

EBIX INC  
Form 10-K/A  
April 30, 2019

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K/A

(Amendment No. 1)

ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2018

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 0-15946

Ebix, Inc.

(Exact name of registrant as specified in its charter)

Delaware

77-0021975

(State or other jurisdiction of incorporation) (I.R.S. Employer Identification Number)

1 Ebix Way

Johns Creek, Georgia

30097

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (678) 281-2020

Securities registered pursuant to Section 12(b) of the Act:

None

Securities registered pursuant to Section 12(g) of the Act:

Title of each class

Common Stock, par value \$0.10 per share

Listed on the Nasdaq Global Capital Market

Indicate by check mark whether the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark whether the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company   
 (Do not check if a smaller reporting company)   
Emerging growth company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

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 13(a) of the Exchange Act.

As of April 25, 2019, the number of shares of Common Stock outstanding was 30,649,435. As of June 30, 2018 (the last business day of the registrant’s most recently completed second fiscal quarter), the aggregate market value of Common Stock held by non-affiliates, based upon the last sale price of the shares as reported on the Nasdaq Global Capital Market on such date, was approximately \$1.81 billion (for this purpose, the Company has assumed that directors, executive officers and holders of more than 10% of the Company’s common stock are affiliates).

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EXPLANATORY NOTE

On March 1, 2019, Ebix, Inc. (the “Company”) filed its Annual Report on Form 10-K for the fiscal year ended December 31, 2018 (the “Original Form 10-K”). This Amendment No. 1 (the “Amendment”) amends Part III, Items 10 through 14 of the Original Form 10-K to include information previously omitted from the Original Form 10-K in reliance on General Instruction G(3) to Form 10-K. General Instruction G(3) to Form 10-K provides that registrants may incorporate by reference certain information from a definitive proxy statement which involves the election of directors if such definitive proxy statement is filed with the Securities and Exchange Commission within 120 days after the end of the fiscal year. The Company does not anticipate that its definitive proxy statement involving the election of directors will be filed before April 30, 2019 (i.e., within 120 days after the end of the Company’s 2018 fiscal year). Accordingly, Part III of the Original Form 10-K is hereby amended and restated as set forth below. The information included herein as required by Part III, Items 10 through 14 of Form 10-K is more limited than what is required to be included in the definitive proxy statement to be filed in connection with our annual meeting of stockholders. Accordingly, the definitive proxy statement to be filed at a later date will include additional information related to the topics herein and additional information not required by Part III, Items 10 through 14 of Form 10-K.

In addition, in connection with the filing of this Form 10-K/A and pursuant to Rule 12b-15 under the Securities Exchange Act of 1934, we are including certain currently dated officer certifications.

The remainder of our Annual Report on Form 10-K for the year ended December 31, 2018, filed with the Commission on March 1, 2019, remains the same.



## PART III

### Item 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

#### Directors

The following is certain information about each of the members of our current Board of Directors:

ROBIN RAINA, 52, has been a director at Ebix since 2000 and Chairman of the Board at Ebix since May 2002. Mr. Raina joined Ebix in October 1997 as our Vice President-Professional Services and was promoted to Senior Vice President-Sales and Marketing in February 1998. Mr. Raina was promoted to Executive Vice President, Chief Operating Officer in December 1998. Mr. Raina was appointed President effective August 2, 1999, Chief Executive Officer effective September 23, 1999 and Chairman in May 2002. Mr. Raina holds an industrial engineering degree from Thapar University in Punjab, India

Areas of Relevant Experience. Mr. Raina's strategic direction for the Company and implementation of such direction has proven instrumental for the Company's turnaround and growth.

HANS U. BENZ, 73, has been a director at Ebix since 2005. From 2001 to 2005 Mr. Benz was President of the holding of the BISON GROUP, a Swiss corporation that develops and implements process-oriented business solution software in Europe. Prior to this position and from 1995 to 2001 he was President of a Swiss banking software development company belonging to the UBS Group. Previously Mr. Benz was with the private bank of Coutts & Co., Zürich as Senior Vice President and was also head of their global IT organization as a part of their larger worldwide NatWest IT organization.

Areas of Relevant Experience. Mr. Benz's former business experience extends from wholesale and retail industry to the Swiss private insurance industry as founding partner in a national data center. He has extensive experience in the software ERP and finance sectors, international marketing, strategic planning, IT planning, executive compensation, and defining strategic vision.

