

INFINITY PROPERTY & CASUALTY CORP  
Form DEF 14A  
April 11, 2016

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

**SCHEDULE 14A**  
**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**  
**(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

Soliciting Material Pursuant to §240.14a-12

**INFINITY PROPERTY AND CASUALTY CORPORATION**

**(Name of Registrant as Specified In Its Charter)**

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

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
- .. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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  - (1) Amount Previously Paid:
  
  - (2) Form, Schedule or Registration Statement No.:
  
  - (3) Filing Party:

(4) Date Filed:

INFINITY PROPERTY AND CASUALTY CORPORATION

3700 Colonnade Parkway  
Suite 600  
Birmingham, Alabama 35243

**Notice of Annual Meeting of Shareholders  
and Proxy Statement**

To be Held on May 17, 2016

Dear Shareholder:

We invite you to attend our Annual Meeting of Shareholders on May 17, 2016, in Birmingham, Alabama. At the meeting, you will hear a report on our operations and have an opportunity to meet our directors and executives.

This booklet includes the formal notice of the meeting and the Proxy Statement. The Proxy Statement tells you more about the agenda and procedures for the meeting. It also describes how our Board of Directors operates and provides information about the nominees to our Board.

We continue to take advantage of U.S. Securities and Exchange Commission rules that allow companies to furnish their proxy materials over the Internet. As a result, this Notice of Annual Meeting of Shareholders contains instructions on how to access and review our Proxy Statement and our 2015 Annual Report over the Internet. We believe this process allows us to provide our shareholders with the information they need in a timelier manner.

All shareholders are important to us. We want your shares to be represented at the meeting and urge you either to use the electronic voting system, if available to you through your broker, or to promptly complete and return your proxy form.

James H. Romaker  
Secretary

Birmingham, Alabama

April 11, 2016

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS  
OF INFINITY PROPERTY AND CASUALTY CORPORATION**

Date: Tuesday, May 17, 2016  
Time: 10:00 a.m., Central Daylight Time  
Place: Tutwiler Hotel  
2021 Park Place North  
Birmingham, Alabama 35203

Purpose: To elect nine directors identified in the Proxy Statement  
To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the 2016 fiscal year  
To approve, on an advisory basis, the compensation of our named executive officers  
To conduct any other business that may properly be raised

Record Date: March 23, 2016  
Mailing Date: Approximately April 11, 2016  
**INFINITY PROPERTY AND CASUALTY CORPORATION**

**May 17, 2016**

**\*\*\*IMPORTANT NOTICE\*\*\***

**Regarding Internet Availability of Proxy Materials  
for the Annual Meeting to be held on May 17, 2016**

You are receiving this communication because you hold shares in Infinity Property and Casualty Corporation,  
and the materials you should review before you cast your vote are now available.

**The Proxy Statement and 2015 Annual Report are available at**

**<http://www.infinityauto.com/annualreport2015>**

## GENERAL INFORMATION

### Who May Vote

Shareholders, as recorded in our stock register on March 23, 2016, may vote at the meeting. As of that date, we had 11,001,553 shares of common stock outstanding and entitled to vote. Each share of common stock is entitled to one vote on each matter to be considered at the meeting.

### How to Vote

You may vote in person at the meeting or by proxy. We recommend you vote by proxy even if you plan to attend the meeting. You can always change your vote at the meeting.

Written Proxy. All shareholders can vote by completing and returning the attached proxy card.

Telephone and Internet Proxy. Some shareholders can also vote by touchtone telephone and/or the Internet. The use of electronic voting via the telephone and the Internet is dependent upon how a shareholder holds shares and, if held through a broker, each shareholder's particular broker. Please follow the instructions provided on the proxy card if electronic voting is made available to you and if you wish to vote electronically. Please note that you may be unable to access electronic voting after 11:59 p.m., May 16, 2016.

### Access to the Notice of Annual Meeting, Proxy Statement, and the Annual Report to Shareholders

The Notice of Annual Meeting, Proxy Statement, and 2015 Annual Report to Shareholders are available under the Investor Relations section of our website located at [www.infinityauto.com](http://www.infinityauto.com). We will also provide a copy of any of these documents to any shareholder free of charge, upon request by calling (205) 803-8186, by e-mailing [investor.relations@infinity-insurance.com](mailto:investor.relations@infinity-insurance.com), or by writing to: Infinity Property and Casualty Corporation, Attn: Investor Relations, 3700 Colonnade Parkway, Suite 600, Birmingham, AL 35243.

Street Name Holders. If you hold your shares in a bank or brokerage account, your bank or broker may also provide you copies of these documents electronically. Please check the information provided in the proxy materials mailed to you by your bank or broker regarding the availability of this service.

### How Proxies Work

Our Board of Directors is asking for your proxy. Giving us your proxy means you authorize us to vote your shares at the meeting in the manner you direct. You may vote for all, some, or none of our director candidates. You may also vote for or against the other proposals or abstain from voting on any or all matters.

