

WORLD ACCEPTANCE CORP
Form DEF 14A
June 27, 2016

United States
Securities and Exchange Commission
Washington, D.C. 20549

Schedule 14A Information

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934
(Amendment No.)

Filed by the Company x

File by a party other than the Company o

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

Soliciting material pursuant to §240.14a-12

World Acceptance Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Company)

Payment of Filing Fee (check the appropriate box):

No fee required.

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number of
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Form,

Schedule or

2. Registration

Statement

No.:

3. Filing Party:

4. Date Filed:

June 27, 2016

To the Shareholders of World Acceptance Corporation:

You are cordially invited to attend our 2016 Annual Meeting of Shareholders. The Annual Meeting of Shareholders will be held at 11:00 a.m., local time, on August 3, 2016 at our offices at 108 Frederick Street, Greenville, South Carolina 29607.

The formal notice of Annual Meeting of Shareholders and the Proxy Statement describing the matters that we expect to act upon at the Annual Meeting are enclosed.

Whether or not you attend the Annual Meeting of Shareholders, it is important that your shares be represented and voted at the Annual Meeting of Shareholders. After reading the Proxy Statement, please promptly vote and submit your proxy by signing and returning the enclosed proxy card in the enclosed postage-paid return envelope. Your shares cannot be voted unless you submit your proxy or attend the Annual Meeting of Shareholders in person. The Board of Directors and Management look forward to seeing you at the Annual Meeting.

Sincerely yours,

Janet Lewis
Matricciani
Chief Executive
Officer

WORLD ACCEPTANCE CORPORATION
108 Frederick Street
Greenville, South Carolina 29607

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To our Shareholders:

World Acceptance Corporation will hold its Annual Meeting of Shareholders at 11:00 a.m., local time, on Wednesday, August 3, 2016, at our offices at 108 Frederick Street, Greenville, South Carolina 29607. At the Annual Meeting, you will be asked to vote on the following matters, which are further described in the attached Proxy Statement:

1. To elect six (6) directors to hold office until the next Annual Meeting of Shareholders or until their successors have been duly elected and qualified;
2. To approve, on an advisory basis, the compensation of our Named Executive Officers;
3. To ratify the appointment of RSM US LLP as our independent registered public accountants; and
4. To transact such other business as may properly come before the Annual Meeting or any adjournments or postponements thereof.

Only shareholders of record at the close of business on June 17, 2016 are entitled to notice of, and to vote at, the Annual Meeting of Shareholders and any adjournments or postponements of the Annual Meeting of Shareholders.

It is important that your shares are represented at the Annual Meeting of Shareholders. Even if you plan to attend the Annual Meeting, we hope that you will promptly vote and submit your proxy by signing, dating, and returning the enclosed proxy card in the enclosed envelope. This will not limit your right to attend or vote at the Annual Meeting of Shareholders.

Sincerely yours,

Janet Lewis
Matricciani
Chief Executive
Officer

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS
FOR THE ANNUAL SHAREHOLDER MEETING TO BE HELD ON AUGUST 3, 2016**

The Company's Proxy Statement, form of proxy card and 2016 Annual Report to Shareholders are also available for

review on the Internet at <http://www.irinfo.com/wrld/WRLD2016.html>.

WORLD ACCEPTANCE CORPORATION
108 Frederick Street
Greenville, South Carolina 29607

PROXY STATEMENT

This Proxy Statement is being furnished to you in connection with the solicitation by the Board of Directors of World Acceptance Corporation (the “Company”) of proxies to be used at our 2016 Annual Meeting of Shareholders and any adjournments or postponements thereof (the “Annual Meeting”). Our Annual Meeting will be held at our offices at 108 Frederick Street, Greenville, South Carolina 29607, at 11:00 a.m., local time, on Wednesday, August 3, 2016. This Proxy Statement and the accompanying form of proxy card are being mailed to shareholders on or about June 27, 2016.

Appointment of Proxy Holders

The Board asks you to appoint Janet Lewis Matricciani and Tara Bullock as your proxy holders to vote your shares at the Annual Meeting. You make this appointment by voting the enclosed proxy card using one of the voting methods described below.

If appointed by you, the proxy holders will vote your shares as you direct on the matters described in this Proxy Statement. In the absence of your direction, they will vote your shares as recommended by the Board of Directors (the “Board”).