PAVAN BHALLA, 56, has been a director since June 2004. He is currently the Executive Vice President - Global Service Operations for Aon Hewitt, and is based in Atlanta, Georgia. He has held this position since March 2015. Previously and since September 2011, Mr. Bhalla was Executive Vice President and India Managing Director at Aon Hewitt. Prior to this role, he was the Executive Vice President, Chief Financial Officer and Treasurer of Harris Interactive Inc., a position he held since October 2010. Prior to that, Mr. Bhalla served as Vice President for Hewitt Associates, and had been in this role since August 2006. Prior to his recent roles at Hewitt Associates and Harris Interactive, Mr. Bhalla served as the Senior Vice President-Finance of MCI Inc., a global telecommunications company, and supervised the financial management of MCI's domestic business units. Prior to joining MCI in August 2003, Mr. Bhalla spent more than seven years with BellSouth Corporation, a telecommunications company, serving in a variety of executive positions, including Chief Financial Officer of BellSouth Long Distance from 1999 to 2002 and Corporate Controller of BellSouth Cellular Corp. from 1997 to 1999. Mr. Bhalla holds a master's degree in business administration from the University of Chicago's Booth School of Business.

Areas of Relevant Experience. Mr. Bhalla has extensive hands-on relevant experience in corporate finance and international business transactions. His extensive accounting and financial background qualifies him as an audit committee financial expert under applicable SEC and the Nasdaq Stock Market Marketplace Rules (the "Nasdaq

Marketplace Rules”).

NEIL D. ECKERT, 56, has been a director since 2005. Until April 2005, he served as Chief Executive Officer of Brit and had been such since 1999. In 1995, he co-founded Brit as a listed investment trust company. In 2005, Mr. Eckert founded Climate Exchange PLC and was Chief Executive Officer until 2010 when the company was sold to InterContinental Exchange Inc. Mr. Eckert is Chairman of Micro Power Ltd, a business that specializes in developing and investing in small-scale alternative energy projects and technologies. He is a director of Evofem Inc. and is Non-Executive Chairman of Design Technology and Innovation Limited, a patenting and intellectual property company. He also served as a Non-Executive Director of Arthur J Gallagher (UK) Ltd until September 2015.

Areas of Relevant Experience. Mr. Eckert has an extensive background with experience of operating as the CEO of two different public companies and has executive experience in strategic planning, hands-on understanding of insurance industry, sales and marketing, corporate finance, executive compensation and international matters.

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GEORGE W. HEBARD III, 45, has been a director since March 2015. Mr. Hebard was nominated pursuant to the Director Nomination Agreement. Mr. Hebard has served as a Managing Director of Barington Capital Group, a New York investment firm, since January 2014. Mr. Hebard also serves as Interim Principal Executive Officer and Interim Chief Operating Officer of Enzon Pharmaceuticals, Inc., a position he held as an employee from May 2012 to December 2013 and as a consultant since January 2014. From September 2011 to April 2012, Mr. Hebard was a Managing Director at Icahn Capital LP, the entity through which Carl C. Icahn manages investment funds. Prior to joining Icahn Capital, from January 2005 to September 2011, Mr. Hebard served as a Managing Director at Blue Harbour Group, an investment firm in Greenwich, Connecticut. Prior to Blue Harbour Group, Mr. Hebard served as a Managing Director at Ranger Partners from April 2002 to December 2003, and prior to Ranger Partners, Mr. Hebard was an Associate at Icahn Associates Corp. from August 1998 to April 2002. Mr. Hebard has been a director of Turning Point Brands, Inc. since May 2014 and is currently a member of its audit committee and is the chairman of its nominating and governance committee. Mr. Hebard was also a director of Enzon Pharmaceuticals, Inc. (Nasdaq: ENZN) from February 2012 to November 2013. He has an MBA from INSEAD and an A.B. in Economics from Princeton University.

Areas of Relevant Experience. Mr. Hebard has extensive experience in managing companies with respect to their investments, capital structure, organization restructuring and governance.

ROLF HERTER, 55, has been a director since 2005. Mr. Herter is the managing partner of Streichenberg, Attorneys at Law in Zurich, Switzerland. Streichenberg is a mid-sized commercial law firm, and Mr. Herter has been managing partner since 2004. Mr. Herter's practice consists, among others, of representation for information technology companies, both private and publicly held. He has served on the board of directors of several companies and is currently serving as a member of the board of directors of IC Company's Switzerland AG and Roccam Rocca Asset Management AG. He also serves as a supervisor of investments for several Swiss and German companies. Mr. Herter's law firm, Streichenberg, represents and Mr. Herter is a director of, the Rennes Foundation, a holder of 10.9% of Ebix's outstanding common stock.

Areas of Relevant Experience. Mr. Herter has extensive experience in the legal sector with expertise in managing multiple companies in terms of investments, capital structure, organization restructuring and governance, and with an expertise in European affairs.

HANS UELI KELLER, 66, has been a director since 2004. Mr. Keller has spent over 20 years with Zurich-based Credit Suisse, a global financial services company, serving as Executive Board Member from 1997 to 2000, head of retail banking from 1993 to 1996, and head of marketing from 1985 to 1992. He is presently also serving as a member of the Board of Engel & Voelkers Commercial, Switzerland, a commercial real estate broker company. He serves as chairman of the board of Helvetica Property Investors AF, Zurich, a real estate fund and asset management company.

Areas of Relevant Experience. Mr. Keller has extensive executive experience in sales and marketing, corporate finance, strategic planning, executive compensation, and international distribution.

