

HC2 HOLDINGS, INC.
Form DEF 14A
April 29, 2019

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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
(Amendment No.)

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
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HC2 Holdings, Inc.

(Name of Registrant as Specified in Its Charter)

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(1) Amount previously paid:

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

(3) Filing Party:

(4) Date Filed:

HC2 Holdings, Inc.
450 Park Avenue, 30th Floor
New York, NY 10022

Notice of 2019 Annual Meeting
And
Proxy Statement

HC2 Holdings, Inc.
450 Park Avenue, 30th Floor
New York, NY 10022

April 29, 2019

Dear HC2 Holdings, Inc. Stockholder:

It is my pleasure to invite you to attend the 2019 Annual Meeting of Stockholders (the “2019 Annual Meeting”) of HC2 Holdings, Inc. (“HC2” or the “Company”). We will hold the 2019 Annual Meeting on Thursday, June 13, 2019 at 11:00 a.m. Eastern Time at the law offices of Skadden, Arps, Slate, Meagher & Flom LLP at Four Times Square, New York, New York 10036.

This year we are furnishing our proxy materials via the Internet. Providing our proxy materials to stockholders electronically allows us to “be green” by conserving natural resources and reducing our printing and mailing costs related to the distribution of the proxy materials. To ensure your representation at the 2019 Annual Meeting, we urge you to cause your shares to be voted via the Internet at www.voteproxy.com or by telephone by following the instructions on the Notice of Internet Availability of Proxy Materials (the “Notice”) that you received in the mail and that is also provided on that website, or, if you have requested a paper copy of the proxy materials and the proxy card by mail, by signing, voting and returning your proxy card to HC2 Holdings, Inc., American Stock Transfer & Trust Company, LLC, ATTN: AST Mail Services, 6201 15th Avenue, Brooklyn, NY 11219. For specific instructions on how to vote your shares, please review the instructions for each of these voting options that are detailed in the Notice and in the accompanying Proxy Statement. Whether or not you expect to attend the 2019 Annual Meeting, please vote your shares in order to ensure the presence of a quorum. If you attend the 2019 Annual Meeting, you may vote in person even if you have previously returned your proxy card or have voted via the Internet or by telephone.

The Notice and Proxy Statement and our Annual Report on Form 10-K for the year ended December 31, 2018 are available for viewing and printing under the “Investor Relations-Proxy Materials” section of our website at www.hc2.com. These materials were first sent or made available to stockholders on our website on or about April 29, 2019. Any stockholder may, at no cost to the stockholder, request to receive proxy materials in printed form by mail or electronically by e-mail. To ensure timely delivery, please be sure to complete this request by June 1, 2019. If you would like to receive a printed or e-mail copy of the proxy materials, you should follow the instructions for requesting such materials in the Notice. You will not otherwise receive a printed or e-mail copy of the proxy materials.

If you have any questions about the proposals to be voted on, please call our solicitor, Okapi Partners LLC at (877) 629-6356.

Thank you for your continued support and interest in HC2. We look forward to seeing you at the 2019 Annual Meeting on Thursday, June 13, 2019.

Very truly yours,
Philip A. Falcone
Chairman, President and Chief Executive Officer

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF
PROXY MATERIALS FOR THE ANNUAL MEETING OF
STOCKHOLDERS TO BE HELD ON JUNE 13, 2019**

This proxy statement and the 2018 Annual Report are available at www.hc2.com (Investor Relations-Proxy Materials).

HC2 Holdings, Inc.
450 Park Avenue, 30th Floor
New York, NY 10022

NOTICE OF 2019 ANNUAL MEETING
OF STOCKHOLDERS

To be Held on Thursday, June 13, 2019, at 11:00 a.m. Eastern Time

April 29, 2019

To our Stockholders:

HC2 Holdings, Inc. (“HC2” or the “Company”) will hold its 2019 Annual Meeting of Stockholders (the “2019 Annual Meeting”) on Thursday, June 13, 2019 at 11:00 a.m. Eastern Time at the law offices of Skadden, Arps, Slate, Meagher & Flom LLP at Four Times Square, New York, New York 10036. At the 2019 Annual Meeting, holders of HC2’s outstanding common and preferred stock will be asked to vote upon the following proposals:

