

CONNS INC  
Form POS AM  
March 26, 2019  
Table of Contents

As filed with the Securities and Exchange Commission on March 26, 2019

Registration No. 333-228528

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

POST-EFFECTIVE AMENDMENT NO. 2

to

FORM S-3

REGISTRATION STATEMENT

*UNDER*

*THE SECURITIES ACT OF 1933*

CONN S, INC.\*

(Exact name of registrant as specified in its charter)

**Delaware**  
**(State or other jurisdiction of**  
**incorporation or organization)**

**06-1672840**  
**(I.R.S. Employer**  
**Identification Number)**

**2445 Technology Forest Blvd., Suite 800**

**The Woodlands, Texas 77381**

**(936) 230-5899**

**(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)**

**Mark L. Prior**

**Vice President, General Counsel and Secretary**

**2445 Technology Forest Blvd., Suite 800**

**The Woodlands, Texas 77381**

**(936) 230-5899**

**(Name, address, including zip code, and telephone number, including area code, of agent for service)**

*Copies to:*

**Kevin P. Lewis**

**Sidley Austin LLP**

**1000 Louisiana Street, Suite 6000**

**Houston, Texas 77002**

**(713) 495-4500**

**Approximate date of commencement of proposed sale to the public:** From time to time after the effective date of this Registration Statement.

## Edgar Filing: CONNS INC - Form POS AM

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box:

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company and emerging growth company in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

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 7(a)(2)(B) of the Securities Act.

### CALCULATION OF REGISTRATION FEE

<b>Title of Each Class of Securities to be Registered</b>	<b>Amount to be Registered (1)</b>	<b>Proposed Maximum Offering Price</b>	<b>Proposed Maximum Aggregate</b>	<b>Amount of Registration Fee</b>
---	------------------------------------	--	-----------------------------------	-----------------------------------

	per Share	Offering Price
--	-----------	----------------

Common Stock, par value \$0.01 per share		
Preferred Stock, par value \$0.01 per share		
Debt Securities		
Warrants		
Rights		
Stock Purchase Contracts		
Depository Shares		
Units		
Guarantees of Debt Securities		
<b>Total</b>		\$350,000,000 (2)    \$42,420 (3)(4)

- (1) An indeterminate aggregate offering price and number or amount of the securities of each identified class is being registered as may from time to time be sold at indeterminate prices, with a maximum aggregate offering price of the offering not to exceed \$350,000,000. Separate consideration may or may not be received for securities that are issuable upon conversion of, or in exchange for, or upon exercise of, convertible or exchangeable securities. The indeterminate aggregate amount or number also includes such securities as may, from time to time, be issued upon conversion or exchange of securities registered hereunder, to the extent any such securities are, by their terms, convertible into or exchangeable for other securities.
- (2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o).
- (3) Rule 457(o) permits the registration fee to be calculated on the basis of the maximum aggregate offering price of all of the securities listed and, therefore, the table does not specify by each class information as to the amount to be registered or the proposed maximum offer price per security for the offering.
- (4) Pursuant to Rule 457(p) of the Securities Act of 1933, the registrant offset the registration fee required in connection with this registration statement by \$38,561 representing the amount of the registration fee associated with unsold securities, which registration fee was previously paid in connection with the filing of the Registration Statement on Form S-3 (File No. 333-211024), as amended. Accordingly, a registration fee of \$3,859 was paid at the time the registrant filed Post-Effective Amendment No. 1 to this registration statement.

**The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until Conn s, Inc. shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**

**Table of Contents****\*TABLE OF ADDITIONAL REGISTRANTS**

<b>Exact Name of Registrant Guarantor as specified in its charter(1)</b>	<b>State or Other Jurisdiction of Incorporation or Organization</b>	<b>I.R.S. Employer Identification Number</b>
CAI Credit Insurance Agency, Inc.	Louisiana	76-0575846
CAI Holding, LLC	Delaware	76-0612675
Conn Appliances, Inc.	Texas	74-1290706
Conn Credit Corporation, Inc.	Texas	74-1589273
Conn Credit I, LP	Texas	26-3080545
Conn Lending, LLC	Delaware	26-3049857

- (1) The address of the principal executive offices for each of the additional registrants is c/o Conn s, Inc., 2445 Technology Forest Boulevard, Suite 800, The Woodlands, Texas 77381, Telephone: (936) 230-5899. The name, address, including zip code, and telephone number of the agent for service for each of the additional registrants is Mark L. Prior, Vice President, General Counsel and Secretary of Conn s, Inc., 2445 Technology Forest Boulevard, Suite 800, The Woodlands, Texas 77381, Telephone: (936) 230-5899.