If you sign and return the enclosed proxy card but do not specify how to vote, your shares will be voted in accordance with the recommendations of our Board of Directors, namely FOR our director candidates, FOR the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the 2016 fiscal year, and FOR the approval, on an advisory basis, of the compensation of the Company's named executive officers (the NEOs) as disclosed in this Proxy Statement. If any other matters properly come before the meeting or any postponement or adjournment thereof, each properly executed proxy card will be voted in the discretion of the named proxies. Management has not received proper notice of any matters to be presented at the meeting other than those proposed in this Proxy Statement.

Banks or brokers holding shares for beneficial owners must vote those shares as instructed. If the bank or broker has not received instructions from you, the beneficial owner, the bank or broker generally has discretionary voting power only with respect to the ratification of the appointment of the independent registered public accounting firm for the 2016 fiscal year. It is therefore important that you provide instructions to your bank or broker if your shares are held by such a bank or broker so that your vote with respect to all other matters is counted.

You may receive more than one proxy or voting card depending on how you hold your shares. Shares registered in your name are covered by one card. If you hold shares through someone else, such as a stockbroker, you may receive materials from them asking how you wish to vote.

### **Revoking a Proxy**

You may revoke your proxy before it is voted at the meeting by submitting a new proxy with a later date (or by recording a later telephone or Internet proxy), by voting in person at the meeting, or by notifying our Corporate Secretary in writing at the address of our principal executive offices as listed on the front page of the Proxy Statement.

### **Quorum**

In order to conduct the business of the meeting, we must have a quorum. This means that at least a majority of the outstanding shares eligible to vote must be represented at the meeting, either by proxy or in person. Abstentions and broker non-votes are considered present for purposes of determining whether a quorum is present. Broker non-votes occur when a broker returns a proxy card but does not have discretionary authority to vote on a particular proposal.

### **Vote Tabulation**

Votes will be tabulated and the results certified by or under the direction of an Inspector of Elections, who may be an employee of ours.

The nine director candidates who receive the greatest number of FOR votes will be elected to serve as directors on the Board. Abstentions and broker non-votes will not be counted as votes cast.

Approval of all other matters at the meeting or of postponement or adjournment, require the affirmative vote of a majority of the votes cast. Abstentions and broker non-votes will not be counted as votes cast.

### **Proxy Solicitation**

Our Board is soliciting your proxy for use at the Annual Meeting of Shareholders and at any postponement or adjournment thereof. We will bear the costs of the proxy solicitation, including the reimbursement of banks and brokers for reasonable expenses of sending out our proxy materials to the beneficial owners of our common stock. We have engaged D.F. King & Co., Inc. to assist us in soliciting proxies for a fee of \$12,000, plus out-of-pocket expenses. In addition to solicitation by mail, our officers, directors and employees may solicit proxies in person, by telephone, by facsimile, and by e-mail.

### **Other Matters**

Any other matters considered at the meeting, including postponement or adjournment, will require the affirmative vote of a majority of the votes cast.

### **Cumulative Voting**

In voting to elect directors, shareholders are entitled to cumulate their votes and to give one candidate a number of votes equal to the number of directors to be elected multiplied by the number of shares held by the shareholder, or to distribute their votes on the same principle among as many candidates as the shareholder so desires. In order to invoke cumulative voting, notice of cumulative voting must be given in writing by a shareholder to our Corporate Secretary at the address as listed on the first page of this Proxy Statement not less than 48 hours prior to the time fixed for holding the Annual Meeting. The named proxies solicited include

discretionary authority to cumulate votes in the election of directors. If cumulative voting is in effect with respect to the election of directors, the named proxies reserve the right to cumulate the votes represented by the proxies they receive and distribute such votes in accordance with their best judgment in order to elect as many of the nominees of the Board of Directors as possible.

**PROPOSAL 1: ELECTION OF DIRECTORS**

Our Amended and Restated Articles of Incorporation provide that the Board of Directors consists of one class of directors with a term ending at each annual meeting of shareholders. The size of the Board shall be deemed to be equal to the number of directors elected at the 2016 Annual Meeting of Shareholders. Based upon the recommendation of the Nominating and Corporate Governance Committee, the Board of Directors has nominated Victor T. Adamo for election and Angela Brock-Kyle, Teresa A. Canida, James R. Gober, Harold E. Layman, E. Robert Meaney, William Stancil Starnes, James L. Weidner, and Samuel J. Weinhoff for re-election to the Board of Directors.

Proxies solicited by the Board will be voted for the election of these nominees. All directors elected at the 2016 Annual Meeting of Shareholders will be elected to hold office until the expiration of each elected director's term at the next Annual Meeting of Shareholders.

All of the nominees have consented to serve on the Board, and we have no reason to believe that any of the director nominees will be unable or unwilling to serve if elected. However, if any director nominee becomes unavailable or unwilling to serve before the election, your proxy card authorizes us to vote for a replacement nominee, if the Board names one.

