

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.

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## 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 Office 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 such as the timing and amount of any financial restatement or adjustment, the amounts of benefits received, and the clarity of accounting requirements leading to any restatement in fixing of future compensation.

#### Deductibility of Compensation and Related Tax Considerations

As one of the factors in its review of compensation matters, the Compensation Committee considers the anticipated tax treatment to the Company and to the executives of various payments and benefits.

Section 162(m). For 2017 and earlier, Section 162(m) imposed a \$1.0 million limit on the amount that a publicly traded company may deduct for compensation paid to its chief executive officer and its next three most highly compensated executives, excluding the chief financial officer. This limitation did not apply to pay that qualifies as "performance-based compensation." In order to qualify as performance-based, compensation must, among other things, be based solely on the attainment of pre-established, objective goals under a stockholder approved plan with no discretion permitted in determining award payouts. However, the Tax Cuts and Jobs Act adopted in December 2017 made significant changes to Section 162(m) of the Code that impacted public companies, including our company. Starting with the 2018 fiscal year, only performance-based compensation that is paid pursuant to a binding contract in effect on November 2, 2017 is exempt from the \$1,000,000 deduction limit. Accordingly, any compensation that we paid pursuant to new compensation arrangements entered into after November 2, 2017, even if performance-based, will count towards the \$1,000,000 deduction limit. In addition, the \$1,000,000 deduction limit applies to a broader group of executives, including the chief financial officer and any individual who serves as our

chief executive officer or chief financial officer at any time after January 1, 2018, plus any executive who is among our three most highly compensated executive officers for any fiscal year beginning with 2018. While the Bonus Plan described above was intended to preserve the Company's federal income tax deduction for annual incentive payments to the CEO by meeting the requirements for "qualified performance-based compensation" under Section 162(m), as a result of these changes made to Section 162(m) the Bonus Plan, to the extent changed after November 2, 2017 will no longer be excluded from the \$1.0 million limitation. In order to maintain flexibility in compensating executive officers in a manner designed to promote varying corporate goals, some of the compensation that we provide to our executive officers may not be deductible.

Section 280G. Code Section 280G generally denies a deduction for a significant portion of certain compensatory payments made to corporate officers, certain stockholders and certain highly-compensated employees if the payments are contingent on a change of control of the employer and the aggregate amounts of the payments to the relevant individual exceed a specified relationship to that individual's average compensation from the employer over the preceding five years. In addition, Code Section

4999 imposes on that individual a 20% excise tax on the same portion of the payments received for which the employer is denied a deduction under Section 280G. In determining whether to approve an obligation to make payments for which Section 280G would deny the Company a deduction or whether to approve an obligation to indemnify (or “gross-up”) an executive against the effects of the Section 4999 excise tax, the Compensation Committee has adopted an approach similar to that described above with respect to payments which may be subject to the deduction limitations of Section 162(m).

#### Compensation Committee Conclusion

Attracting and retaining talented and motivated management and employees is essential to create long-term stockholder value. Offering a competitive, performance-based compensation program with a large equity component helps to achieve this objective by aligning the interests of the Company’s CEO and other executive officers with those of stockholders. The Compensation Committee believes that Ebix’s 2018 compensation program met these objectives. Likewise, based on our review, the Compensation Committee finds the total compensation (and, in the case of the severance and change-in-control scenarios, the potential payouts) to the Company’s CEO and other named executive officers in the aggregate to be reasonable and not excessive.

#### Acquisition Bonus Agreement, April SAR Agreement and Amended SAR Agreement

On April 10, 2018, the Company entered into a Stock Appreciation Right Award Agreement (the “April SAR Agreement”) with Robin Raina, the Company’s Chairman, President and Chief Executive Officer. The April SAR Agreement replaced the Acquisition Bonus Agreement (the “ABA”) between the Company and Mr. Raina, dated July 15, 2009.