**Table of Contents**

**Explanatory Note**

This Post-Effective Amendment No. 2 (the Post-Effective Amendment ) to the Registration Statement on Form S-3, as previously amended by Post-Effective Amendment No. 1 (Commission File No. 333-228528) (as so amended, the Registration Statement ) of Conn s, Inc. (the Company ) is being filed because the Company is no longer a well-known seasoned issuer (as such term is defined in Rule 405 of the Securities Act of 1933, as amended) as of the filing of its Annual Report on Form 10-K for the fiscal year ended January 31, 2019. This Post-Effective Amendment is being filed to convert the Registration Statement to the proper EDGAR submission type for a non-automatic shelf registration statement.

**Table of Contents**

**The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED MARCH 26, 2019**

**PROSPECTUS**

**CONN S, INC.**

**Common Stock**

**Preferred Stock**

**Debt Securities**

**Warrants**

**Rights**

**Stock Purchase Contracts**

**Depositary Shares**

**Units**

**Guarantees of Debt Securities**

By this prospectus, we may from time to time, in one or more offerings, offer and sell up to \$350,000,000 of any combination of the following securities:

shares of common stock;

shares of preferred stock;

debt securities;

warrants;

rights;

stock purchase contracts;

depository shares;

units; and

guarantees of debt securities.

This prospectus provides a general description of the securities we may offer. Supplements to this prospectus will provide the specific terms of the securities, including the offering prices and the net proceeds that we expect to receive. You should carefully read this prospectus, any applicable prospectus supplement and any information under the headings *Where You Can Find More Information* and *Incorporation by Reference* before you invest in any of these securities. This prospectus may not be used to sell securities until it is accompanied by a prospectus supplement that describes those securities.

We may sell these securities to or through underwriters, dealers, to other purchasers and through agents. Supplements to this prospectus will specify the names of any underwriters or agents.

Our common stock is listed on the NASDAQ Global Select Market under the symbol *CONN*.

**Investing in our securities involves various risks. You should carefully review the risks and uncertainties described under the heading *Risk Factors* contained on page 3 herein, in the applicable prospectus supplement and in any free writing prospectuses we have authorized for use in connection with a specific offering, and under similar headings in the documents that are incorporated by reference into this prospectus or the applicable prospectus supplement, before deciding to invest in our securities.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

**The date of this prospectus is \_\_\_\_\_, 2019**



Table of Contents

**TABLE OF CONTENTS**

<u>ABOUT THIS PROSPECTUS</u>	1
<u>CONN. S. INC.</u>	2
<u>RISK FACTORS</u>	3
<u>SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>	4
<u>USE OF PROCEEDS</u>	5
<u>THE SECURITIES WE MAY OFFER</u>	6
<u>DESCRIPTION OF CAPITAL STOCK</u>	7
<u>DESCRIPTION OF DEBT SECURITIES AND GUARANTEES OF DEBT SECURITIES</u>	12
<u>DESCRIPTION OF WARRANTS</u>	17
<u>DESCRIPTION OF RIGHTS</u>	19
<u>DESCRIPTION OF STOCK PURCHASE CONTRACTS</u>	20
<u>DESCRIPTION OF DEPOSITARY SHARES</u>	21
<u>DESCRIPTION OF UNITS</u>	22
<u>PLAN OF DISTRIBUTION</u>	23
<u>LEGAL MATTERS</u>	25
<u>EXPERTS</u>	25
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	25
<u>INCORPORATION OF DOCUMENTS BY REFERENCE</u>	26

---

Table of Contents

**ABOUT THIS PROSPECTUS**

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission (the SEC or the Commission ), using a shelf registration process pursuant to the Securities Act of 1933, as amended (the Securities Act ). Under this shelf registration process, we may from time to time offer and sell up to \$350,000,000 of any combination of the securities described in this prospectus in connection with one or more offerings from time to time.