JOSEPH R. WRIGHT, JR., 80, has been a director since January 2015. Mr. Wright was nominated pursuant to the Director Nomination Agreement. Mr. Wright serves as Chairman of Tempus Applied Solutions Holding, Inc., Senior Advisor to the Chart Group and Comvest Group and Chairman of the Investment Committee of ClearSky Fund. Mr. Wright is currently on the Boards of Cowen Group Inc., Adayana and Priority Holdings. Previously, he served as Chairman of Intelsat, CEO of PanAmSat, Chairman of GRC International, Executive Chairman of MTN Satellite Communications and CEO of Scientific Games Corporation, all who provided communication and other services to governments around the world. He was also Co-Chairman of Baker & Taylor Holdings and EVP/Vice Chairman of W.R. Grace & Company and Senior Advisor of Providence Equity LLC. In the 1980s, he served as Deputy Director

and Director of the United States Office of Management and Budget under President Ronald Reagan, serving in the Cabinet and Executive Office of the President from 1982 to 1989. From 1981 to 1982, he served as Deputy Secretary of the United States Department of Commerce and later on the President's Export Council as Chairman of the Export Control Subcommittee. He also served on President Obama's Defense Business Board.

Areas of Relevant Experience. Mr. Wright has extensive experience in leading businesses, having served as the Chief Executive Officer, Chairman or as a board member of numerous companies, as well as extensive commercial and governmental experience.

#### Executive Officers

We have five executive officers: Robin Raina, Sean T. Donaghy, Graham Prior, Leon d'Apice and James Senge, Sr. Information as to Mr. Raina is provided above.

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SEAN T. DONAGHY, 53, joined Ebix on September 15, 2006 as a Controller and in April 2014 he was named Chief Accounting Officer. Effective January 3, 2017 Mr. Donaghy was appointed as the Company's Chief Financial Officer. Mr. Donaghy has over 28 years of accounting experience, including 23 years in a management capacity and 18 years of financial reporting for public software companies.

GRAHAM PRIOR, 62, serves as Corporate Executive Vice President International Business & Intellectual Property. Mr. Prior has been employed by Ebix since 1996 when the Company acquired Complete Broking Systems Ltd., for which Mr. Prior was a part owner. Mr. Prior has been working within the insurance technology industry since 1990 and is currently responsible for the Company's international operations in Singapore, New Zealand, Australia, Europe, Africa and Asia. Mr. Prior is also responsible for the company's worldwide product development initiatives. Mr. Prior is a chartered accountant and holds a Bachelor of Commerce and Administration degree from Victoria University, Wellington, New Zealand.

LEON d'APICE, 62, serves as the Company's Executive Vice President and Managing Director - Ebix Australia Group Head. Mr. d'Apice has been employed with Ebix since 1996 when the Company acquired Complete Broking Systems Ltd. for which Mr. d'Apice was also a part owner. Mr. d'Apice has been in the information technology field since 1977 and is currently responsible for all of the operations of Ebix's Australian business units. Mr. d'Apice holds a Bachelor of Commerce degree with a major in Accounting and Financial Management from the University of New South Wales, Australia.

JAMES SENGE, SR., 58, serves as the Company's Senior Vice President EbixHealth. Mr. Senge has been employed with Ebix (as a result of the business acquisition of Acclamation Systems, Inc. in 2008) since 1979. During his over 32 years with Acclamation/Ebix, Mr. Senge has been involved with all facets of the EbixHealth division, including being responsible for the strategic direction and day-to-day operations of the divisions. Mr. Senge's focus is on expanding the Company's reach into the on-demand, end-to-end technology solutions for the health insurance and healthcare markets. Mr. Senge works from Ebix's Pittsburgh, Pennsylvania office.

#### Corporate Governance

The following table lists our three board committees, the directors who served on them as of the end of 2018 and the number of committee meetings held in 2018.

Name	Audit	Compensation	Corporate Governance and Nominating
Mr. Bhalla	C		
Mr. Benz	•	•	
Mr. Eckert			C
Mr. Herter			•
Mr. Keller	•	C	
Mr. Raina			
Mr. Wright			•
Mr. Hebard			
2018 Meetings	5	8	2

On February 20, 2015, the Board appointed Hans Ueli Keller as Lead Independent Director. As Lead Independent Director, Mr. Keller's responsibilities include, but are not limited to: (i) coordinating the activities of the independent directors; (ii) setting the agenda for board meetings in conjunction with the CEO and corporate secretary; (iii) chairing executive sessions of the independent directors; and (iv) performing such other duties as are assigned from time to time by the board.

It is the Company's policy that directors should attend each meeting of the Board of Directors and each meeting of the committees on which they serve. During 2017 the Company's full Board of Directors met four times, with three of the meetings being in person and one of the meetings being conducted over telephonic conference calls. Each member of the Board of Directors attended all of the regular meetings of the Board and the Board committees on which the director served and for which they were eligible to participate. In addition to participation at Board and committee meetings, our directors discharge their responsibilities

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throughout the year through personal meetings and other communications, including considerable telephone contact with the Chairman and Chief Executive Officer and sometimes with others pertinent members of management regarding matters of interest and concern to the Company.