In recent years, certain claims have been raised by stockholders in litigation in the Court of Chancery of the State of Delaware (the “Delaware Court of Chancery”) challenging, among other things, the validity and interpretation of certain terms of the ABA and, subsequently, the April SAR Agreement (the “Litigation”). In connection with the Litigation, Mr. Raina asserted a conditional cross-claim against the Company for reformation of the ABA. The terms of the ABA generally provided that if Mr. Raina was employed by the Company upon the occurrence of: (i) an event in which more than 50% of the voting stock of the Company was sold, transferred, or exchanged, (ii) a merger or consolidation of the Company, (iii) the sale, exchange, or transfer of all or substantially all of the Company’s assets, or (iv) the acquisition or dissolution of the Company (each, an “Acquisition Event”), the Company would pay Mr. Raina a cash bonus based on a formula that was disputed by Plaintiffs in the Litigation and a tax gross-up payment for excise taxes that would be imposed on Mr. Raina for the cash bonus payment. Upon the execution of the April SAR Agreement, the ABA was terminated and each party relinquished their respective rights and benefits under the ABA.

Upon the effective date of the April SAR Agreement, Mr. Raina received 5,953,975 stock appreciation rights with respect to the Company’s common shares (the “SARs”). Upon an Acquisition Event, each of the SARs entitled Mr. Raina to receive a cash payment from the Company equal to the excess, if any, of the net proceeds per share received in connection with the Acquisition Event over the base price of \$7.95 per share. Although the SARs were not granted under the Company’s 2010 Stock Incentive Plan (the “Plan”), the April SAR Agreement incorporated certain provisions of the Plan, including the provisions requiring equitable adjustment of the number of SARs and the base price in connection with certain corporate events (including stock splits). Under the terms of the April SAR Agreement, Mr. Raina would have been entitled to receive full payment with respect to the SARs if either he (i) were employed by the Company on the closing date of an Acquisition Event or (ii) had been involuntarily terminated by the Company without cause (as defined in the April SAR Agreement) within the 180-day period immediately preceding an Acquisition Event. All of the SARs would have been forfeited if Mr. Raina’s employment had been terminated for any

other reason prior to the closing date of an Acquisition Event.

In addition, while Mr. Raina was employed by the Company and prior to an Acquisition Event, the April SAR Agreement provided that the Company's Board would determine annually whether a "shortfall" (as described below) existed as of the end of the immediately preceding fiscal year. In the event the Board determined that a shortfall existed, Mr. Raina would have been granted additional SARs (or, in the Board's sole discretion, additional restricted shares or restricted stock units (each a "Share Grant")) in an amount sufficient to eliminate such shortfall (each a "Shortfall Grant"). Under the terms of the April SAR Agreement, a shortfall existed if: (A) the sum of (i) the number of common shares deemed to be owned by Mr. Raina as of the effective date of the April SAR Agreement, plus (ii) the number of SARs granted to Mr. Raina (including any Shortfall Grants), plus (iii) the number of shares underlying any previously granted Share Grant, was less than 20% of (B) the sum of (i) the number of SARs granted to Mr. Raina (including any Shortfall Grants), plus (ii) the number of outstanding shares reported by the Company in its audited financial statements as of the end of the immediately preceding fiscal year. Under the terms of the April SAR Agreement, if the Board elected to make a Shortfall Grant in respect of such shortfall, such SARs would have been subject to the same terms and conditions as the SARs initially granted under the April SAR Agreement. If the Board elected to make a Share Grant in respect

of such shortfall, such restricted shares or restricted stock units would have had such terms and conditions as determined by the Board, but generally would have followed the terms of the restricted shares or restricted stock units granted to other executives of the Company at or about the time of such Share Grant, but no Share Grant would have vested more rapidly than one-third of such Share Grant prior to the first anniversary of the grant date, with the remainder vesting in eight equal quarterly installments following the first anniversary of the grant date. The April SAR Agreement also provided for the Company to make tax gross-up payments for excise taxes that would be imposed on Mr. Raina in respect of any payments (other than any payments with respect to any Share Grants) made in connection with a change in control of the Company under Section 4999 of the Internal Revenue Code.