This prospectus provides you with a general description of the securities covered by this prospectus, which is not intended to be a complete description of each security. Each time we offer to sell securities covered by this prospectus, we will provide a prospectus supplement that will contain specific information about the terms of that offering, about the securities offered by us in that offering and about us. We may also authorize one or more free writing prospectuses to be provided to you that may contain material information relating to these offerings. Each such prospectus supplement and any free writing prospectus that we may authorize to be provided to you may also add, update, change or supersede any of the information contained in this prospectus or in the documents that we have incorporated by reference into this prospectus. To the extent there is a conflict between the information contained in this prospectus and any prospectus supplement or free writing prospectus we have authorized for use in connection with a specific offering, you should rely on the information in the relevant prospectus supplement or free writing prospectus we have authorized for use in connection with a specific offering, provided, that, if any statement in one of these documents is inconsistent with a statement in another document having a later date for example, a document incorporated by reference in this prospectus or any prospectus supplement or free writing prospectus we have authorized for use in connection with a specific offering the statement in the document having the later date modifies or supersedes the earlier statement. This prospectus does not contain all of the information included in the registration statement of which it is a part. The registration statement filed with the SEC includes exhibits that provide more details about the matters discussed in this prospectus. You should carefully read this prospectus, the related exhibits filed with the SEC and any prospectus supplement, together with the additional information described below under the headings Where You Can Find More Information and Incorporation of Documents by Reference.

**You should rely only on the information contained or incorporated by reference in this prospectus, any supplement to this prospectus and any free writing prospectus we have authorized for use in connection with a specific offering. No dealer, sales person or other person is authorized to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus, any prospectus supplement and any free writing prospectus we have authorized for use in connection with a specific offering do not constitute an offer to sell these securities in any jurisdiction where the offer or sale is not permitted.**

**This prospectus contains summaries of certain provisions contained in some of the documents described herein, but reference is made to the actual documents for complete information. All of the summaries are qualified in their entirety by reference to the actual documents. Copies of some of the documents referred to herein have been filed, will be filed or will be incorporated by reference as exhibits to the registration statement of which this prospectus is a part, and you may obtain copies of those documents as described below under the heading Where You Can Find More Information.**

**You should not assume that the information in this prospectus, any prospectus supplement or any free writing prospectus we have authorized for use in connection with a specific offering is accurate as of any date other than the date of the document containing the information, regardless of the date of delivery of such document or sale of any subject security. Our business, financial condition, results of operations and prospects may have changed since then.**

Edgar Filing: CONNS INC - Form POS AM

This prospectus may not be used to sell securities unless it is accompanied by a prospectus supplement that describes those securities.

Unless otherwise indicated or unless the context otherwise requires, all references in this prospectus to Conn s, CONN, the Company, we, our, us or similar references mean Conn s, Inc., its consolidated bankruptcy-remote variable-int entities and its wholly-owned subsidiaries. In this prospectus, we sometimes refer to our common stock, preferred stock, debt securities, warrants, rights, stock purchase contracts, depositary shares, units and guarantees of debt securities collectively as the securities.

**Table of Contents**

**CONN S, INC.**

**Overview**

Conn s is a leading specialty retailer that offers a broad selection of quality, branded durable consumer goods and related services in addition to proprietary credit solutions for its core credit-constrained consumers. We operate an integrated and scalable business through our retail stores and website. Our complementary product offerings include furniture and mattresses, home appliances, consumer electronics and home office products from leading global brands across a wide range of price points. Our credit offering provides financing solutions to a large, under-served population of credit-constrained consumers who typically have limited credit alternatives.