**The Board recommends you vote FOR each of the following nominees:**

	<b>Business Experience</b>
	<b>(Additional information regarding each director's specific experience, qualifications, attributes, and skills is contained within the Nominating and Corporate Governance Committee section of this Proxy Statement)</b>
<b>Nominee</b> VICTOR T. ADAMO	Nominated to serve as a Director in 2016.
Age 68	Currently serving as a member of The Mutual RRG's Board of Directors.
	Served as President and Vice Chairman of the Board of Directors of ProAssurance Corporation from 2001 until 2013 and in various capacities with ProAssurance Corporation's predecessor and affiliated entities since 1985, including as Chief Executive Officer, President, and member of the Board of Directors of Professionals Group, Inc., and as Chairman of MEEMIC Insurance Company, a personal auto and homeowner's specialty insurance company.



**Business Experience**

(Additional information regarding each director's specific experience, qualifications, attributes, and skills is

contained within the Nominating and Corporate

Governance Committee section of this Proxy Statement)

**Nominee**  
ANGELA BROCK-KYLE

Elected Director in May 2014.

Age 56

Currently serving as a consultant on governance, strategy investment, and risk matters across multiple industries.

Served as Managing Director and a member of the senior leadership team with Teachers Insurance and Annuity Association-College Retirement Equities Fund (TIAA-CREF) from 2005 until 2012 in Asset Management, Retirement and Individual Financial Services, and Enterprise Risk Management.

Served as Managing Director, Project Finance and Managing Director, Fixed Income Private Placements with TIAA-CREF from 1998 until 2004 and in various investment management roles since 1987.

TERESA A. CANIDA

Elected Director in May 2009.

Age 62

Currently serving as Chairperson of Taplin, Canida & Habacht LLC since 2016.

Served as President of Taplin, Canida & Habacht LLC from 2008 until 2015 and as President, Managing Principal, and Chief Compliance Officer of Taplin, Canida & Habacht, Inc. (predecessor to Taplin, Canida & Habacht LLC) from 1985 to 2008.

JAMES R. GOBER

Elected Director in December 2002.

Age 64

Currently serving as our Chief Executive Officer and President since 2002 and Chairman of the Board since December 2003.

Served in various executive roles within each of Infinity's insurance company subsidiaries since 1991.

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HAROLD E. LAYMAN

Elected Director in August 2003.

Age 69

Currently serving as a member of Blount International, Inc.'s Board of Directors since 1999 and as Chair of its Nominating and Corporate Governance Committee.

Served as a member of GrafTech International, Ltd.'s Board of Directors from 2003 until 2014.

Served as President of RiverBend Management Group LLC from 2005 until 2010.

Served as a member of Grant Prideco, Inc.'s Board of Directors and as Chairman of its Audit Committee from 2003 until 2008.

Served as President and Chief Executive Officer of Blount International, Inc. until 2002.

**Business Experience**

(Additional information regarding each director's specific experience, qualifications, attributes, and skills is

contained within the Nominating and Corporate

Governance Committee section of this Proxy Statement)

**Nominee**  
E. ROBERT MEANEY

Elected Director in May 2013.

Age 68

Currently serving as a consultant to the industrial sector.

Currently serving as Distinguished Fellow at the Daugherty Institute of the University of Nebraska.

Served as Senior Vice President from 1998 until 2012 and as Corporate Secretary from 2006 until 2011 of Valmont Industries, Inc.

WILLIAM STANCIL STARNES

Elected Director in May 2008.

Age 67

Currently serving as Chairman of the Board of Directors and Chief Executive Officer of ProAssurance Corporation since 2007.

Currently serving as a member of the Board of Directors of National Commerce Corporation since 2014, as Chairman of its Risk and Corporate Nominating Committees, as a member of its Compensation Committee, and as a member of the Board of Directors of its subsidiary, National Bank of Commerce, since 2010.

Served as a member of the Board of Directors of Alabama National Bancorporation from 1998 until 2008.

Served as President of Administration and Planning for Brasfield & Gorrie from 2006 until 2007.

Served as Senior Partner of the law firm of Starnes & Atchison LLP until 2006.

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JAMES L. WEIDNER

Elected Director in August 2015.

Age 68

Currently serving as an insurance industry consultant and as President of Weidner Enterprises, LLC.

Served as Chief Executive Officer of Cooperative of American Physicians from 1995 until 2015.

**Business Experience**

(Additional information regarding each director's specific experience, qualifications, attributes, and skills is

contained within the Nominating and Corporate

**Nominee**  
SAMUEL J. WEINHOFF

**Governance Committee section of this Proxy Statement)**  
Elected Director in May 2004.

Age 65

Currently serving as an insurance industry consultant.