In connection with the foregoing Litigation, on January 23, 2019, the parties entered into a Stipulation and Agreement of Settlement (the "Settlement Agreement") pursuant to which the parties agreed, subject to approval by the Delaware Court of Chancery, to settle and resolve the Litigation pursuant to the terms set forth in the Settlement Agreement (the "Litigation Settlement"). Thereafter, notice of the Litigation Settlement was prepared and mailed on February 4, 2019 (the "Notice"). On April 5, 2019, the Delaware Court of Chancery determined that the Litigation Settlement was fair, reasonable, adequate and in the best interest of the plaintiffs, the class and the Company, and entered an Order and Final Judgment approving the Litigation Settlement. The Litigation Settlement includes, among other things, the adoption and entry into an Amended Stock Appreciation Right Award Agreement (the "Amended SAR Agreement"), as well as certain governance measures set forth in the Settlement Agreement. The Amended SAR Agreement was negotiated as part of the Litigation Settlement and will become effective upon Final Approval (as defined in the Settlement Agreement) of the Litigation Settlement, and includes the following changes and modifications to the April SAR Agreement:

- a) Mr. Raina will commit to continue to serve and not resign as the Company's Chief Executive Officer for at least two years following Final Approval of the Litigation Settlement.
- b) any shares paid, awarded or otherwise received by Mr. Raina as compensation after the effective date of the Amended SAR Agreement, including any shares received by Mr. Raina from the exercise of any options granted after the effective date of the April SAR Agreement or from the grant or vesting of any restricted shares or settlement of any restricted stock units granted after the effective date of the April SAR Agreement (but excluding any shares received as a result of the grant, vesting or settlement of any Share Grants), will be excluded from the outstanding shares for purposes of the Board's annual shortfall determination;
- c) if an Acquisition Event occurs more than 180 days after, but not later than the tenth anniversary of, the date that Mr. Raina's employment is involuntarily terminated by the Company without Cause (as defined in the Amended SAR Agreement), 1,000,000 SARs will be deemed accrued and will be eligible to vest on the closing date of the Acquisition Event, which number will be increased by 750,000 SARs beginning on the first anniversary of Final Approval of the Litigation Settlement and each anniversary thereafter (subject in each case to Mr. Raina's continued employment on each anniversary date), until 100% of the SARs (including any Shortfall Grants) have accrued and are eligible to vest on the closing date of an Acquisition Event that occurs more than 180 days after, but not later than the tenth anniversary of, the date that Mr. Raina's employment is involuntarily terminated by the Company without Cause; provided, however, that, (i) no additional SARs will accrue following the date that Mr. Raina's employment is involuntarily terminated by the Company without Cause, (ii) any accrued SARs will be forfeited if an Acquisition Event does not occur prior to the tenth anniversary of the date that Mr. Raina's employment is involuntarily terminated by the Company without Cause, and (iii) all of the SARs will be forfeited if Mr. Raina's employment terminates for any other reason prior to the closing date of an Acquisition Event; and
- d) the obligation of the Company to make tax gross-up payments for excise taxes that would be imposed on Mr. Raina in respect of any payments made in connection with a change in control of the Company will be eliminated.

Stockholder Advisory Vote

At the last Annual Meeting of Stockholders, approximately 66% of the votes cast by the Ebix stockholders present in person or by proxy and entitled to vote at the Annual Meeting and on the proposal were cast in support of the compensation of the Company's named executive officers, as discussed and disclosed in the proxy statement. The Board and the Compensation Committee appreciate and value the views of our stockholders. After discussions with certain Ebix stockholders, the Company understands that a portion of the negative vote was directed at the ABA, the April SAR Agreement and the related litigation described above.

The Board and Mr. Raina terminated the ABA and entered into the April SAR agreement. In addition, the April SAR Agreement will be replaced by the Amended SAR Agreement pursuant to the Litigation Settlement as described above. Going forward, future advisory votes on executive compensation will serve as an additional tool to guide the Board and the

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Compensation Committee in evaluating the alignment of the Company's executive compensation program with the interests of the Company and its stockholders.