We operate two reportable segments: retail and credit. Our retail stores bear the Conn s HomePlus name with all of our stores providing the same products and services to a common customer group. Our stores follow the same procedures and methods in managing their operations. Our retail business and credit business are operated independently from each other. The credit segment is dedicated to providing short- and medium-term financing to our retail customers. The retail segment is not involved in credit approval decisions. Our management evaluates performance and allocates resources based on the operating results of the retail and credit segments. Our operating segments provide customers the opportunity to comparison shop across brands with confidence in our competitive prices as well as affordable monthly payment options, next day delivery and installation in the majority of our markets and product repair service. We believe our large, attractively merchandised retail stores and credit solutions offer a distinctive value proposition compared to other retailers that target our core customer demographic. For additional discussion of our business, please read the documents listed under Where You Can Find More Information and Incorporation of Documents by Reference.

Our principal executive offices are located at 2445 Technology Forest Blvd., Suite 800, The Woodlands, Texas 77381. Our telephone number is (936) 230-5899, and our company website is [www.conns.com](http://www.conns.com). Information on our website is not incorporated into this prospectus and does not constitute a part of this prospectus.

**Table of Contents**

**RISK FACTORS**

An investment in our securities involves various risks. When considering an investment in any of the securities, you should consider carefully all of the risk factors described in our annual report on Form 10-K for the year ended January 31, 2019 and similar information in any annual report on Form 10-K, quarterly report on Form 10-Q or other document incorporated by reference into this prospectus or filed by us with the SEC after the date of this prospectus. If applicable, we will include in any prospectus supplement a description of those significant factors that could make the offering described in the prospectus supplement speculative or risky. The risks described are not the only risks facing our company, but are those that we currently consider to be material. There may be other unknown or unpredictable economic, business, competitive, regulatory or other factors that could have material adverse effects on our future results. Past financial performance may not be a reliable indicator of future performance, and historical trends should not be used to anticipate results or trends in future periods. If any of these risks actually occurs, our business, financial condition, results of operations or cash flow could be seriously harmed. This could cause the trading price of our securities to decline, resulting in a loss of all or part of your investment. Please also carefully read the section below entitled Special Note Regarding Forward-Looking Statements.

---

**Table of Contents**

**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus, the applicable prospectus supplement and the documents incorporated by reference herein, contain forward-looking statements within the meaning of the federal securities laws, including but not limited to, the Private Securities Litigation Reform Act of 1995, that involve risks and uncertainties. Such forward-looking statements include information concerning our future financial performance, business strategy, plans, goals and objectives. Statements containing the words anticipate, believe, could, estimate, expect, intend, may, plan, project, predict, will, potential, or the negative of such terms or other similar expressions are generally forward-looking in nature and not historical facts. Such forward-looking statements are based on our current expectations. We can give no assurance that such statements will prove to be correct, and actual results may differ materially. A wide variety of potential risks, uncertainties, and other factors could materially affect our ability to achieve the results either expressed or implied by our forward-looking statements, including, but not limited to: general economic conditions impacting our customers or potential customers; our ability to execute periodic securitizations of future originated customer loans on favorable terms; our ability to continue existing customer financing programs or to offer new customer financing programs; changes in the delinquency status of our credit portfolio; unfavorable developments in ongoing litigation; increased regulatory oversight; higher than anticipated net charge-offs in the credit portfolio; the success of our planned opening of new stores; technological and market developments and sales trends for our major product offerings; our ability to manage effectively the selection of our major product offerings; our ability to protect against cyber-attacks or data security breaches and to protect the integrity and security of individually identifiable data of our customers and employees; our ability to fund our operations, capital expenditures, debt repayment and expansion from cash flows from operations, borrowings from our revolving credit facility, and proceeds from accessing debt or equity markets; and other risks.

For a discussion of these and other risks and uncertainties, please refer to the section entitled **Risk Factors** in this prospectus and similar sections included in the applicable prospectus supplement and any documents incorporated by reference herein. If one or more of these or other risks or uncertainties materialize (or the consequences of such a development changes), or should our underlying assumptions prove incorrect, actual outcomes may vary materially from those reflected in our forward-looking statements.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this prospectus or the applicable prospectus supplement or other document incorporated by reference herein. We disclaim any intention or obligation to update publicly or revise such statements, whether as a result of new information, future events or otherwise, except as otherwise required by applicable law. All forward-looking statements attributable to us, or to persons acting on our behalf, are expressly qualified in their entirety by these cautionary statements.