Currently serving as a member of Allied World Assurance Company Holdings, Ltd.'s Board of Directors since 2006, as Chairman of its Compensation Committee, and as a member of its Audit, Enterprise Risk, Executive and Investment Committees.

Served as a member of the Board of Directors of Inter-Atlantic Financial, Inc. from 2007 until 2009.

Served as Managing Director and Head of Schrodgers & Co.'s U.S. Financial Institutions Group, Investment Banking from 1997 until 2000.

Served as Managing Director at Lehman Brothers from 1985 until 1997.

**PROPOSAL 2: RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP AS INFINITY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE 2016 FISCAL YEAR**

The Audit Committee of the Board of Directors has recommended the selection and appointment of Ernst & Young LLP as our independent registered public accounting firm for the year ending December 31, 2016. If the shareholders do not ratify the selection, the Audit Committee may reconsider its selection or decide to continue the engagement of Ernst & Young LLP. Even if the selection is ratified, the Audit Committee may, in its discretion, appoint a different independent registered public accounting firm at any time during the year if the Audit Committee determines a change would be in the best interests of Infinity and the shareholders. Additional information about the Audit Committee and Ernst & Young LLP can be found below in the Audit Committee section of this Proxy Statement.

**The Board recommends you vote**

**FOR**

**ratification of the appointment of Ernst & Young LLP as Infinity's Independent Registered Public Accounting Firm for the 2016 Fiscal Year.**

**PROPOSAL 3: TO APPROVE, ON AN ADVISORY BASIS, THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS**

The Dodd-Frank Wall Street Reform and Consumer Protection Act, enacted in July 2010, requires that we provide our shareholders with the opportunity to vote to approve, on a non-binding, advisory basis, the compensation of our NEOs as disclosed in this Proxy Statement in accordance with the compensation disclosure rules of the Securities and Exchange Commission.

As described in detail below under the heading Compensation Discussion and Analysis, we seek to closely align the interests of our NEOs with the interests of our shareholders. We structure our programs to discourage excessive risk-taking through a balanced use of compensation vehicles and metrics with an overall

goal of delivering sustained long-term shareholder value while aligning our executives' interests with those of our shareholders. Further, our programs require that a substantial portion of each NEO's compensation be contingent on delivering performance results that benefit our shareholders. Our compensation programs are designed to reward our NEOs for the achievement of short-term and long-term strategic and operational goals and the achievement of increased total shareholder return.

The vote on this matter is not intended to address any specific element of compensation; rather, the vote relates to the compensation of our NEOs, as described in this Proxy Statement in accordance with the compensation disclosure rules of the Securities and Exchange Commission. The vote is advisory, which means that the vote is not binding on the Company, our Board, or the Compensation Committee. The Board and the Compensation Committee will review and consider the voting results when making future decisions regarding our executive compensation program.

Accordingly, we ask our shareholders to approve, on an advisory basis, the compensation of our NEOs, as disclosed in this Proxy Statement, pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the Summary Compensation Table, and the other related tables and disclosures.

**The Board recommends you vote**

**FOR**

**approval of the compensation of our named executive officers as disclosed in this Proxy Statement.**

#### **THE BOARD OF DIRECTORS**

##### **General**

Infinity is an Ohio corporation and, therefore, is governed by the corporate laws of Ohio. Because our stock is publicly traded on the NASDAQ Global Select Market and we file reports with the Securities and Exchange Commission, we are also subject to NASDAQ rules as well as various provisions of federal securities laws.

Governance of the corporation is placed in the hands of the directors who, in turn, elect officers to manage the business operations. The Board of Directors oversees the management of Infinity on your behalf. It reviews Infinity's long-term strategic plans and exercises direct decision making authority in all major decisions, such as acquisitions, the declaration of dividends, and undertaking major capital and financing initiatives.

The full Board of Directors met five times during 2015. During 2015, each incumbent director attended at least 75% of the total number of meetings held by the Board and by the Committees on which the director served. The independent members of the Board met three times in 2015 without the presence of management directors.

Our policy is that all directors are expected to attend the annual meetings of shareholders. All directors, who were serving in such capacity at the time, attended the 2015 Annual Meeting of Shareholders.

##### **Leadership Structure**

Our Board of Directors has chosen not to separate the roles of Chairman and Chief Executive Officer (CEO) but has utilized a lead director (the Lead Director) since 2004. On May 19, 2015, the independent directors re-appointed Drayton Nabers, Jr. to serve as the Lead Director and to preside at all Board and Executive Committee meetings until the next annual meeting of shareholders and until his successor is appointed. Our Board, acting through its Nominating and Corporate Governance Committee, has determined, at this time, to continue to utilize a leadership structure that combines the roles of Chairman and CEO based upon the following:

The Company maintains a strong and independent Lead Director, as evidenced by the following:

The Lead Director reviews and approves the agendas for Board meetings.

The Lead Director frequently meets with the independent directors outside of the presence of management in executive sessions of Board meetings and, less formally, on the evening preceding Board meetings.