1. To elect the five (5) nominees identified in the accompanying Proxy Statement as directors of the Company, each to hold office until the 2020 Annual Meeting of Stockholders and until his successor is duly elected and qualified.
2. To approve, on a non-binding, advisory basis, the compensation of our named executive officers (also known as a “Say on Pay Vote”).
3. To recommend, on a non-binding, advisory basis, whether the Say on Pay Vote should be held every one, two or three years (also known as a “Say on Frequency Vote”).
4. To ratify the appointment of BDO USA, LLP as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2019.
5. To consider and take action upon any other business that may properly come before the 2019 Annual Meeting or any continuations, postponements or adjournments thereof.

Only stockholders of record of HC2’s common and preferred stock as of the close of business on April 16, 2019, which is the record date for the 2019 Annual Meeting, are entitled to notice of, and to vote at, the 2019 Annual Meeting and any continuations, adjournments or postponements of the 2019 Annual Meeting. A list of stockholders of record will be available at the 2019 Annual Meeting and for the 10 days prior to the 2019 Annual Meeting, during ordinary business hours, at the office of the Secretary of HC2, 450 Park Avenue, 30th Floor, New York, NY 10022.

All stockholders are cordially invited to attend the 2019 Annual Meeting. In order to be admitted to the 2019 Annual Meeting, you must bring with you proof of stock ownership as of the April 16, 2019 record date and a valid personal photo identification card, such as a driver’s license or passport.

Your vote is important. We appreciate your taking the time to vote promptly. After reading the accompanying Proxy Statement, please cause your shares to be voted at your earliest convenience to ensure the presence of a quorum. As described in the Notice of Internet Availability of Proxy Materials your shares may be voted over the Internet, by telephone, or, if you have requested a paper copy of the proxy materials and the proxy card by mail, by completing, signing and returning the proxy card in the postage pre-paid envelope accompanying the proxy materials. Submitting your proxy before the 2019 Annual Meeting will not preclude you from voting in person at the 2019 Annual Meeting if you decide to attend.

The Board of Directors of HC2 recommends that stockholders vote:

Voting Matter	Board Vote Recommendation	Page Reference For More Information
Proposal 1 — Election of Directors	FOR each nominee	<u>8</u>
Proposal 2 — Advisory vote on compensation of our named executive officers (“Say on Pay Vote”)	FOR	<u>43</u>
Proposal 3 — Advisory vote on frequency of holding Say on Pay Votes (“Say on Frequency Vote”)	EVERY ONE YEAR	<u>44</u>
Proposal 4 — Ratification of appointment of independent registered public accounting firm	FOR	<u>45</u>

If you have any questions about the proposals to be voted on, please call our solicitor, Okapi Partners LLC at (877) 629-6356.

By Order of the Board of Directors,
Joseph A. Ferraro
Chief Legal Officer and Corporate Secretary

YOUR VOTE IS VERY IMPORTANT. PLEASE CAUSE YOUR SHARES TO BE VOTED AS PROMPTLY AS POSSIBLE BY USING THE INTERNET OR TELEPHONE OR, IF YOU HAVE REQUESTED A PAPER COPY OF THE PROXY MATERIALS AND THE PROXY CARD BY MAIL, BY COMPLETING, SIGNING AND RETURNING THE PROXY CARD IN THE ENVELOPE PROVIDED WITH YOUR PROXY MATERIALS, WHICH REQUIRES NO POSTAGE IF MAILED IN THE UNITED STATES. STOCKHOLDERS WHO DECIDE TO ATTEND THE 2019 ANNUAL MEETING MAY, IF THEY SO DESIRE, REVOKE THEIR PROXIES AND VOTE THEIR SHARES IN PERSON.

AS DESCRIBED IN THE NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS, COPIES OF THE PROXY STATEMENT AND OUR ANNUAL REPORT ON FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2018 ARE AVAILABLE AT WWW.HC2.COM (INVESTOR RELATIONS-PROXY MATERIALS).

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HC2 Holdings, Inc.
450 Park Avenue, 30th Floor
New York, NY 10022

**PROXY STATEMENT
FOR THE ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON JUNE 13, 2019**

GENERAL INFORMATION ABOUT THE 2019 ANNUAL MEETING

Why Am I Receiving Proxy Materials?