**Table of Contents**

**USE OF PROCEEDS**

Except as described in any applicable prospectus supplement or in any free writing prospectuses we have authorized for use in connection with a specific offering, we intend to use the net proceeds from the sale of securities by us under this prospectus for general corporate purposes, which may include general and administrative expenses, capital expenses, repayment or refinancing of debt, acquisitions of, or investment in, properties, companies, subsidiaries or assets that complement our business, or repurchasing or redeeming our securities. We will set forth in a prospectus supplement relating to a specific offering undertaken by us the intended use for the net proceeds received from the sale of securities in that offering. Pending the application of such net proceeds, we may invest such net proceeds in marketable securities and/or short-term investment grade and U.S. government securities.

**Table of Contents**

**THE SECURITIES WE MAY OFFER**

The descriptions of the securities contained in this prospectus, together with the applicable prospectus supplements and any free writing prospectus we have authorized for use in connection with a specific offering, summarize the material terms and provisions of the various types of securities that may be offered. The applicable prospectus supplement relating to any securities will describe the particular terms of the securities offered by that prospectus supplement and any free writing prospectus we have authorized for use in connection with a specific offering. If indicated in the applicable prospectus supplement and any free writing prospectus we have authorized for use in connection with a specific offering, the terms of the securities may differ from the terms summarized below. The prospectus supplement will also include information, where applicable, about material U.S. federal income tax considerations relating to the securities, and the securities exchange, if any, on which the securities are expected to be listed. The descriptions herein and in the applicable prospectus supplement and any free writing prospectus we have authorized for use in connection with a specific offering do not contain all of the information that you may find useful or that may be important to you. You should refer to the provisions of the actual documents whose terms are summarized herein and in the applicable prospectus supplement and any free writing prospectus we have authorized for use in connection with a specific offering (including, in each case, documents incorporated by reference herein or therein), because those documents, and not the summaries, define your rights as holders of the relevant securities. For more information, please review the forms of these documents, which are or will be filed with the SEC and will be available as described under the heading **Where You Can Find More Information**.

We may sell, from time to time, in one or more offerings, up to \$350,000,000 of any combination of the following securities:

common stock;

preferred stock;

debt securities;

warrants to purchase any of the securities listed above;

rights to purchase any of the securities listed above;

stock purchase contracts;

depository shares;

units that include any combination of the securities listed above; and



guarantees of our debt securities.

If debt securities are issued at a discount from their original stated principal amount, then, for purposes of calculating the total dollar amount of all securities issued under this prospectus, we will treat the initial offering price of the debt securities as the total original principal amount of the debt securities.

This prospectus may not be used to consummate a sale of securities unless it is accompanied by a prospectus supplement.

**Table of Contents**

**DESCRIPTION OF CAPITAL STOCK**

The following description of our common stock and preferred stock, together with the additional information included in any applicable prospectus supplements and any free writing prospectuses we have authorized for use in connection with a specific offering, summarizes the material terms and provisions of the common stock and preferred stock that may be offered under this prospectus. For the complete terms of our common stock and preferred stock, please refer to our certificate of incorporation and bylaws, which are incorporated by reference into the registration statement, of which this prospectus forms a part. The terms of our common stock and preferred stock may also be affected by Delaware law.

**Authorized Capital Stock**

Our authorized capital stock consists of 100,000,000 shares of common stock, \$0.01 par value per share, and 1,000,000 shares of preferred stock, \$0.01 par value per share. As of March 18, 2019, we had 31,883,939 shares of common stock outstanding and no shares of preferred stock outstanding.

**Common Stock**

Subject to the provisions of our certificate of incorporation and limitations prescribed by law or the rules of any stock exchange or automated quotation system on which our securities may be listed or traded, we may issue our common stock from time to time upon such terms and for such consideration as may be determined by our board of directors. Generally, the issuance of common stock, up to the aggregate amounts authorized by our certificate of incorporation and any limitations prescribed by law or the rules of any stock exchange or automated quotation system on which our securities may be listed or traded, will not require approval of our stockholders. The shares of common stock have no preemptive rights to participate in future stock offerings.