#### Risk Considerations

Our Compensation Committee has reviewed risks arising from our compensation policies and practices for both our executives and non-executive employees and has determined that they are not reasonably likely to have a material adverse effect on the Company.

#### Compensation Committee Interlocks and Insider Participation

The Company's Compensation Committee currently consists of Mr. Keller and Mr. Benz. None of the members of the Compensation Committee have ever been officers or employees of the Company. No interlocking relationship exists between the members of the Company's Board of Directors or Compensation Committee and the Board of Directors or Compensation Committee of any other company.

#### Compensation Committee Report

The Compensation Committee has reviewed and discussed with the Company's Chief Executive Officer and Chief Financial Officer the above Compensation Disclosure and Analysis. Based on such review and discussion, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this amendment to the Form 10-K.

This report has been submitted by the Compensation Committee:  
Hans U. Benz and Hans Ueli Keller

The foregoing report shall not be deemed incorporated by reference by any general statement incorporating by reference this annual report into any filing under the Securities Act of 1933 or under the Securities Exchange Act of 1934, except to the extent that we specifically incorporate this information by reference, and shall not otherwise be deemed filed under such Acts.

#### Executive Compensation and Director Compensation Tables

The following table provides information relating to compensation earned by or paid to our named executive officers in all capacities.





## Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$) (1)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$)	Total
Robin Raina, President, Chief Executive Officer and Chairman of the Board	2018	\$2,400,000	\$2,000,000(2)	\$—	\$—	\$—	\$9,751	(3)\$4,409,751
	2017	\$2,400,000	\$1,000,000	\$3,000,000	\$—	\$—	\$8,038	(3)\$6,408,038
	2016	\$2,492,308	\$—	\$—	\$—	\$—	\$9,975	(3)\$2,502,283
Sean T. Donaghy, Chief Financial Officer and Secretary	2018	\$181,693	\$30,000	\$—	\$—	\$—	\$2,724	(4)\$214,417
	2017	\$157,500	\$30,000	\$—	\$—	\$—	\$2,345	(4)\$189,845
Graham Prior, Corporate Senior Vice President	2018	\$161,694	\$—	\$—	\$—	\$—	\$—	(5)\$161,694
	2017	\$163,064	\$—	\$—	\$—	\$—	\$—	(5)\$163,064
	2016	\$150,723	\$—	\$—	\$—	\$—	\$—	(5)\$150,723
Leon d'Apice, Managing Director-Ebix Australia Group	2018	\$224,400	(6)\$—	\$—	\$—	\$—	(6)\$20,785	(6)\$245,185
	2017	\$226,848	(6)\$100,000	\$—	\$—	\$—	(6)\$27,318	(6)\$354,166
	2016	\$200,882	(6)\$—	\$—	\$—	\$—	(6)\$15,531	(6)\$216,413
James Senge, Sr., Senior Vice President	2018	\$225,000	\$—	\$—	\$—	\$—	\$3,075	\$228,075
	2017	\$225,000	\$—	\$—	\$—	\$—	\$3,075	\$228,075
EbixHealth	2016	\$233,654	\$—	\$150,000	\$—	\$—	\$3,193	\$386,847

## Footnotes

These amounts reflect the aggregate grant date fair value computed in accordance with accounting guidance (1) related to stock compensation, based on the stock price on the date of grant.

(2) 2018 bonus of \$2,000,000 was earned in 2018 and paid in 2019.

(3) Amount includes a Company matching contribution to a 401(k)/Retirement Plan of \$3,751 in 2018, \$ 2,038 in 2017 \$3,975 in 2016. Also includes a \$6,000 allowance for miscellaneous business and travel expenses per year.

(4) Mr. Donaghy was named Chief Financial Officer effective January 3, 2017.