Effective January 9, 2015, the Company amended its bylaws in a way that changed the procedures by which security holders may recommend nominees to the Company's Board of Directors. Section 3.10 of the Amended and Restated Bylaws creates certain advance notice requirements for stockholder nominations of directors at both annual and special meetings. To be timely, a director nomination by a stockholder for an annual meeting must be submitted not less than 90 nor more than 120 days before the anniversary date of the immediately preceding annual meeting. In the case of a nomination at a special meeting, notice of such nomination must be given within 10 days that notice of such meeting was provided or made public.

In addition, Section 3.10 requires disclosures relating to the nominees and their relationships with stockholders proposing their nomination. Among other things, Section 3.10 requires a proposed nominee to: (1) represent and promise that the nominee is not, nor will become, party to any understanding with another person (a) to vote or act as a Director in a certain manner or (b) concerning compensation, reimbursement or indemnification without disclosure to the Company; and (2) represent that, if elected to the Board, such nominee would comply with Regulation FD and Company governance, trading, ethics, stock ownership and other policies.

Section 3.10 also requires disclosures similar to a stockholder proposing business for an annual meeting. In addition, a proposing stockholder, including its affiliates, must disclose all agreements or other understandings with a director nominee it has proposed, as well as any other material interest involved in such nomination.

#### Code of Conduct and Ethics

The Board has adopted the Code of Conduct and Ethics (the "Code of Ethics"), which applies to the senior financial officers (the "Senior Financial Officers") of the Company and its subsidiaries, including its principal executive officer, principal financial officer and principal accounting officer. Our Board also has adopted a Code of Conduct, articulating standards of business and professional ethics, which is applicable to all of our directors, officers and employees. The Company is committed to the highest standards of professional and ethical conduct, and the Code of Ethics and Code of Conduct provide guidance as to upholding these standards.

The Code of Ethics consists of basic standards of business practice, as well as professional and personal conduct, including prohibitions against any conduct or transactions that might constitute a conflict of interest between the Senior Financial Officers and the Company. Any action that might constitute a conflict of interest is reviewed by Company management, and potential conflicts of executive officers or members of the Board are reviewed by the Board.

This Code of Ethics is posted on the Company's website at [www.ebix.com](http://www.ebix.com), where it may be found by navigating to "Ebix Inc. Code of Ethics" under Corporate Governance within the Investor section of the website. Any amendment to or waiver of the Code of Ethics must be approved by the Audit Committee and will be promptly disclosed by the Company. The Company intends to satisfy the disclosure requirement under Form 8-K regarding an amendment to, or waiver from, a provision of the Code of Ethics by posting such information on the Company's website, at the address and location specified above. The Company's Compliance Officer, Sean Donaghy, is charged with monitoring, overseeing and reviewing compliance with the Code of Ethics and Code of Conduct. These codes are reviewed annually and amended as necessary or appropriate in response to changing regulatory requirements and evolving best practices.

Audit Committee and Audit Committee Financial Expert

The Company has a standing Audit Committee. The Audit Committee's principal responsibility is to assist the Board in its general oversight of the Company's financial reporting, internal controls, ethics compliance and audit functions. This committee is directly responsible for the appointment, compensation and oversight of the work of the Company's independent public accounting firm, reviews the annual financial results and the annual audit of the Company's financial statements and approves the inclusion of the audited financial statements in the Company's Annual Report on Form 10-K.

The Audit Committee assists the Board in monitoring: (a) the integrity of our financial statements, (b) the effectiveness of our internal control over financial reporting, (c) the effectiveness of our disclosure controls, (d) the qualifications and independence of our independent registered public accounting firm, (e) the performance of our independent registered public accounting firm, and (f) our compliance with legal and regulatory requirements. The Audit Committee is also responsible for oversight of the Company's major financial risk exposures and the steps management has taken to monitor and control such

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exposures, including the Company's risk assessment and risk management policies. The Audit Committee's charter provides that the Audit Committee review and approve related party transactions and conflicts of interest questions between Board members or senior management, on the one hand, and the Company, on the other hand (as defined and required by applicable securities laws, rules and regulations and the rules of the Nasdaq). The Audit Committee is also responsible for reviewing and monitoring compliance with the Company's Code of Ethics for Senior Financial Officers. In addition, the Audit Committee has established procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, financial reporting, internal accounting controls or auditing matters and the confidential and anonymous submission by Company employees of concerns regarding accounting and auditing matters.