***Voting***

For all matters submitted to a vote of stockholders, the holders of our common stock, subject to any rights that may be granted to any preferred stockholders, elect all directors and are entitled to one vote for each share registered in the stockholder's name on all other matters coming before a stockholders' meeting. Our common stock does not have cumulative voting rights. Accordingly, holders of a majority of the shares of common stock entitled to vote in any uncontested election of directors may elect all of the directors standing for election. In a contested election, directors are elected by a plurality of the shares voting in person or by proxy. A plurality means receiving the largest number of votes, regardless of whether that is a majority.

***Dividends***

Holders of common stock are entitled to share ratably in any dividends declared by our board of directors, subject to any preferential dividend rights of any outstanding preferred stock. Dividends consisting of shares of common stock may be paid to holders of shares of common stock. It is our current policy to retain future earnings to finance operations and expansion. Accordingly, we have not, and do not contemplate, declaring or paying cash dividends in the foreseeable future. Any future payment of dividends will be at the discretion of our board of directors and will depend upon our results of operations, financial condition, cash requirements and other factors deemed relevant by our board of directors, including the terms of our indebtedness. In addition, provisions in agreements governing our long-term indebtedness restrict the amount of dividends that we may pay to our stockholders. For further information on how we are restricted from paying dividends, see Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources of our Annual Report on Form 10-K for the

fiscal year ended January 31, 2019.

***Liquidation and Dissolution***

If we are liquidated or dissolve, the holders of our common stock will be entitled to share ratably in all the assets that remain after we pay our liabilities, subject to the prior rights of any outstanding preferred stock.

***Other Rights and Restrictions***

Holders of our common stock do not have preemptive rights, are not entitled to the benefits of any sinking fund, and have no right to convert their common stock into any other securities. Our common stock is not subject to redemption by us. Our certificate of incorporation and bylaws do not restrict the ability of a holder of common stock to transfer the stockholder's shares of common stock. When we issue shares of common stock under this prospectus, the shares will be fully paid and non-assessable and will not have, or be subject to, any preemptive or similar rights.

## **Table of Contents**

The rights, powers, preferences and privileges of holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of any series of our preferred stock.

### ***Listing***

Our common stock is listed on the NASDAQ Global Select Market under the symbol CONN.

### ***Transfer Agent and Registrar***

The transfer agent and registrar for our common stock is Computershare Trust Company, Inc.

### **Anti-Takeover Provisions of Our Certificate of Incorporation and Bylaws and the Delaware General Corporation Laws**

Our certificate of incorporation and bylaws and the Delaware General Corporation Laws (the DGCL) contain provisions that could have the effect of delaying, deferring or discouraging another party from acquiring control of us. These provisions, which are summarized below, are designed to, among other things, discourage coercive takeover practices and inadequate takeover bids and encourage persons seeking to acquire control of us to first negotiate with our board of directors in hopes of improving the terms of any such takeover bids.

### ***Authorized but Unissued Capital Stock***

We currently have 100,000,000 authorized shares of common stock and 1,000,000 authorized shares of preferred stock. Due to our authorized but unissued common stock and preferred stock, our board of directors may be able to discourage or make any attempt to obtain control of us more difficult. If, in the exercise of its fiduciary obligations, our board of directors determines that a takeover proposal is not in our best interest, the board of directors could issue a portion of these shares without stockholder approval, subject to any limitations prescribed by law or the rules of any stock exchange or automated quotation or system on which our securities may be listed or traded. These shares could be issued in one or more transactions that might prevent or make the completion of a proposed change of control transaction more difficult or costly by:

diluting the voting or other rights of the proposed acquiror or insurgent stockholder group;

creating a substantial voting block in institutional or other hands that might undertake to support the position of the incumbent board of directors; or

effecting an acquisition that might complicate or preclude the takeover.