Mr. Prior was compensated in Singapore Dollars. For 2018, all sums were derived by using the exchange rate of (5) .7417. For 2017 all sums were derived by using the exchange rate of .75554. For 2016, all sums were derived by using the exchange rate of 0.69139

Mr. d'Apice was compensated in Australian Dollars. For 2018, all sums were derived by using the exchange rate of (6) .7480. For 2017, all sums were derived by using the exchange rate of December 31, 2017 of 0.7805. For 2016, all sums were derived by using the exchange rate as of December 31, 2016 of 0.72261

(7) Reflects a 401(k) superannuation in Australia which is accessible after age 65.

## Grants of Plan-Based Awards for 2018

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise Price or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock Awards and Option Awards (\$)
		Threshold	Target	Maximum				
Robin Raina		—	—	—	—	—	\$	—
Sean T. Donaghy		—	—	—	—	—	\$	—
Graham Prior		—	—	—	—	—	\$	—
Leon d' Apice		—	—	—	—	—	\$	—
James Senge, Sr		—	—	—	—	—	\$	—



## Outstanding Equity Awards at 2018 Fiscal Year-End

Name	Option Awards				Stock Awards		Equity Incentive Plan Awards: Market Payout Value of Unearned Shares, or Other Rights That Have Not Vested	
	Number of Securities Underlying Unexercised Options (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options	Exercise Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested	Number of Shares or Units or Other Rights That Have Not Vested	Value of Unearned Shares, or Other Rights That Have Not Vested
Robin Raina, President, Chief Executive Officer and Chairman of the Board	—	—	\$ —	—	20,390 (1)	\$867,798	—	\$ —
Sean T. Donaghy, Chief Financial Officer and Secretary	—	—	\$ —	—	144 (2)	\$6,129	—	\$ —
Graham Prior, Corporate Senior Vice President	—	—	\$ —	—	—	\$—	—	\$ —
Leon d'Apice, Managing Director, Ebix Australia Group	—	—	\$ —	—	—	\$—	—	\$ —
James Senge, Sr., Senior Vice President, EbixHealth	—	—	\$ —	—	541 (3)	\$23,025	—	\$ —

- Robin Raina has been awarded restricted stock grants by the Compensation Committee: (i) a grant of 40,780 (1) shares of Company common stock on July 25, 2017 of which 20,390 shares were unvested as of December 31, 2018.
- (2) Sean T. Donaghy was awarded restricted stock grants by the Compensation Committee of 864 shares Company common stock on May 16, 2016 of which 144 shares were unvested as of December 31, 2018.
- (3) James Senge, Sr. was awarded restricted stock grants by the Compensation Committee of 3,243 shares of restricted stock on May 16, 2016, of which 541 shares were unvested as of December 31, 2018.



## Option Exercises and Stock Vested

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise	Value Realized on Exercise	Number of Shares Acquired on Vesting	Value Realized on Vesting
(a)	(#)	(\$)	(#)	(\$)
Robin Raina, President, Chief Executive Officer and Chairman of the Board	—	\$	—32,895	\$3,753,458
Sean T. Donaghy—Chief Financial Officer and Secretary	—	\$	—288	\$20,946
Graham Prior, Corporate Senior Vice President	—	\$	—	\$—
Leon d'Apice, Managing Director, Ebix Australia Group	—	\$	—	\$—
James Senge, Sr., Senior Vice President, EbixHealth	—	\$	—1,081	\$78,546

(1) Reflects the excess of the fair market value of the shares at the time of exercise over the exercise price of the options.

(2) Reflects the fair market value of the shares on the vesting date.

## Pension Benefits and Nonqualified Deferred Compensation

The Company does not sponsor or maintain any tax-qualified defined benefit plans, supplemental executive retirement plans or nonqualified deferred compensation plans.

## Potential Payments for Mr. Raina Upon a Change of Control

Below is the description of severance payments that Mr. Raina would have received under the April SAR Agreement had certain events occurred in 2018. As described above, under the "Acquisition Bonus Agreement, April SAR Agreement and Amended SAR Agreement" section, the April SAR Agreement will be replaced by the Amended SAR Agreement upon Final Approval (as defined in the Settlement Agreement) of the Litigation Settlement. The below disclosure is the Company's disclosure of potential payments under the original April SAR Agreement, as that was the agreement in place as of December 31, 2018.

