

OLD REPUBLIC INTERNATIONAL CORP
Form DEF 14A
April 17, 2015

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TIME AND DATE.....	3:00 P.M. Central Daylight Time, Friday, May 22, 2015
PLACE.....	Old Republic Building 22nd Floor Conference Center 307 N. Michigan Avenue Chicago, Illinois 60601
ITEMS OF BUSINESS.....	<ul style="list-style-type: none">· To elect four members of the Class 1 Board of Directors, each for a term of three years.· To ratify the selection of KPMG LLP (“KPMG”) as the Company’s independent registered public accounting firm for 2015.· To have an advisory vote concerning the Company’s executive compensation.· To approve the Old Republic International Corporation 2016 Incentive Compensation Plan.· To vote on a shareholder proposal, if properly submitted.· To transact such other business as may properly come before the meeting and any adjournment or postpone–ment thereof.
RECORD DATE.....	You can vote if you are a shareholder of record on March 30, 2015.
ANNUAL REPORT TO SHAREHOLDERS.....	Our annual report to shareholders for the year 2014 is printed together with this proxy statement. The

Company's Forms 10-K, 10-Q and other reports to shareholders may be accessed through our website at www.oldrepublic.com or by writing to Investor Relations at the Company address.

PROXY VOTING.....

It is important that your shares be represented and voted at the annual shareholders' meeting (the "Annual Shareholders' Meeting" or "Meeting"). You can vote your shares by completing and returning your proxy card or by voting on the Internet or by telephone.

April 15, 2015

By order of the Board of Directors

John R. Heitkamp, Jr.
Senior Vice President,
General Counsel
and Secretary

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Proxy Statement
OLD REPUBLIC INTERNATIONAL CORPORATION
ANNUAL MEETING OF SHAREHOLDERS
May 22, 2015

GENERAL INFORMATION

This proxy statement is being furnished to the shareholders of Old Republic International Corporation, a Delaware insurance holding corporation (together with its subsidiaries, the “Company”, “Old Republic” or “ORI”), 307 North Michigan Avenue, Chicago, Illinois 60601, in connection with the solicitation of proxies by its Board of Directors for use at the Annual Shareholders’ Meeting to be held on May 22, 2015 and any adjournments thereof. The approximate date on which this proxy statement and the accompanying proxy are first being sent to the shareholders is April 15, 2015.

The proxy may be revoked at any time before it is voted by written notification addressed to the persons named therein as proxies, and mailed or delivered to the Company at the above address. All shares represented by effective proxies will be voted at the Meeting and at any adjournments thereof.

If the enclosed proxy is properly executed and returned in time for voting, the shares represented thereby will be voted as indicated thereon. If no specification is made, the proxy will be voted by the proxy committee for the election of the director nominees named below (or substitutes thereof if any nominees are unable or refuse to serve); for the selection of the Company’s independent registered public accounting firm; for the advisory vote concerning the Company’s executive compensation as recommended by the Board of Directors; for the approval of the Old Republic International Corporation 2016 Incentive Compensation Plan; against the shareholder proposal, if made; and in its discretion upon any other matters which may properly come before the Meeting.

The Company has one class of voting stock outstanding, Common Stock, \$1.00 par value per share (“Common Stock”). On March 30, 2015 there were 261,063,954 shares of Common Stock outstanding and entitled to one vote each on all matters considered at the Meeting. Shareholders of record as of the close of business on that date are entitled to notice of and to vote at the Meeting. There are no cumulative voting rights with respect to the election of directors.

VOTING PROCEDURES

The Company’s Certificate of Incorporation and By-laws do not prescribe any voting procedures. Therefore, the General Corporation Law of the State of Delaware applies and specifies that unless the Company’s Certificate of Incorporation or By-laws provide otherwise, votes on matters presented at Annual Shareholders’ Meetings are decided as follows: (1) directors are elected by a plurality of the shares present in person or by proxy at the Meeting and entitled to vote, (2) amendments to the Company’s Certificate of Incorporation are determined by the affirmative vote of the majority of shares outstanding and entitled to vote, and (3) all other matters are determined by the affirmative vote of the majority of shares present in person or by proxy at the Meeting and entitled to vote. The regulation concerning the frequency of voting on executive compensation matters requires that the shareholders have the ability to select the interval for advisory votes on executive compensation. The shareholders of the Company recommended at its 2012 Annual Shareholders’ Meeting and the Board of Directors concurred in having annual votes on executive compensation.