In this regard, our certificate of incorporation grants our board of directors broad power to establish the rights, preferences and limitations of the authorized and unissued shares of our preferred stock. For example, our board of directors could establish one or more series of preferred stock that entitle holders to:

vote separately as a class on any proposed merger or consolidation;

cast a proportionately larger vote together with our common stock on any proposed transaction or other voting matter;

elect directors having terms of office or voting rights greater than those of our other directors;

convert preferred stock into a greater number of shares of our common stock or other securities;

demand redemption at a specified price under prescribed circumstances related to a change of control of us;  
or

exercise other rights designed to impede a takeover.

***Stockholder Action, Special Meeting of Stockholders, Advance Notice Requirements for Stockholder Proposals and Director Nominations***

Our bylaws establish an advance notice procedure for stockholders to make nominations of candidates for election as directors and to bring other business before an annual meeting of our stockholders. For notice of stockholder nominations to be timely, the notice must be received by our secretary not later than the close of business on the 90th calendar day, nor earlier than the close of business on the 120th calendar day, prior to the first anniversary of the date of the preceding year's proxy statement in connection with the preceding year's annual meeting. In addition to these procedures, a stockholder's notice proposing to nominate a person for election as a director or relating to the conduct of business other than the nomination of directors must contain certain specified information. Otherwise, the chairman of a meeting may determine that an individual was not nominated or the other business was not properly brought before the meeting.

**Table of Contents**

***No Stockholder Action by Written Consent; Special Meetings.***

Any action required or permitted to be taken by our stockholders must be effected at a duly called annual or special meeting of stockholders and may not be effected by written consent without a meeting unless approved in advance by our board of directors. Special meetings of our stockholders for any purpose or purposes may be called only by our chairman of the board, our president or by a majority of our board of directors.

***Delaware Anti-Takeover Provisions***

We are subject to Section 203 of the DGCL. In general, the statute prohibits a publicly-held Delaware corporation from engaging in any business combination with any person deemed to be an interested stockholder for a period of three years following the date that the stockholder became an interested stockholder unless:

prior to the date that the person became an interested stockholder, the board of directors of the corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;

upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding those shares owned by persons who are directors and also officers and by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

on or subsequent to the date that the person became an interested stockholder, the business combination is approved by the board of directors and authorized at an annual or special meeting of stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock not held by the interested stockholder.

Section 203 of the DGCL defines business combination to include:

any merger or consolidation involving the corporation and the interested stockholder;

any sale, lease, transfer, pledge, or other disposition involving the interested stockholder of 10% or more of the assets of the corporation;

subject to certain exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;

any transaction involving the corporation which directly or indirectly materially increases the proportionate share of stock owned by the interested stockholder; or

the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation.

In general, Section 203 of the DGCL defines an interested stockholder as any person beneficially owning 15% or more of the outstanding voting stock of the corporation and any person controlling, controlled by or under common control with that person.

Section 203 of the DGCL may make it more difficult for an interested stockholder to effect various business combinations with us for a three-year period.

The above description of Section 203 of the DGCL is intended as a summary only and is qualified in its entirety by reference to Section 203 of the DGCL. Additionally, in June of 2018, we granted a waiver of the applicability of the provisions of Section 203 to one of our largest shareholders, Anchorage Capital Group, LLC ( Anchorage ), such that, subject to certain conditions, Anchorage may increase its position in our common stock up to 20% of the outstanding shares without being subject to Section 203's restrictions on business combinations. The foregoing description of the waiver granted to Anchorage is intended as a summary only and is qualified in its entirety by reference to that certain letter agreement, dated as of June 6, 2018 and filed as Exhibit 10.2 to our Form 10-Q for the fiscal quarter ended July 31, 2018, filed with the SEC on September 4, 2018, which is incorporated herein by reference.

## **Table of Contents**

### **Liability and Indemnification of Directors**

As permitted by the DGCL, we have adopted provisions in our certificate of incorporation and bylaws that provide for the indemnification of our directors and officers to the fullest extent permitted by applicable law. These provisions, among other things, indemnify each of our directors and officers for certain expenses, including judgments, fines, and amounts paid in settling or otherwise disposing of actions or threatened actions, incurred by reason of the fact that such person is or was a director or officer of Conn s or of any other business organization which such person served at the request of Conn s.