As mentioned previously, no member of senior management other than Mr. Raina has an employment or severance agreement. Except as described below for Mr. Raina, upon a termination or change of control, each of the executive officers will receive only the unpaid portion of their salary and benefits through the date of termination. No severance payments, acceleration of equity vesting, or other special payments will be due to such executive officers, regardless of the circumstances of the termination.

Upon the effective date of the April SAR Agreement, Mr. Raina received 5,953,975 stock appreciation rights with respect to the Company's common shares (the "SARs"). Upon an Acquisition Event, each of the SARs entitles Mr. Raina to receive a cash payment from the Company equal to the excess, if any, of the net proceeds per share received in connection with an Acquisition Event over the base price of \$7.95. Mr. Raina will only be entitled to receive a payment with respect to the SARs if he is employed by the Company at the time of an Acquisition Event or was terminated by the Company without cause within the 180-day period immediately preceding an Acquisition Event.

Annually, while Mr. Raina is employed by the Company and prior to an Acquisition Event, the Board shall determine whether a “shortfall” (as defined in the April SAR Agreement) existed as of the end of the immediately preceding fiscal year. In the event the Board determines that a shortfall existed, Mr. Raina will be granted additional SARs (or, in the Board’s sole discretion,

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restricted shares or restricted stock units (each a “Share Grant”) in an amount sufficient to eliminate such shortfall (each a “Shortfall Grant”). A “shortfall” will exist if the sum of the number of Company’s common shares deemed to be owned by Mr. Raina as of the date of the SAR Agreement (3,676,540 shares), the number of SARs granted to Mr. Raina, and the number of shares underlying any previously granted Shortfall Grant is less than twenty percent (20%) of the sum of the number of SARs and the number of outstanding shares reported by the Company in its audited financial statements as of the end of the immediately preceding fiscal year.

No Shortfall Grant was made for 2018. As a result, in the event that an Acquisition Event had occurred on December 31, 2018, and assuming that the Company received Net Proceeds of \$42.56 per share (the closing price of the Company’s common stock on December 31, 2018), Mr. Raina would have received a \$206.1 million payment upon the Acquisition Event, which payment does not include a tax gross-up payment described above. As noted above, the April SAR Agreement will be replaced with the Amended SAR Agreement upon Final Approval (as defined in the Settlement Agreement) of the Litigation Settlement

#### Pay Ratio Disclosure

On August 5, 2015, the SEC adopted new rules implementing the pay ratio disclosure requirement of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act). These rules require reporting companies to disclose the ratio of the annual compensation of the company's median employee to the annual compensation of its principal executive officer.

The 2018 annual total compensation of our CEO Mr. Raina was \$4,400,000, the 2018 annual total compensation of our median compensated employee was \$12,705, and the ratio of those amounts is 346 to 1. The 2018 annual total compensation of our median compensated US employee was \$84,085 ; and the ratio of those amounts is 52 to 1. For purposes of identifying the median compensated employee, we took into account salary, bonus, and fair market value of the shares on the vesting date during the year for all our employees as of December 31, 2018. We annualized this compensation for employees who did not work the entire year, except for employees designated as seasonal or temporary.

There is a lot of flexibility in how the median employees are identified. Companies are using different approaches that are appropriate for their employee population and compensation programs and are using estimates and assumptions. As a result, the ratio that other companies have calculated may not be comparable to the ratio that we have presented not only because of different businesses or different compensation programs, but because of using different methodologies and assumptions.

