	-

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Audit fees: Consists of fees for professional services rendered for the annual audit of the Company's consolidated financial statements, including the audit of internal control over financial reporting, reviews of the interim financial statements included in the Company's Quarterly Reports on Form 10-Q and work performed to support the Company's debt and equity issuances, including SEC registration statements and filings, and the issuance of consents and in connection with responses to SEC comment letters.

Audit-related fees: There were no audit-related services performed in fiscal 2014 or fiscal 2015.

Tax fees: Consists of fees billed for professional services related to tax compliance, tax advice, and other tax planning services and advice.

Other Fees: Consists of fees billed for all other services and are unrelated to specific audit or audit-related services described above. There were none of these services performed in fiscal 2014 or fiscal 2015.

Our Audit Committee charter requires pre-approval of all services to be rendered by our independent auditors. All of the audit, audit-related fees, tax fees, and all other fees were approved by our Audit Committee for fiscal 2015 and 2014. It was determined that no services rendered by our outside auditors in fiscal 2015 were prohibited under the Sarbanes-Oxley Act of 2002. In addition, the Audit Committee has considered whether Ernst & Young LLP's provision of services, other than services rendered in connection with the audit of our annual financial statements and reviews of our financial statements included in our Forms 10-Q for the most recent fiscal year, is compatible with maintaining Ernst & Young LLP's independence and has determined that such services rendered met the requirements of independence.

AUDIT COMMITTEE REPORT

The Committee

Our Board of Directors established the Audit Committee to be responsible for the appointment, compensation, retention and oversight of the work of our independent auditors and to oversee our (i) financial reporting process; (ii) internal audits, internal control policies and procedures implementation and compliance with Sarbanes-Oxley Section 404 requirements and authorities; and (iii) financial, tax, and risk management policies. The Audit Committee is composed of three independent, non-employee directors and operates under a written charter, a copy of which is published on our website at www.conns.com under Investor Relations Corporate Governance. The Audit Committee has prepared the following report on its activities with respect to our financial statements for the fiscal year ended January 31, 2015.

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Review and Discussion

Management is responsible for our financial reporting process including its system of internal controls, and for the preparation of Conn's, Inc.'s consolidated financial statements in accordance with generally accepted accounting principles. Ernst & Young LLP, our independent registered public accounting firm, is responsible for auditing those financial statements and for attesting to the effectiveness of our internal control over financial reporting. It is the Audit Committee's responsibility to monitor and review these processes. The members of the Audit Committee are not employees of the Company and do not represent themselves to be or to serve as, accountants or auditors by profession or experts in the field of accounting or auditing.

In connection with the preparation of our audited financial statements for the fiscal year ended January 31, 2015, the Audit Committee:

reviewed and discussed our Annual Report on Form 10-K, including our audited consolidated financial statements and Management's Report on Internal Control over Financial Reporting for the year ended January 31, 2015, with management;

discussed with Ernst & Young LLP the matters required to be discussed by auditing standards, including Auditing Standard No. 61, as amended, as adopted by the Public Company Accounting Oversight Board (PCAOB) in Rule 3200T; and

received the written disclosures and the letter from Ernst & Young LLP required by applicable requir