Unless you otherwise indicate on the proxy card, you also authorize your proxy holders to vote your shares on any matters not known by the Board at the time this Proxy Statement was printed and which, under our Bylaws, may be properly presented for action at the Annual Meeting.

Who Can Vote

Only shareholders who owned shares of our common stock at the close of business on June 17, 2016, the record date for the Annual Meeting, can vote at the Annual Meeting. As of the close of business on the record date, we had 8,788,200 shares of common stock outstanding and entitled to vote. Each holder of common stock is entitled to one vote for each share held as of the record date. There is no cumulative voting in the election of directors.

How You Can Vote

You may vote your shares at the Annual Meeting either in person, by mail. Stockholders holding shares through a bank or broker should follow the voting instructions on the form of proxy card received from such bank or broker. Giving a proxy will not affect your right to vote your shares if you attend the Annual Meeting and want to vote in person.

Voting by Mail. You may vote by proxy by dating, signing and returning your proxy card in the enclosed postage-prepaid return envelope.

Voting at the Annual Meeting of Stockholders. You may vote in person at the Annual Meeting. If you hold shares through a bank or broker, you must obtain a proxy, executed in your favor, from the bank or broker to be able to vote at the Annual Meeting. Voting by mail, telephone or Internet will not limit your right to vote at the Annual Meeting, if you decide to attend in person.

If you submit your proxy, but do not mark your voting preference, the proxy holders will vote your shares FOR the election of the nominees for director, FOR the approval of the compensation of our Named Executive Officers, and FOR the ratification of the appointment of independent registered public accountants.

Revocation of Proxies

Stockholders can revoke their proxies at any time before they are exercised in any of three ways:

- by voting in person at the Annual Meeting;
- by submitting written notice of revocation to the Corporate Secretary prior to the Annual Meeting; or
- by submitting another properly executed proxy of a later date prior to the Annual Meeting.

Required Vote

Directors are elected by a plurality vote, which means that the six nominees receiving the most affirmative votes will be elected. All other matters submitted for shareholder approval require the affirmative vote of the majority of shares present in person or represented by proxy and entitled to vote.

A quorum, which is a majority of the outstanding shares as of the record date, must be present to hold the Annual Meeting. A quorum is calculated based on the number of shares represented by the shareholders attending in person and by their proxy holders. If you indicate an abstention as your voting preference, your shares will be counted toward a quorum but they will not be voted on the matter.

Abstentions on any matters are treated as shares present or represented and entitled to vote on that matter and have the same effect as a vote against such matter.

Brokers who hold shares of our common stock for a beneficial owner have the discretion to vote on routine proposals when they have not received voting instructions from the beneficial owner. If a broker indicates on the enclosed proxy card or its substitute that such broker does not have discretionary authority to vote on a particular matter (broker non-votes), those shares will be considered as present for purposes of determining the presence of a quorum but will not be treated as shares entitled to vote on that matter. Note that, if you are a beneficial owner and do not provide specific voting instructions to your broker, the broker that holds your shares will not be authorized to vote on the election of directors, nor will the broker be authorized to vote on the proposals other than the ratification of the appointment of RSM US LLP as the auditor for the fiscal year ending March 31, 2017. Accordingly, we encourage you to provide voting instructions to your broker, whether or not you plan to attend the Annual Meeting.

Solicitation of Proxies

We are paying the cost of printing and mailing proxy materials. In addition to the solicitation of proxies by mail, solicitation may be made by our directors, officers and other employees by personal interview, telephone or facsimile. No additional compensation will be paid to these persons for solicitation. At this time we have not engaged a proxy solicitor. If we do engage a proxy solicitor we will pay the customary costs associated with such engagement. We will reimburse brokerage firms and others for their reasonable expenses in forwarding solicitation materials to beneficial owners of our common stock.

Important

Please promptly vote and submit your proxy by signing, dating and returning the enclosed proxy card in the postage-prepaid return envelope, so that your shares can be voted. This will not limit your rights to attend or vote at the Annual Meeting.

PROPOSAL I - ELECTION OF DIRECTORS

Upon the recommendation of the Nominating and Corporate Governance Committee (the “Nominating Committee”), the Board has nominated the six director candidates for whom individual biographies are presented below for election at the Annual Meeting. Directors will be elected by a plurality of the votes cast. The Company’s Articles of Incorporation provide that cumulative voting is not available in the election of directors.