Under Delaware law, the votes at the Company’s Annual Shareholders’ Meeting will be counted by the inspectors of

election appointed by the Chairman at the Meeting. The inspectors are charged with ascertaining the number of shares outstanding, the number of shares present, whether in person or by proxy, and the validity of all proxies. The inspectors are entitled to rule on any voting challenges and are responsible for the tabulation of the voting results.

A quorum for the Company's Annual Shareholders' Meeting is one third of the shares outstanding and entitled to vote appearing in person or by proxy at the Meeting. Under Delaware law, abstentions are counted in determining the quorum of the Meeting and as having voted on any proposal on which an abstention is voted. Therefore, on those proposals which require a plurality vote of the shares entitled to vote in person or by proxy at the Meeting the vote of an abstention has no effect. However, on those proposals which require an affirmative vote of the majority of shares present in person or by proxy at the Meeting the vote of an abstention has the effect of a vote against the proposal.

Shares beneficially owned but registered in the name of a broker or bank will be counted for the determination of a quorum for the Meeting if there is a discretionary voting item on the Meeting agenda within the meaning of section 402.08 of the New York Stock Exchange (“NYSE”) listed company manual. If there is a discretionary item on the agenda and the broker or bank does not vote these shares (a “non-vote”), they will not be counted as having voted on the proposal. Therefore, on those proposals which require a plurality or a majority vote of the shares at the Meeting that are entitled to vote, a non-vote will have no effect. However, on those proposals which require an affirmative vote of the majority of the shares outstanding who are entitled to vote, a non-vote has the effect of a vote against the proposal. If there are no discretionary voting items on the Meeting agenda, shares beneficially held in the name of a broker or bank shall not be counted in determining a quorum. This year only Item 2 is a discretionary voting item; all other items are non-discretionary.

Shareholders can simplify their voting and save Old Republic expense by voting by telephone or by Internet. If you vote by telephone or Internet, you need not mail back your proxy card. Telephone and Internet voting information is provided on your proxy card. A Control Number, located on the proxy card, is designed to verify your identity and allow you to vote your shares and confirm that your voting instructions have been properly recorded. If your shares are held in the name of a bank or broker, follow the voting instructions on the form you receive from that firm. To revoke a proxy given, or change your vote cast, by telephone or Internet, you must do so by following the directions on your proxy card, provided such changes are made by 12:01 AM, Eastern Daylight Time on May 21, 2015.

HOUSEHOLDING OF PROXIES

The Securities and Exchange Commission (“SEC”) has adopted rules that permit companies and intermediaries such as brokers to satisfy delivery requirements for annual reports and proxy statements with respect to two or more shareholders sharing the same address by delivering a single annual report and/or proxy statement addressed to those shareholders. This process, which is commonly referred to as “householding,” potentially provides extra convenience for shareholders and cost savings for companies. The Company and some brokers who distribute annual reports and proxy materials may deliver a single annual report and/or proxy statement to multiple shareholders sharing an address unless contrary instructions have been received from the affected shareholders.

Once you have received notice from your broker or the Company that your broker or the Company will be householding materials to your address, householding will continue until you are notified otherwise or until you revoke your consent. You may request to receive promptly at any time a separate copy of our annual report or proxy statement by sending a written request to the Company at the above address, attention Investor Relations, or by visiting our website, www.oldrepublic.com and downloading this material.

If, at any time, you no longer wish to participate in householding and would prefer to receive a separate annual report and proxy statement in the future, please notify your broker if your shares are held in a brokerage account, or if you hold registered shares, the Company’s transfer agent, Wells Fargo Shareholder Services, P.O. Box 64874, St. Paul, MN 55075, phone number 800-468-9716.