The Board has established a practice of naming the Lead Director as Chair of the Nominating and Corporate Governance Committee.

The current Lead Director has prior experience serving as Chairman of a publicly-traded insurance company and is therefore able to act as a strong, independent voice for the independent directors.

The current Lead Director resides in Birmingham and is able to meet, in person, with management and serve as a liaison between management and the independent directors in between meetings of the Board.

Our Board believes that an active, independent Lead Director can be just as effective in implementing the corporate governance objectives designed to be achieved by separating the roles of Chairman and CEO.

The last seven directors nominated to our Board (including Messrs. Adamo and Weidner) were nominated based upon the recommendation of an independent director, not the CEO or any other employee director, and none of the current independent directors were nominated based upon the recommendation of the CEO or any other employee, which indicates a lack of Board capture by the CEO.

#### **Risk Oversight**

The Company's management, including and under the supervision of the CEO, has the primary responsibility for managing risks to the Company, subject to Board oversight. The Board has delegated certain of its risk oversight responsibilities to various Board committees. Specifically, the Board has assigned oversight of the Company's risk management policies and procedures for risks associated with the Company's investment portfolio to the Investment Committee and for risks associated with the Company's compensation policies and practices to the Compensation Committee. The Board has delegated to the Audit Committee the responsibility for oversight of the Company's risk management policies and procedures, except to the extent that such responsibility is delegated to the Investment or Compensation Committee or otherwise retained by the Board. All Board committees regularly report to the Board regarding matters considered and actions taken at committee meetings. Nevertheless, the Board believes that responsibility for oversight of the Company's risk management efforts ultimately resides with the entire Board. As such, in 2015, the Board reviewed and discussed the Company's risk management policies and procedures and its risk appetite and tolerance thresholds as part of a strategic planning session between the Board and senior management.

On an annual basis, the Company conducts enterprise risk assessments to identify, monitor, and assess risk exposures. Such assessments may include formal surveys, one-on-one or group discussions, and other methods of gathering and analyzing information regarding current and emerging risks to the Company. Participants in these assessments generally include the Company's NEOs, Board members, and certain senior managers and professionals in key departments. The Company uses the information gathered from these assessments in (i) its strategic planning process, (ii) identifying the most critical risks facing the Company, and (iii) its efforts to assess and monitor and to mitigate, control, or avoid such risks.

The Company's Risk Management Committee (the Risk Committee), established in 2010 and consisting of the Chief Financial Officer, General Counsel, and other members from the Company's operational, information technology, legal, accounting, and finance departments, continues to consider output from historical survey results along with updated risk information to further expound the meaning, measure, and correlation of various risks. During 2015, the Risk Committee periodically provided the Audit Committee and the Board with its findings related to the Company's risk oversight function and, as necessary, management's plans to maintain the Company's risk within the risk tolerance thresholds established by the Board.



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**THE COMMITTEES OF THE BOARD OF DIRECTORS**

The directors have organized themselves into the Nominating and Corporate Governance Committee, Audit Committee, Investment Committee, Executive Committee, and Compensation Committee. Except for the Executive Committee, each of these Committees is composed exclusively of Non-Employee Directors that meet the relevant independence requirements established by the NASDAQ Listing Rules, the Sarbanes-Oxley Act, and Securities Exchange Act Rule 10A-3 that apply to their particular assignments. Our Board has determined that all nominees for election to the Board, with the exception of Mr. Gober, meet the independence standards of NASDAQ Listing Rule 5605. Each committee is governed by a charter and each committee's charter is available under the Investor Relations section of our website located at [www.infinityauto.com](http://www.infinityauto.com). Our Board has adopted a Code of Ethics, which is available under the Investor Relations section of our website located at [www.infinityauto.com](http://www.infinityauto.com) and which applies to all directors, executive officers, and employees of the Company. A copy of the Code of Ethics will also be provided without charge upon written request sent to our Corporate Secretary at the address shown on the cover page of this Proxy Statement. To the extent permitted by NASDAQ Listing Rule 5610, any amendments to or waivers from the Code of Ethics will be posted on our website within four business days after the date of an amendment. Any amendments to or waivers from the Code of Ethics may be disclosed on Form 8-K filed with the SEC either in addition to or in lieu of the website disclosure.

Our Board has adopted a process to facilitate written communications by shareholders to the Board. Shareholders who wish to write to the Board or a specified director or committee of the Board should send correspondence to the Corporate Secretary at 3700 Colonnade Parkway, Suite 600, Birmingham, Alabama 35243. All communications received from shareholders are screened by the Corporate Secretary and, other than trivial or inappropriate items, are forwarded to the full Board, or to a specific Board member or committee if designated by the shareholder. Trivial items will be delivered to the Board at its next scheduled meeting. Anyone who wishes to communicate with a specific Board or committee member should send instructions asking that the submitted communication be forwarded to the director or to the appropriate committee chair.