The Audit Committee exercises oversight responsibility regarding the quality and integrity of our auditing and financial reporting practices. In discharging this responsibility, the Audit Committee, among other things, holds the authority to approve or remove the independent registered public accounting firm and to pre-approve the audit and any non-audit service to be provided by the auditors and reviews the results and scope of the annual audit performed by the auditors. The Audit Committee has three members, who currently are Messrs. Bhalla (Chairman), Benz and Keller. After reviewing the qualifications of the current members of the Audit Committee, and any relationships they may have with the Company that might affect their independence from the Company, our Board has determined that: (1) all current members of the Audit Committee are "independent" as that concept is defined in Section 10A of the Securities Exchange Act of 1934, (2) all current members of the Audit Committee are "independent" as that concept is defined in the Nasdaq listing standards, (3) all current members of the Audit Committee are financially literate, and (4) Mr. Bhalla qualifies as an "audit committee financial expert" as defined under SEC rules promulgated under the Sarbanes-Oxley Act of 2002. The Audit Committee met five times during 2018. The Audit Committee exercises its authority pursuant to a written charter that was adopted in October 2004.

#### Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's officers and directors and persons who beneficially own more than ten percent of a registered class of our equity securities to file with the Securities and Exchange Commission reports of securities ownership on Form 3 and changes in such ownership on Forms 4 and 5. Officers, directors and more than ten percent beneficial owners also are required by rules promulgated by the Securities and Exchange Commission to furnish the Company with copies of all such Section 16(a) reports that they file. Based solely upon a review of the copies of Forms 3, 4, and 5 furnished to the Company or representations by certain executive officers and directors that no such reports were required for them, the Company believes that during 2018 all of the Company's directors, officers and more than ten-percent beneficial owners filed all such reports on a timely basis except for Mr. Benz, who filed one Form 4 one day late and one Form 4 two days late; Mr. Bhalla, who filed one Form 4 twenty-seven days late and one Form 4 two days late; Rennes Foundation, which filed one Form 4 four days late; Mr Eckert, Mr. Keller, Mr. Herter, Mr. Wright and Mr. Hebard, who each filed one Form 4 two days late and Mr. d'Apice, who filed one Form 4 sixteen days late and one Form 4 eighteen months late.

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## Item 11. EXECUTIVE COMPENSATION

### Compensation Disclosure and Analysis Objectives and Goals

The objectives of the Compensation Committee have been to adopt a compensation approach that is simple, internally equitable, and externally competitive, and that attracts, motivates, and retains qualified people capable of contributing to the growth, success and profitability of the Company, thereby contributing to long-term stockholder value.

**Simplicity.** The Compensation Committee believes that a compensation package with three major elements of compensation is the simplest approach, consistent with the Company's goals. The Company generally does not utilize special personal perquisites such as private jets, payment of country club dues, Company-furnished motor vehicles, permanent lodging, or defrayment of the cost of personal entertainment.

**Internal Equity.** Internal equity has generally been evaluated based on an assessment of the relative contributions of the members of the management team. In 2017, the Compensation Committee did not undertake any formal audit or similar analysis of compensation equity with respect to either the CEO relative to the other members of the management team or with respect to the management team relative to the Company's employees generally. However, the Compensation Committee believes that the relative difference between CEO compensation and the compensation of the Company's other executives is consistent with such differences found in the Company's insurance services peer group and the market for executive-level personnel for public companies of similar size.

**External Competitiveness.** The Compensation Committee believes it is important to management retention and morale that compensation be competitive with our competitors. In setting annual compensation, the Compensation Committee generally reviews market data and compares total annual compensation opportunities for our executive officers with compensation opportunities for similar positions at comparable companies. Based on this review, the Compensation Committee approves compensation levels and opportunities for our CEO and our other executive officers that the Compensation Committee believes are competitive with the marketplace and provide appropriate retention and incentive value.

### Major Compensation Components

The principal components of compensation for our executive officers are: (i) base salary, (ii) short-term incentives, generally in the form of cash bonus programs, and (iii) long-term incentives, generally in the form of equity-based awards such as stock awards. We believe the Company's goals are best met by utilizing an approach to compensation with these three distinct elements.

**Base Salary.** Base salaries for our executive officers are established based on the scope of their responsibilities, prior relevant background, professional experience, and technical training. Also in this regard, the Compensation Committee takes into account competitive market compensation paid by the companies represented in the compensation data it reviews for similar positions, and the overall market demand for such executives. Although the Company considered the same factors in establishing the base salaries of each of its executive officers, due to the different levels of roles played by each executive, the base salaries are justifiably substantially different.

On August 25, 2016, the Compensation Committee increased the base salary of Mr. Raina, the Company's President and Chief Executive Officer (CEO), from \$1,300,000 to \$2,400,000, in recognition of his leadership and significant contributions to the growth of the Company and the creation of stockholder value. This was the first increase to the

CEO's base salary since 2012. There was no increase in Mr. Raina's base salary in 2018.