Unless you select “WITHHOLD” on your proxy card, the proxy holders will vote your shares “FOR” each of the six nominees for director listed below. In the event that any of the nominees for director should become unavailable to serve as a director, which we do not anticipate, the proxy holders named in the accompanying proxy will vote for other persons in their places in accordance with their best judgment. There are no family relationships among the directors, nominees and executive officers of the Company.

The Company’s bylaws provide for seven directors. The Company’s Board consisted of seven directors until the unexpected death of director William S. Hummers, III, on August 13, 2013. At that time, the Board began a process of considering options for identifying and naming a successor to replace Mr. Hummers. Subsequently, the Board appointed Janet Lewis Matricciani as a director effective on June 10, 2015, and Mr. A. Alexander McLean, III resigned as a director on September 30, 2015 in connection with his retirement as Chief Executive of the Company. At this time, the Board has elected not to propose a seventh nominee for director at the Annual Meeting. The Board intends, however, to continue to explore options to identify qualified candidates to serve on the Company’s Board.

The following table sets forth the names, ages, term in office, committee assignments, and biographical information of the nominees for director. Included with each nominee's biography is a description of the qualifications, experience, attributes and skills of that nominee that led the Board to conclude that he or she is well qualified to serve as a member of the Board. Our Board has determined that all of the nominees are "independent" within the meaning of NASDAQ corporate governance listing standards except for our Chief Executive Officer, Janet Lewis Matricciani. THE BOARD RECOMMENDS A VOTE FOR ELECTION OF EACH NOMINEE FOR DIRECTOR.

Ken R. Bramlett, Jr. (Independent)

Mr. Bramlett has served as Chairman of the Board since September 2015. He served as senior vice president and general counsel for COMSYS IT Partners, Inc., a public information technology services company, from January 1, 2006 until it was sold in April 2010. In 2005, Mr. Bramlett was a partner with Kennedy Covington Lobdell & Hickman, LLP, a Charlotte, North Carolina law firm. From 1996 to 2004, Mr. Bramlett served in a number of capacities for Venturi Partners, Inc., (formerly known as Personnel Group of America, Inc.), an information technology and personnel staffing services company, including general counsel and on two separate occasions chief financial officer. He also served as a director of that company from August 1997 to January 2001. Prior to October 1996, Mr. Bramlett was an attorney with Robinson, Bradshaw & Hinson, P.A., a Charlotte, North Carolina law firm, for 12 years. Mr. Bramlett holds a Bachelor of Arts Degree in Philosophy from Wake Forest University and a Juris Doctor (Law) Degree from the University of North Carolina at Chapel Hill.

Director
Since: 1993

Age: 56

Committees: Mr. Bramlett has served since 2011 on the Board of A Brand Company, LLC (fka Bluegrass Ltd.), a promotional marketing firm headquartered in Charlotte, North Carolina. Mr. Bramlett served from 1995 to 2015 on the board of directors of Charlotte Wine & Food Weekend, Inc., including service as chair of Compensation in 2005 and 2006.

(Chair)

The Board believes that Mr. Bramlett provides the Board with (a) leadership experience from having served in various executive management positions for public companies in the staffing services and information technology consulting industries, including chief financial officer, chief corporate development officer, general counsel, chief human resources officer and chief investor relations officer, (b) finance experience from having served twice as chief financial officer for Venturi Partners, (c) legal experience in general corporate matters, securities and corporate finance, mergers and acquisitions and litigation management from both private practice and service as in-house counsel, (d) risk management experience from his service as risk manager for Venturi Partners and COMSYS IT Partners and (e) corporate governance and executive compensation experience from working with public company boards as an officer and serving as a public company board member.

James R. Gilreath (Independent)

Director Mr. Gilreath has been practicing law in Greenville, South Carolina since 1968 and has his own firm, Since: 1989 The Gilreath Law Firm, P.A. During this time, Mr. Gilreath has been involved in numerous complex business cases regarding matters facing a diverse range of companies. Mr. Gilreath holds a Bachelor of Age: 74 Science Degree in Accounting and a Juris Doctor (Law) Degree from the University of South Carolina, Committees: and a Master of Law Degree in Taxation from the New York University School of Law. The Board Nominating (Chair) believes that Mr. Gilreath contributes extensive legal experience to the Board.