**NOMINATING AND CORPORATE GOVERNANCE COMMITTEE**

The Nominating and Corporate Governance Committee is composed of Drayton Nabers, Jr. (Chair), Angela Brock-Kyle, Harold E. Layman, and Samuel J. Weinhoff and met two times during 2015. Our Board of Directors has established a charter for the Nominating and Corporate Governance Committee, which is available under the Investor Relations section of our website located at [www.infinityauto.com](http://www.infinityauto.com) and is reviewed annually by the Nominating and Corporate Governance Committee. Under the terms of its charter, the Nominating and Corporate Governance Committee is responsible for considering and making recommendations concerning the composition, function, and needs of the Board and reviewing, evaluating, and developing corporate governance guidelines. In fulfilling its duties, the Nominating and Corporate Governance Committee, among other things, shall:

identify individuals qualified to be Board members consistent with criteria established by the Board;

lead all performance evaluations of the Board or of any Board committee;

recommend nominees to the Board for the next annual meeting of shareholders;

review the structure of the Board and its committees;

review each non-employee director's relationships with the Company and recommend to the Board which directors should qualify as independent under applicable SEC and NASDAQ rules;

consider matters of corporate governance and establish and review the Corporate Governance Guidelines implemented by the Board;

consider issues involving possible conflicts of interest of Board members or the Company's senior executives;

review and establish all matters pertaining to compensation, benefits, fees, and retainers paid to directors; and

consider and review on an annual basis the succession plans for the Company's NEOs, with the succession planning for the CEO to be considered in conjunction with the Board.

Directors, members of management, shareholders, or industry, or professional organizations may suggest nominees. The Nominating and Corporate Governance Committee is also able to use the services of a third-party executive search firm to assist it in identifying and evaluating possible nominees for director.

In identifying and considering candidates for nomination to our Board, whether recommended by officers, directors, shareholders, or others, the Nominating and Corporate Governance Committee considers, in addition to the requirements set out in the Nominating and Corporate Governance Committee charter, the needs of Infinity, the range of talent and experience represented on the Board, and the personal qualities of a candidate that might contribute to the overall diversity of the Board. The Nominating and Corporate Governance Committee also evaluates the ability of a nominee to devote the time and attention necessary to fulfill his or her responsibilities. Shareholders desiring to submit recommendations for nominations by the Nominating and Corporate Governance Committee to the Board should direct them to the Corporate Secretary at the address shown on the cover page of this Proxy Statement.

Following the passing of one of our directors in March 2015 and upon the recommendation of Mr. Starnes, the Nominating and Corporate Governance Committee considered James L. Weidner as a potential candidate for the Board. On July 31, 2015, the Board acted to expand the size of our Board from eight to nine directors and elected Mr. Weidner to fill the newly created vacancy effective as of August 4, 2015. Upon the recommendation of Messrs. Nabers and Weidner, the Nominating and Corporate Governance Committee considered Victor T. Adamo as a potential candidate for the Board. The Nominating and Corporate Governance Committee recommended at its February 23, 2016 meeting that the Board nominate Mr. Adamo for election and the current directors for re-election to the Board; however, Mr. Nabers had announced his intent to retire from the Board and consequently declined to stand for re-election. The Nominating and Corporate Governance Committee considered the experience, qualifications, attributes and skills, as set forth below, of each such director and nominee in recommending the nominees to serve on the Board of Directors.

<b>Nominee</b>	<b>Specific Experience, Qualifications, Attributes, and Skills</b>
Victor T. Adamo	This director was nominated to stand for election to the Board because of i) his managerial expertise gained through his service as a senior executive, including as President and as CEO and President, respectively, of two publicly-traded property and casualty insurance companies, ii) his knowledge of the property and casualty insurance industry, including personal auto insurance, iii) his experience in legal, regulatory, and compliance matters gained through the practice of law and implementation of enterprise risk management and compliance initiatives, and iv) his experience serving on the board of directors of publicly-traded companies, including companies in the insurance services industry.
Angela Brock-Kyle	This director was nominated to stand for re-election to the Board because of i) her knowledge of the financial markets and investment community, including her experience of managing multi-billion dollar investment portfolios and of developing and implementing risk management strategies and procedures, ii) her knowledge and experience gained through serving on the Board of Directors of non-profit institutions, and iii) her knowledge of the Company gained through her tenure on its Board of Directors.
Teresa A. Canida	This director was nominated to stand for re-election to the Board because of i) her knowledge of the financial markets and investment community, including her experience serving as President and managing principal of an investment advisory firm, ii) her entrepreneurial skills established through co-founding a multi-billion dollar investment advisory firm, iii) her knowledge and understanding of the Company's core Hispanic customer base, and iv) her knowledge of the Company gained through her tenure on its Board of Directors.