Short-term incentives. The stockholders approved a Bonus Plan for Mr. Raina at the 2016 Annual Meeting. The Bonus Plan provides for the payment of annual cash incentive awards to the Company's Chief Executive Officer based upon the achievement by the Company of specified performance goals. The Bonus Plan was intended to preserve the Company's federal income tax deduction for annual incentive payments to the CEO by meeting the requirements for "qualified

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performance-based compensation” under Section 162(m) of the Internal Revenue Code of 1986 as amended (the “Code”) (or any successor provision). However, Section 162(m) of the Code was amended in December 2017 as discussed below. Participation in the Bonus Plan is limited to the CEO of the Company. The Company does not anticipate that compensation paid to any of its other executive officers will be subject to the compensation deduction limits of Section 162(m). The Bonus Plan provides that Mr. Raina is eligible to receive cash incentives in connection with a particular fiscal year during the term of the Bonus Plan if the Company meets or exceeds certain performance goals (“Performance Goals”) set each year by the Compensation Committee. Not later than ninety (90) days after the commencement of any fiscal year during the term of the Bonus Plan (or such other date as may be permitted or required by Section 162(m)), and at a time when the outcome is uncertain, the Compensation Committee will set in writing Performance Goals based on one or more of the following business criteria:

Revenue

Sales

Profit (net profit, gross profit, operating profit or other corporate profit measures)

Earnings (EBIT, EBITDA, earnings per share, or other corporate earnings measures)

Net income (before or after taxes, operating income or other income measures)

Cash (cash flow, cash generation or other cash measures)

Stock price or performance

Total stockholder return (stock price appreciation plus reinvested dividends divided by beginning share price)

Return measures (return on assets, capital, equity, investments or sales, and cash flow return on assets, capital, equity, or sales)

Market share

Improvements in capital structure

Expenses (expense management, expense ratio, expense efficiency ratios or other expense measures)

Business expansion or consolidation (acquisitions and divestitures)

Strategic plan development and implementation

At the time the Compensation Committee sets the Performance Goals for a particular fiscal year, it will also set in writing the CEO’s incentive bonus opportunity, expressed as a dollar amount or a percentage of the CEO’s base salary, which will be earned if the established Performance Goals are achieved.

Performance Goals may be specified in absolute terms, on an adjusted basis, in percentages, or in terms of growth from period to period or growth rates over time, as well as measured relative to the performance of a group of comparator companies, or a published or special index, or a stock market index. Performance Goals need not be based upon an increase or positive result under a business criterion and could include, for example, the maintenance of the status quo or the limitation of economic losses (measured, in each case, by reference to a specific business criterion). Performance measures may but need not be determinable in conformance with generally accepted accounting principles.

Payment of annual incentives under the Bonus Plan will be made promptly following the Compensation Committee’s written certification that the Performance Goals and any other material conditions were satisfied. The Compensation Committee has the right to exercise negative discretion to pay out an annual incentive to the CEO under the Bonus Plan that is less than the amount that would have been payable based solely upon application of the applicable Performance Goals. In no event shall the CEO receive bonus payments under the Bonus Plan in connection with any one fiscal year which exceed \$3,000,000. The Compensation Committee may, in its discretion pay annual incentives to the other named executive officers.

Long-Term Incentives. While salary and short-term incentives are primarily designed to compensate current and past performance, the primary goal of the long-term incentives, such as stock options and restricted stock awards, is to



link executive officer compensation with the long-term interests of the stockholders.

On January 7, 2019, the Compensation Committee, in consultation with the entire Board, granted 13,541 shares of restricted stock to Mr. Raina under the 2010 Plan. The shares vest over a three-year period. The first one-third of these awards vest on January 7, 2020 and the remaining two-thirds vest in quarterly installments over the next eight quarters.

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#### Use of Compensation Consultants and Benchmarking

During 2018, the Compensation Committee did not retain any compensation consultants or engage in any formal benchmarking; however the Compensation Committee engaged the services of Korn Ferry in connection with its review of the ABA in December of 2017. As required by the Settlement Agreement, described below, the Company intends to retain an outside compensation consulting firm in May 2019 to review and evaluate the compensation arrangements for the Company's executive officers for future periods

#### Other Compensation Components

Company executives are eligible to participate in the Company's health care, insurance and other welfare and employee benefit programs, which are the same for all eligible employees, including Ebix's executive officers.

#### Use of Employment and Severance Agreements

In the past, the Compensation Committee has determined that competitive considerations merit the use of employment contracts or severance agreements for certain members of senior management. Presently, however, no member of senior management is employed under an employment contract.