Janet Lewis Matricciani

Director Ms. Matricciani is the Company's President and Chief Executive Officer. She joined the Company in Since: 2015 January 2014 as its President and Chief Operating Officer, was appointed to the Board in June 2015 and Age: 48 became Chief Executive Officer in October 2015. From 2010 to 2013, Ms. Matricciani served as the Committees: Chief Executive Officer of Antenna International, a leading creator of handheld audio, multimedia and none virtual tours for museums, cultural and historic sites, and tourist attractions. From 2008 to 2010, Ms. Matricciani served as senior vice president of corporate development for K12 Inc, a technology-based education company. From 2005 to 2007, Ms. Matricciani served as executive vice

president for Countrywide Financial Corporation. From 2001 to 2005, Ms. Matricciani served in various executive-level roles for Capital One Financial Corporation. Earlier in her career, Ms. Matricciani worked as a consultant for McKinsey & Company, and Monitor Company. Ms. Matricciani holds Bachelor of Arts and Master of Arts Degrees in Engineering from Trinity College at Cambridge University and a Master of Business Administration Degree from the Wharton School of Business at the University of Pennsylvania. She has served on the board of directors of the American Financial Services Association Independents Section since 2014, the American Financial Services Association since 2015, and of Artisphere since 2016. The Board believes that Ms. Matricciani provides the Board with leadership and financial experience from her extensive service in executive management and financial positions throughout her career.

Scott J. Vassalluzzo (Independent)

Mr. Vassalluzzo is a managing Member of Prescott General Partners LLC (“PGP”), an investment adviser registered with the U.S. Securities and Exchange Commission. PGP serves as the general partner of three private investment limited partnerships, including Prescott Associates L.P. (together, the “Prescott Partnerships”). Mr. Vassalluzzo joined the Prescott Organization in 1998 as an equity analyst, became a general partner of the Prescott Partnerships in 2000, and transitioned to Managing Member of PGP following Prescott’s reorganization in January 2012. Prior to 1998, Mr. Vassalluzzo worked in public accounting at Coopers & Lybrand (now PricewaterhouseCoopers LLP). The Prescott Partnerships have been shareholders of the Company for 23 years. Mr. Vassalluzzo holds a Bachelor of

Director Since: Science Degree in Accounting from Pennsylvania State University and a Master of Business
2011 Administration Degree from Columbia University.

Age: 44

Committees: Mr. Vassalluzzo has served since 2007 on the board of directors of Credit Acceptance Corporation, Compensation including serving as the chair of its compensation committee and as a member of its audit committee, Nominating and he has served since 2015 on the board of directors of Cimpress, NV, including serving as chairman of its compensation committee.

The Board believes that Mr. Vassalluzzo provides the Board with (a) leadership experience from his service as the Managing Member of PGP General Partner of the Prescott Partnership since 2012, (b) finance experience from his work in public accounting at Coopers & Lybrand, (c) risk management experience from his service on the board of Credit Acceptance Corporation and his experience as an investor who regularly analyzes public companies and (d) corporate governance experience from his service on the board of Credit Acceptance Corporation.

Charles D. Way (Independent)

Mr. Way is currently a private investor following an extensive career at Ryan’s Restaurant Group, Inc., a publicly traded restaurant company that was acquired by Buffets, Inc. in 2006. He served as Chief Executive Officer from 1989 to 2006, President from 1988 to 2004, Executive Vice President from 1986 to 1988, Vice President and chief financial officer from 1981 to 1986, Treasurer and Secretary from 1981 to 1988 and Controller from 1979 to 1981. He also served as a director of Ryan’s from 1981 to 2006 and as Chairman of the Board from 1992 to 2006. He holds a Bachelor of Science Degree in Accounting from Clemson University. The Board believes that Mr. Way contributes extensive public company leadership and finance experience to the Board from his long career at Ryan’s Restaurant Group, Inc.