Nominee	Specific Experience, Qualifications, Attributes, and Skills
James R. Gober	This director was nominated to stand for re-election to the Board because of i) his position as Chairman, CEO and President of Infinity and the Board's belief about the appropriateness of combining the roles of Chairman and CEO, ii) his extensive knowledge and understanding of all facets of Infinity's operations and its personnel gained through his current position and his service with the Company (and its predecessor companies) in various capacities over several decades, iii) his managerial expertise demonstrated through the financial performance of the Company during his tenure, and iv) his extensive knowledge of and experience in the insurance industry.
Harold E. Layman	This director was nominated to stand for re-election to the Board because of i) his managerial expertise gained through his service as Chairman and CEO of a publicly-traded company, ii) his knowledge of and experience in matters of corporate finance and corporate consolidations, and iii) his experience serving as a director of several publicly-traded companies, including Infinity, and serving on the audit and compensation committees of other such companies' boards.
E. Robert Meaney	This director was nominated to stand for re-election to the Board because of i) his managerial expertise gained through his service as a senior executive and as President of the international operations of a large, publicly-traded, multinational company, ii) his knowledge and experience in matters of corporate governance, government affairs, and compliance gained through his service as Corporate Secretary with supervisory responsibility for the legal department of a large, publicly-traded, multinational company, and iii) his knowledge of the Company gained through his tenure on its Board of Directors.
William Stancil Starnes	This director was nominated to stand for re-election to the Board because of i) his managerial expertise gained through his service as Chairman and CEO of a publicly-traded property and casualty insurance company, as the senior managing partner of a Birmingham-based law firm, and as the President of Administration and Planning for a general contracting and construction management firm, ii) his knowledge of the property and casualty insurance industry, including his experience as an attorney representing insurance companies, and iii) his experience serving on the board of directors of several publicly-traded companies, including Infinity and other companies in the financial services industry.
James L. Weidner	This director was nominated to stand for re-election to the Board because of i) his managerial expertise gained through his service as CEO of a large Medical Professional Liability Trust and Insurance Company, ii) his knowledge of the property and casualty insurance industry, including his experience with three major insurance companies serving in such roles as Claim Director, General Manager and Regional SVP, and as an industry consultant, and iii) his knowledge of the company gained through his tenure on its Board of Directors.
Samuel J. Weinhoff	This director was nominated to stand for re-election to the Board because of i) his knowledge of the property and casualty insurance industry gained through his experience as a reinsurance underwriter, a buy and sell side equity research analyst and an insurance industry consultant, ii) his knowledge of the financial markets, investment community, and financial services industry gained from his service as a managing director with two different investment banks, and iii) his experience serving on the board of directors of several publicly-traded companies, including Infinity and other companies in the financial services industry.

**AUDIT COMMITTEE****General**

The Audit Committee is composed of Samuel J. Weinhoff (Chair), Angela Brock-Kyle, Harold E. Layman, E. Robert Meaney, William Stancil Starnes, and James L. Weidner and met four times during 2015. Each member of the Audit Committee meets the financial literacy requirements under the NASDAQ Listing Rules. The Board has determined that Mr. Weinhoff is an audit committee financial expert. The Board based this determination upon Mr. Weinhoff's previous work experience, which has included preparing GAAP and statutory basis financial statements for a large property and casualty insurer, serving as an insurance industry analyst at a major investment bank, serving as an investment banker in the insurance industry, and teaching statutory accounting classes. All members of the Audit Committee are independent as that term is used in the NASDAQ Listing Rules and under Rule 10A-3 of the Securities Exchange Act of 1934.

Our Board of Directors has established a charter for the Audit Committee, which is available under the Investor Relations section of our website located at [www.infinityauto.com](http://www.infinityauto.com) and is reviewed annually by the Audit Committee.

The Audit Committee oversees our accounting and financial reporting processes and audits of our financial statements by our independent registered public accounting firm (the Independent Auditor). The Audit Committee is responsible for the appointment, compensation, retention, and oversight of our Independent Auditor. The Audit Committee also evaluates information received from the Independent Auditor and management to determine whether the Independent Auditor is independent of management. The Independent Auditor reports directly to the Audit Committee. Ernst & Young was the Independent Auditor retained by the Audit Committee for the 2015 fiscal year. Representatives from Ernst & Young will attend the 2016 Annual Meeting of Shareholders, have an opportunity to make a statement, and be available to respond to appropriate questions.

The Audit Committee has established procedures for the receipt, retention, and treatment of complaints received by Infinity concerning accounting, internal accounting controls, or auditing matters, and has established procedures for the confidential and anonymous submission by employees of any concerns they may have regarding questionable accounting or auditing matters.