#### Recapture and Forfeiture Policies

Historically the Company has not had formal policies with respect to the adjustment or recapture of performance based awards where the financial measures on which such awards are based or to be based are adjusted for changes in reported results such as, but not limited to, instances where the Company's financial statements are restated. The Compensation Committee does not believe that repayment should be required where the Plan participant has acted in good faith and the errors are not attributable to the participant's gross negligence or willful misconduct. In such later situations, the Compensation Committee believes the Company has or will have available negotiated or legal remedies. However, the Compensation Committee may elect to take into account factors Identification and Classification of the Subsidiary Which Acquired the

Security Being Reported on By the Parent Holding Company

See Attached Exhibit C

Item 8. Identification and Classification of Members of the Group

Not Applicable

Item 9. Notice of Dissolution of Group

Not Applicable

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[1] One of the investment management contracts that relates to these securities provides that the applicable FRI affiliate

share investment power over the securities held in the client's account with another unaffiliated entity. The issuer's

securities held in such account are less than 5% of the outstanding shares of the class. In addition, FRI does not

believe that such contract causes such client or unaffiliated entity to be part of a group with FRI or any FRI affiliate

within the meaning of Rule 13d 5 under the Act.

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Item 10. Certification

By signing below I certify that, to the best of my knowledge and belief, the

securities referred to above were acquired and are held in the ordinary course of

business and were not acquired and are not held for the purpose of or with the

effect of changing or influencing the control of the issuer of the securities and

were not acquired and are not held in connection with or as a participant in any

transaction having that purpose or effect.

Exhibits

Exhibit A Joint Filing Agreement

Exhibit B Limited Powers of Attorney for Section 13 Reporting Obligations

Exhibit C Item 7 Identification and Classification of Subsidiaries

SIGNATURE

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After reasonable inquiry and to the best of my knowledge and belief, I certify that

the information set forth in this statement is true, complete and correct.

Dated: January 30, 2018

Franklin Resources, Inc.

Charles B. Johnson

Rupert H. Johnson, Jr.

By: /s/LORI A. WEBER

Lori A. Weber

Assistant Secretary of Franklin Resources, Inc.

Attorney in Fact for Charles B. Johnson pursuant to Power of Attorney  
attached to this Schedule 13G

Attorney in Fact for Rupert H. Johnson, Jr. pursuant to Power of  
Attorney  
attached to this Schedule 13G



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EXHIBIT A

JOINT FILING AGREEMENT

In accordance with Rule 13d 1(k) under the Securities Exchange Act of 1934, as amended,

the undersigned hereby agree to the joint filing with each other of the attached

statement on Schedule 13G and to all amendments to such statement and that such

statement and all amendments to such statement are made on behalf of each of them.

IN WITNESS WHEREOF, the undersigned have executed this agreement on January 30, 2018.

Franklin Resources, Inc.

Charles B. Johnson

Rupert H. Johnson, Jr.

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By: /s/LORI A. WEBER

Lori A. Weber

Assistant Secretary of Franklin Resources, Inc.

Attorney in Fact for Charles B. Johnson pursuant to Power of Attorney  
attached to this Schedule 13G

Attorney in Fact for Rupert H. Johnson, Jr. pursuant to Power of  
Attorney  
attached to this Schedule 13G

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EXHIBIT B

LIMITED POWER OF ATTORNEY

FOR

SECTION 13 AND 16 REPORTING OBLIGATIONS

Know all by these presents, that the undersigned hereby makes, constitutes and appoints

each of Alison E. Baur, Maria Gray, Steven J. Gray, Kimberly H. Novotny, Karen L.

Skidmore, Navid J. Tofigh and Lori A. Weber each acting individually, as the undersigned's

true and lawful attorney in fact, with full power and authority as hereinafter described

on behalf of and in the name, place and stead of the undersigned to:

(1) prepare, execute, acknowledge, deliver and file Forms ID, Schedules 13D and 13G, and

Forms 3, 4 and 5 (including any amendments thereto and any related documentation) with the

United States Securities and Exchange Commission and any national securities exchanges

relating to Franklin Resources, Inc. ("FRI") and/or any registered closed end company to

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which an affiliate of FRI is an investment adviser (each, a "Reporting Entity"), as

considered necessary or advisable under Regulation S T and Sections 13(d) and 16(a) of the

Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder, as

amended from time to time (the "Exchange Act"); and

(2) seek or obtain, as the undersigned's representative and on the undersigned's behalf,

information on transactions in the securities of any Reporting Entity from any person,

including brokers, employee benefit plan administrators and trustees, and the undersigned

hereby authorizes any such person to release any such information to the undersigned and

approves and ratifies any such release of information; and

(3) perform any and all other acts which in the discretion of such attorney in fact are

necessary or desirable for and on behalf of the undersigned in connection with the

foregoing.

The undersigned acknowledges that:

(1) this Limited Power of Attorney authorizes, but does not require, each such

attorney in fact to act in their discretion on information provided to such

attorney in fact without independent verification of such information;

(2) any documents prepared and/or executed by any such attorney in fact on behalf of the

undersigned pursuant to this Limited Power of Attorney will be in such form and will

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contain such information and disclosure as such attorney in fact, in his or her

discretion, deems necessary or desirable;

(3) none of FRI, any Reporting Entity nor any of such attorneys in fact assumes (i) any

liability for the undersigned's responsibility to comply with the requirements of the

Exchange Act, (ii) any liability of the undersigned for any failure to comply with such

requirements, or (iii) any obligation or liability of the undersigned for profit

disgorgement under Section 16(b) of the Exchange Act; and

(4) this Limited Power of Attorney does not relieve the undersigned from responsibility

for compliance with the undersigned's obligations under the Exchange Act, including

without limitation, the reporting requirements under Section 16 of the Exchange Act.