SHAREHOLDER PROPOSALS FOR THE 2016 ANNUAL SHAREHOLDERS’ MEETING

In order for a proposal by a shareholder of the Company to be included in the Company’s proxy statement and form of proxy for the 2016 Annual Shareholders’ Meeting, the proposal must be received by the Company no later than 120 days before the anniversary date of the Company’s last proxy statement (December 16).

OTHER MATTERS FOR THE ANNUAL SHAREHOLDERS’ MEETING

The Company knows of no matters, other than those referred to herein, which will be presented at the meeting. If, however, any other appropriate business should properly be presented at the meeting, the proxies named in the enclosed form of proxy will vote the proxies in accordance with their best judgment.

EXPENSES OF SOLICITATION

All expenses incident to the solicitation of proxies by the Company will be paid by the Company. In addition to solicitation by mail, the Company has retained D. F. King & Company of New York City, to assist in the solicitation of proxies. Fees for this solicitation are expected to be approximately \$9,000. The Company intends to reimburse brokerage houses and other custodians, nominees and fiduciaries for reasonable out-of-pocket expenses incurred in forwarding copies of solicitation material to beneficial owners of Common Stock held of record by such persons. In a limited number of instances, regular employees of the Company may solicit proxies in person or by telephone.

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PRINCIPAL HOLDERS OF SECURITIES

The following tabulation shows with respect to (i) each person who is known to be the beneficial owner of more than 5% of the Common Stock of the Company; (ii) each director and Executive Officer of the Company (including nominees); and (iii) all directors and Executive Officers, as a group: (a) the total number of shares of Common Stock beneficially owned as of March 13, 2015, except as otherwise noted, and (b) the percent of the class of Common Stock so owned as of the same date:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class(*)			
Common Stock Shareholders' beneficial ownership of more than 5% of the Common Stock	Loomis Sayles & Co., L.P. One Financial Center Boston, Massachusetts 02111	25,473,866(1)	8.9			
	State Street Corporation State Street Financial Center One Lincoln Street Boston, Massachusetts 02111	19,813,964(1)	7.6			
	Capital Research Global Investors 333 South Hope Street Los Angeles, California 90071	19,562,000(1)	7.5			
	BlackRock, Inc. 55 East 52nd Street New York, New York 10022	19,447,057(1)	7.5			
	The Vanguard Group 100 Vanguard Blvd. Malvern, Pennsylvania 19355	14,231,406(1)	5.5			
	Old Republic International Corporation Employees Savings and Stock Ownership Trust 307 N. Michigan Avenue Chicago, Illinois 60601	13,464,094(2)	5.2			
	Common Stock Directors' and	Name of Beneficial Owner Harrington Bischof	Shares to Stock Options(*) 0	Shares Held by Employee Plans(*) 0	Other Shares Beneficially Owned(*) 20,239	Total 20,239(4)

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Executive Officers' (including nominees) Beneficial Ownership	Jimmy A. Dew	0	121,638	737,657	859,295(5)	0.3
	John M. Dixon	0	0	21,061	21,061	**
	James C. Hellauer	0	0	40,000	40,000	**
	James A. Kellogg	195,750	57,593	385,636	638,979	0.2
	Spencer LeRoy III	347,400	22,244	76,716	446,360	0.2
	Karl W. Mueller	177,750	13,235	8,502	199,487	0.1
	R. Scott Rager	214,500	63,510	2,500	280,510	0.1
	Arnold L. Steiner	0	0	826,438	826,438(6)	0.3
	Fredricka Taubitz	0	0	19,000	19,000	**
	Charles F. Titterton	0	0	21,587	21,587(7)	**
	Dennis Van Mieghem	0	0	16,800	16,800(8)	**
	Steven R. Walker	0	0	50,000	50,000(9)	**
	Rande K. Yeager	159,375	33,456	9,688	202,519	0.1
	Aldo C. Zucaro	699,000	528,595	1,247,080	2,474,675	0.9