Director Since: 1991

Age: 63

Committees: Audit (chair)
Compensation

Darrell E. Whitaker (Independent)

Mr. Whitaker has been the President and Chief Operating Officer of IMI Resort Holdings, Inc. since 2004. Before joining IMI, Mr. Whitaker served as the Chief Operating Officer and Vice President of Finance and Corporate Secretary of The Cliffs Communities, Inc., a developer of high end resort communities. He joined the Cliffs Communities, Inc. in July 1998 as Chief Financial Officer, a position he held until becoming Chief Operating Officer in August 2001. In addition, he has held executive management positions with other publicly traded companies, such as Ryan’s Family Steak House, Inc., Baby Superstores, Inc., and Food Lion, Inc. Mr. Whitaker is also a CPA licensed in the State of South Carolina. He holds a Bachelor of Science Degree in Business Administration from the University of South Carolina. The Board believes that Mr. Whitaker provides the Board with leadership and finance experience from his current position with IMI Resort Holdings, Inc. and his prior experience with The Cliffs Communities, Inc., Ryan’s Family Steak House, Inc. and Baby Superstores, Inc.

Director Since: 2008
Age: 58
Committees: Audit
Nominating

CORPORATE GOVERNANCE

Corporate Governance Policy

We believe that good corporate governance practices are essential to our core values of ethical business, service of the interest of our shareholders and good corporate citizenship and that good corporate governance promotes strong financial performance of the Company. The Board has adopted a Corporate Governance Policy in furtherance of those goals.

Code of Business Conduct and Ethics

The Company has also adopted a written Code of Business Conduct and Ethics (the “Code of Ethics”) that applies to all directors, employees and officers of the Company, including our Chief Executive Officer (our principal executive officer) and our Vice President and Chief Financial Officer (our principal financial and accounting officer). The Code of Ethics has been incorporated by reference as an exhibit to the Company’s Annual Report on Form 10-K for the year ended March 31, 2016.

Insider Trading and Hedging Policy

We maintain an Insider Trading Policy that prohibits our directors, officers and employees from purchasing or selling our Common Stock or other securities while being aware of material, non-public information about the Company. It also prohibits the disclosure of such information to others who may trade in securities of the Company. Our insider trading policy also prohibits our directors, officers and employees from engaging in hedging activities or other short term or speculative transactions in the Company's securities such as short sales, puts, calls or any similar transaction involving the Company's securities. In addition, our directors, officers and employees must obtain pre-clearance from our Chief Financial Officer before placing Company securities in a margin account or otherwise pledging Company securities as collateral for a loan.

Availability of Policies and Board Committee Charters

Copies of our Corporate Governance Policy, our Code of Ethics, our Insider Trading Policy and the charters of the Audit and Compliance Committee, Compensation and Stock Options Committee and Nominating and Corporate Governance Committee of the Board are all available on our website at www.worldacceptance.com, and to any shareholder who requests a copy by writing to the Company's Corporate Secretary at P.O. Box 6429, Greenville, South Carolina 29606 or tbullock@worldacceptance.com.

Director Independence

Our Corporate Governance Policy requires that a majority of our directors be independent directors within the meaning of NASDAQ corporate governance requirements, and the Board has determined that a majority of its current members, Ken R. Bramlett, Jr., James R. Gilreath, Scott Vassalluzzo, Charles D. Way, and Darrell E. Whitaker, are independent within the meaning of the NASDAQ Stock Market rules. Janet Lewis Matricciani, our Chief Executive Officer, does not meet the independence requirements of the NASDAQ Stock Market rules because she is a full-time employee and executive officer of the Company.

Board Leadership

Our Corporate Governance Policy provides that the Board should have flexibility to decide whether it is best for the Company at any particular point in time for the roles of the Chief Executive Officer and the Chairman of the Board to be separate or combined, and, if separate, whether the Chairman of the Board should be selected from the independent directors or be an employee. Whenever the Chairman is not an independent director, the independent directors may select from among themselves a Presiding Independent Director. If no selection is made, the Chairman of the Nominating Committee is the Presiding Independent Director. Currently, the Chairman of the Board is an independent director, Ken R. Bramlett, Jr. Our Chief Executive Officer, Janet Lewis Matricciani, also serves as a director of the Company.

Executive Sessions of Independent Directors

Consistent with our Corporate Governance Policy, independent directors meet without management present at regularly scheduled and ad hoc executive sessions. These sessions are held after each regularly scheduled Board meeting and are presided over by the Chairman of the Board.

Board Risk Oversight