The Board of Directors (the “Board”) of HC2 Holdings, Inc. (“HC2” or the “Company”) is soliciting your proxy to vote at the 2019 Annual Meeting of Stockholders (the “2019 Annual Meeting”) to be held on June 13, 2019, at 11:00 a.m. Eastern Time at the law offices of Skadden, Arps, Slate, Meagher & Flom LLP at Four Times Square, New York, New York 10036, and any continuations, adjournments or postponements of the 2019 Annual Meeting. HC2 expects to mail the Notice of Internet Availability of Proxy Materials (the “Notice”) to all stockholders entitled to vote at the 2019 Annual Meeting on or about May 2, 2019. The purpose of the 2019 Annual Meeting and the matters to be acted upon are set forth in this Proxy Statement, the Notice of Annual Meeting of Stockholders and the Notice.

Why Did I Receive a One-Page Notice of Internet Availability of Proxy Materials this Year Instead of a Full Set of Proxy Materials?

The rules and regulations of the U.S. Securities and Exchange Commission (the “SEC”) allow us to furnish proxy materials, including this Proxy Statement and our Annual Report on Form 10-K for the year ended December 31, 2018, by providing access to such documents on the Internet instead of mailing a printed copy of such proxy materials to each stockholder of record. The Notice provides instructions on how to access and review all of these proxy materials and how to submit your proxy on the Internet or by telephone. As described in the Notice, any stockholder, at no cost to the stockholder, may request to receive proxy materials in printed form by mail or electronically by e-mail. In order to ensure timely delivery, please be sure to complete this request by June 1, 2019. If you would like to receive a printed or e-mail copy of these proxy materials, you should follow the instructions for requesting such materials in the Notice. You will not otherwise receive a printed or email copy of the proxy materials. Our Proxy Statement and Annual Report on Form 10-K for the year ended December 31, 2018 are available under the “Investor Relations-Proxy Materials” section of our website at www.hc2.com. These materials were first sent or made available to stockholders on our website on or about April 29, 2019.

Who Can Vote?

Stockholders who owned HC2’s common stock, Series A Convertible Participating Preferred Stock (“Series A Preferred Stock”) or Series A-2 Convertible Participating Preferred Stock (“Series A-2 Preferred Stock” and, together with the Series A Preferred Stock, the “Preferred Stock”) as of the close of business on April 16, 2019 are entitled to vote at the 2019 Annual Meeting.

How Many Votes Do I Have?

Each share of common stock then outstanding on the record date entitles the holder thereof to one vote, without cumulation, on each matter to be voted upon at the meeting, as further described in this Proxy Statement. Holders of Preferred Stock will vote together as a single class with holders of common stock, on an as-converted basis, with respect to all matters before the 2019 Annual Meeting.

As of the record date for the 2019 Annual Meeting, there were (i) 45,629,254 shares of common stock, (ii) 6,375 shares of Series A Preferred Stock, equal to 1,520,387 shares of common stock on an as-converted basis, and (iii) 4,000 shares of Series

A-2 Preferred Stock, equal to 568,182 shares of common stock on an as-converted basis, in each case, outstanding and entitled to vote, or a total of 47,717,823 shares of common stock (including the Preferred Stock on an as-converted basis) outstanding and entitled to vote.

How Do I Vote?

Whether or not you plan to attend the 2019 Annual Meeting, we urge you to vote by proxy. If you vote by proxy, the individuals named on the proxy card, or your “proxies,” will vote in the manner you indicate. If you submit a proxy but do not indicate any voting instructions, your votes will be voted in accordance with the Board’s recommendations.

Voting by proxy will not affect your right to attend the 2019 Annual Meeting.

If your shares are registered directly in your name through our stock transfer agent, American Stock Transfer & Trust Company, LLC, or if you have stock certificates registered in your name, you may vote:

VIA THE INTERNET

Follow the instructions included in the Notice to vote by Internet. Internet voting facilities for stockholders of record will be available 24 hours a day and will close at 11:59 p.m. Eastern Time on June 12, 2019.