In addition, we have entered into indemnification agreements with each of our directors pursuant to which we will indemnify them against judgments, claims, damages, losses, and expenses incurred as a result of the fact that any director, in his capacity as a director, is made or threatened to be made a party to any suit or proceeding. The indemnification agreements also provide for the advancement of certain expenses (such as attorney s fees, witness fees, damages, judgments, fines and settlement costs) to our directors in connection with any such suit or proceeding.

We maintain a directors and officers liability insurance policy to insure our directors and officers against certain losses resulting from acts committed by them in their capacities as our directors and officers, including liabilities arising under the Securities Act.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling the Company pursuant to the foregoing provisions, the Company has been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

### **Preferred Stock**

Our certificate of incorporation authorizes our board to issue up to 1,000,000 shares of preferred stock in such series and with such preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications, or other provisions as may be fixed by the board. While providing desired flexibility in connection with possible acquisitions and other corporate purposes, the issuance of preferred stock may have the effect of delaying, deferring or preventing a change in control of the company without further action by the stockholders. Shares of preferred stock may be convertible into common stock based on terms, conditions, rates and subject to such adjustments set by the board. The issuance of preferred stock with voting and conversion rights may also adversely affect the voting power of the holders of common stock, including the loss of voting control to others, and negatively affect any dividend payments or liquidation payments to holders of our common stock. No shares of preferred stock are currently outstanding.

If we decide to issue any preferred stock pursuant to this prospectus, we will describe in a prospectus supplement the terms of the preferred stock, including, if applicable, the following:

the title of the series and stated value;

the number of shares of the series of preferred stock offered, the liquidation preference per share, if applicable, and the offering price;



applicable dividend rate(s) or amount(s), period(s) and payment date(s) or method(s) of calculation thereof;

the date from which dividends on the preferred stock will accumulate, if applicable;

any procedures for auction and remarketing;

any provisions for a sinking fund;

any applicable provision for redemption and the price or prices, terms and conditions on which preferred stock may be redeemed;

any securities exchange listing;

any voting rights and powers;

whether interests in the preferred stock will be represented by depositary shares;

the terms and conditions, if applicable, of conversion into shares of our common stock, including the conversion price or rate or manner of calculation thereof;

**Table of Contents**

a discussion of any material U.S. federal income tax considerations;

the relative ranking and preference as to dividend rights and rights upon our liquidation, dissolution or the winding up of our affairs;

any limitations on issuance of any series of preferred stock ranking senior to or on a parity with such series of preferred stock as to dividend rights and rights upon our liquidation, dissolution or the winding up of our affairs; and

any other specific terms, preferences, rights, limitations or restrictions of such series of preferred stock. All shares of preferred stock offered will, when issued, be validly issued, fully paid and nonassessable.

**Table of Contents**

**DESCRIPTION OF DEBT SECURITIES AND GUARANTEES OF DEBT SECURITIES**

Senior notes will be issued under a senior indenture, and subordinated notes will be issued under a subordinated indenture. Each indenture for debt securities issued by us will be entered into between us and a trustee to be named in such indenture. We have filed forms of the senior indenture and the subordinated indenture as exhibits to the registration statement, of which this prospectus forms a part. We use the term `indentures` to refer to both the senior indenture and the subordinated indenture. The indentures will be qualified under the Trust Indenture Act of 1939 (the `Trust Indenture Act` ). We use the term `trustee` to refer to either the trustee under the senior indenture or the trustee under the subordinated indenture, as applicable.

The following summaries of material provisions of senior notes, subordinated notes and the indentures are subject to, and qualified in their entirety by reference to, the provisions of the indenture applicable to a particular series of debt securities. Except as we may otherwise indicate, the terms of the senior indenture and the subordinated indenture are identical.

**General**

If we decide to issue any senior notes or subordinated notes pursuant to this prospectus, we will describe in a prospectus supplement the terms of the series of notes, including the following:

the name of the issuer of those debt securities and, if applicable, the name of the guarantor;