**FEES PAID TO INDEPENDENT AUDITOR**

The Audit Committee approved all of the fees provided below. Aggregate fees billed by Ernst & Young for the fiscal years ended December 31, 2015 and December 31, 2014 were:

	2015	2014
Audit Fees	\$ 1,430,728	\$ 1,399,200
Audit-Related Fees	0	0
Tax Fees	0	0
All Other Fees	0	0
	<b>\$ 1,430,728</b>	<b>\$ 1,399,200</b>

**PRE-APPROVAL OF AUDIT AND NON-AUDIT SERVICES**

The Audit Committee, or its Chair, pre-approves all audit and non-audit services (including the fees and terms of the services) performed by our Independent Auditor prior to the commencement of such services. The Chair reports to the full Audit Committee at each of its meetings, and the Audit Committee considers and ratifies, where appropriate, those items that the Chair properly authorized between meetings. For these purposes, the Audit Committee or its Chair is provided with information as to the nature, extent, and purpose of each proposed service, as well as the approximate timeframe and proposed cost arrangements for that service. No non-audit services were performed by our Independent Auditor during 2015 or 2014.

The Audit Committee has submitted the following report to shareholders:

**REPORT OF THE AUDIT COMMITTEE**

On February 24, 2015, the Audit Committee retained Ernst & Young as Infinity's independent public accounting firm for fiscal year 2015. At its meeting on February 23, 2016, the Audit Committee reviewed and discussed with management and Ernst & Young the results of the 2015 audit, including the audited financial statements and the assessment of the effectiveness of internal controls. The Audit Committee discussed with Ernst & Young the matters that are required to be discussed by Statement on Auditing Standards No. 61, as amended (AICPA, Professional Standards, Vol. 1. AU § 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T. Ernst & Young provided the Audit Committee with the written disclosures and the letter required by the applicable requirements of the Public Company Accounting Oversight Board regarding Ernst & Young's communications with the Audit Committee concerning independence. The Audit Committee discussed with Ernst & Young that firm's independence and determined that Ernst & Young was independent.

Based upon the review and discussions referred to above, the Audit Committee recommended to the Board of Directors that Infinity's audited financial statements for the year ended December 31, 2015 be included in its Annual Report on Form 10-K for filing with the Securities and Exchange Commission.

Respectfully submitted,

Audit Committee

Samuel J. Weinhoff (Chair)

Angela Brock-Kyle

Harold E. Layman

E. Robert Meaney

William Stancil Starnes

James L. Weidner

**INVESTMENT COMMITTEE**

The Investment Committee is composed of Teresa A. Canida (Chair), E. Robert Meaney, Drayton Nabers, Jr., and James L. Weidner and met five times during 2015. Our Board of Directors has established a charter for the Investment Committee, which is available under the Investor Relations section of our website located at [www.infinityauto.com](http://www.infinityauto.com). The purpose of the Investment Committee is to assist the Board in monitoring, evaluating, and overseeing the investment policy, strategies, transactions, and performance of the Company and its subsidiaries. The Investment Committee is responsible for reviewing and approving the Company's investment policy. The Company's investment policy contains guidelines, objectives, and standards designed to mitigate market, credit, and liquidity risks through the establishment of parameters designed to achieve diversification of the Company's fixed income investments. The Company's investment policy also establishes a benchmark index against which the performance of its investment managers is assessed. The Investment Committee is, and pursuant to its charter is required to be, composed of at least three directors that all satisfy the independence requirements established by the NASDAQ Listing Rules.

**EXECUTIVE COMMITTEE**

The Executive Committee is composed of James R. Gober (Chair), Drayton Nabers, Jr., William Stancil Starnes, and Samuel J. Weinhoff and did not meet in 2015. The Executive Committee has the authority to exercise the power and authority of the Board of Directors between meetings of the Board, subject to any limitation imposed by law, the Amended and Restated Articles of Incorporation, the Code of Regulations, or any resolution of our Board. On an emergency basis, the Executive Committee has the authority to appoint an interim CEO pending appointment of a permanent or successor interim CEO by the full Board. Our Board of Directors has established a charter for the Executive Committee, which is available under the Investor Relations section of our website located at [www.infinityauto.com](http://www.infinityauto.com).

**COMPENSATION COMMITTEE**

The Compensation Committee is composed of Harold E. Layman (Chair), Teresa A. Canida, and William Stancil Starnes and met two times during 2015. Our Board has established a charter for our Compensation Committee, which is available under the Investor Relations section of our website at [www.infinityauto.com](http://www.infinityauto.com) and is reviewed annually by our Compensation Committee.

**Compensation Committee Interlocks and Insider Participation**

No member of the Compensation Committee was an officer or employee of the Company during the year ended December 31, 2015 or at any other time prior to that year nor has any member of the Compensation Committee been an officer of the Company or had any relationship requiring disclosure by the Company under Item 404 of Regulation S-K.

**EXECUTIVE COMPENSATION**

**COMPENSATION DISCUSSION AND ANALYSIS**

The Compensation Committee is responsible for establishing the Company's executive compensation philosophy and the level of compensation of our NEOs. Except as otherwise noted, all references to NEOs include the following:

For periods and actions on or prior to August 31, 2015:

James R. Gober, Chairman, CEO, and President;