The undersigned hereby gives and grants each of the foregoing attorneys in fact full

power and authority to do and perform all and every act and thing whatsoever requisite,

necessary or appropriate to be done in and about the foregoing matters as fully to all

intents and purposes as the undersigned might or could do if present, hereby ratifying all

that each such attorney in fact of, for and on behalf of the undersigned, shall lawfully

do or cause to be done by virtue of this Limited Power of Attorney.

This Limited Power of Attorney shall remain in full force and effect until revoked by

the undersigned in a signed writing delivered to each such attorney in fact.

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IN WITNESS WHEREOF, the undersigned has caused this Limited Power of Attorney to be

executed as of this 27th day of February, 2017.

/s/Charles B. Johnson

Signature

Charles B. Johnson

Print Name

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LIMITED POWER OF ATTORNEY

FOR

SECTION 13 AND 16 REPORTING OBLIGATIONS

Know all by these presents, that the undersigned hereby makes, constitutes and appoints

each of Alison E. Baur, Maria Gray, Steven J. Gray, Kimberly H. Novotny, Karen L.

Skidmore, Navid J. Tofigh and Lori A. Weber each acting individually, as the undersigned's

true and lawful attorney in fact, with full power and authority as hereinafter described

on behalf of and in the name, place and stead of the undersigned to:

(1) prepare, execute, acknowledge, deliver and file Forms ID, Schedules 13D and 13G, and

Forms 3, 4 and 5 (including any amendments thereto and any related documentation) with the

United States Securities and Exchange Commission and any national securities exchanges

relating to Franklin Resources, Inc. ("FRI") and/or any registered closed end company to

which an affiliate of FRI is an investment adviser (each, a "Reporting Entity"), as

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considered necessary or advisable under Regulation S T and Sections 13(d) and 16(a) of the

Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder, as

amended from time to time (the "Exchange Act"); and

(2) seek or obtain, as the undersigned's representative and on the undersigned's behalf,

information on transactions in the securities of any Reporting Entity from any person,

including brokers, employee benefit plan administrators and trustees, and the undersigned

hereby authorizes any such person to release any such information to the undersigned and

approves and ratifies any such release of information; and

(3) perform any and all other acts which in the discretion of such attorney in fact are

necessary or desirable for and on behalf of the undersigned in connection with the

foregoing.

The undersigned acknowledges that:

(1) this Limited Power of Attorney authorizes, but does not require, each such

attorney in fact to act in their discretion on information provided to such

attorney in fact without independent verification of such information;

(2) any documents prepared and/or executed by any such attorney in fact on behalf of the

undersigned pursuant to this Limited Power of Attorney will be in such form and will

contain such information and disclosure as such attorney in fact, in his or her

discretion, deems necessary or desirable;

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(3) none of FRI, any Reporting Entity nor any of such attorneys in fact assumes (i) any

liability for the undersigned's responsibility to comply with the requirements of the

Exchange Act, (ii) any liability of the undersigned for any failure to comply with such

requirements, or (iii) any obligation or liability of the undersigned for profit

disgorgement under Section 16(b) of the Exchange Act; and

(4) this Limited Power of Attorney does not relieve the undersigned from responsibility

for compliance with the undersigned's obligations under the Exchange Act, including

without limitation, the reporting requirements under Section 16 of the Exchange Act.

The undersigned hereby gives and grants each of the foregoing attorneys in fact full

power and authority to do and perform all and every act and thing whatsoever requisite,

necessary or appropriate to be done in and about the foregoing matters as fully to all

intents and purposes as the undersigned might or could do if present, hereby ratifying all

that each such attorney in fact of, for and on behalf of the undersigned, shall lawfully

do or cause to be done by virtue of this Limited Power of Attorney.

This Limited Power of Attorney shall remain in full force and effect until revoked by

the undersigned in a signed writing delivered to each such attorney in fact.

IN WITNESS WHEREOF, the undersigned has caused this Limited Power of Attorney to be

executed as of this 27th day of February, 2017.

Jr.

/s/Rupert H. Johnson,

Signature

Rupert H. Johnson, Jr.

Print Name

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EXHIBIT C

Franklin Templeton Investment Management Limited                      Item 3  
Classification: 3(e)

Franklin Templeton Investments (Asia) Ltd.                                      Item 3  
Classification: 3(e)

Franklin Templeton Investments Corp.    Item 3  
Classification: 3(e)

Templeton Asset Management Ltd.    Item 3  
Classification: 3(e)

Templeton Investment Counsel, LLC    Item 3  
Classification: 3(e)

Franklin Templeton Investments Australia Limited                                      Item 3  
Classification: 3(j)