#### Director Compensation

On December 31, 2018, the Board granted to each non-employee director 6,000 stock options of which one-fourth will vest on December 31, 2019, and the remaining options will vest ratably each quarter in the years 2020, 2021 and 2022. In addition each non-employee director received an annual cash retainer of \$25,000 during 2018. Mr. Keller received an additional cash retainer of \$16,000 for serving as the Compensation Committee Chairman and \$8,000 for serving on the Audit Committee. Mr. Benz received an additional cash retainer of \$8,000 for serving on the Audit Committee and \$8,000 for serving on the Compensation Committee. Mr. Bhalla received an additional cash retainer of \$24,000 for serving as the Audit Committee Chairman and \$8,000 for serving on the Audit Committee

#### Director Compensation

Name	Fees Earned	Option Awards	Total (\$)
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	or Paid (\$)		
	in Cash		
Pavan Bhalla	\$57,000	\$70,815	\$127,815
Hans Ueli Keller	\$49,000	\$70,815	\$119,815
Hans U. Benz	\$41,000	\$70,815	\$111,815
Neil D. Eckert	\$25,000	\$70,815	\$95,815
Rolf Herter	\$25,000	\$70,815	\$95,815
Joseph Wright, Jr.	\$25,000	\$70,815	\$95,815
George Hebard, III	\$25,000	\$70,815	\$95,815

The following table lists below the aggregate number of outstanding options held by each director as of December 31, 2018:

	Aggregate Stock Option Awards at Year End
Pavan Bhalla	24,187
Hans Ueli Keller	27,250
Hans U. Benz	24,000
Neil D. Eckert	33,000
Rolf Herter	30,750
Joseph Wright, Jr.	24,000
George Hebard, III	24,000

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Securities Authorized for Issuance Under Equity Compensation Plans

As of December 31, 2018, we maintained the 1996 Stock Incentive Plan, as amended and restated in 2006 and the 2010 Ebix Equity Incentive Plan as approved by our stockholders. The table below provides information as of December 31, 2018 related to these plans.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity Compensation Plans Approved by Security Holders:			
—1996 Stock Incentive Plan, as amended and restated in 2006	—	\$ —	1,097,563
—2010 Stock Incentive Plan	162,000	\$ 42.75	4,214,520
Equity Compensation Plans Not Approved by Security Holders	5,953,975	(1) N/A	N/A
Total	6,115,975	\$ 42.75	5,312,083

(1) These are the SARs granted to Mr. Raina under the April SAR Agreement

Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Name of Beneficial Owner	Current Beneficial Ownership	
	Number of Shares (1)	Percent of Class (2)
Robin Raina <sup>(3)</sup>	3,911,182	12.8%
Neil D. Eckert <sup>(4)</sup>	101,492	*
Rolf Herter <sup>(5)</sup>	93,928	*
Leon d'Apice	69,528	*
Hans Ueli Keller <sup>(6)</sup>	61,971	*
Hans U. Benz <sup>(7)</sup>	54,875	*
Pavan Bhalla <sup>(8)</sup>	33,553	*
James S. Senge, Sr.	18,506	*
Graham Prior	16,784	*
Joseph R. Wright <sup>(9)</sup>	13,875	*
George Hebard <sup>(10)</sup>	12,976	*
Sean Donaghy	6,571	*
Directors and executive officers as a group (12 persons) <sup>(11)</sup>	4,395,241	14.3%

Other Beneficial Holders

FMR LLC <sup>(12)</sup>	3,820,386	12.5%
Blackrock Inc. <sup>(13)</sup>	3,367,703	11.0%
Rennes Foundation <sup>(14)</sup>	3,215,981	10.5%

The Vanguard Group <sup>(15)</sup>

2,309,2477.5%

\*Less than 1%.

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- (1) For purposes of this table, a person is deemed to be the beneficial owner of a security if he or she: (a) has or shares voting power or dispositive power with respect to such security, or (b) has the right to acquire such ownership within 60 days. "Voting power" is the power to vote or direct the voting of shares, and "dispositive power" is the power to dispose or direct the disposition of shares, irrespective of any economic interest in such shares.
- (2) In calculating the percentage ownership or percent of equity vote for a given individual or group, the number of common shares outstanding includes unissued shares subject to options, warrants, rights or conversion privileges exercisable within 60 days held by such individual or group, but are not deemed outstanding by any other person or group. Percentage is based on 30,649,435 shares of our common stock outstanding as of April 25, 2019.
- (3) Mr. Raina's ownership includes: (a) 108,650 shares of restricted stock and (b) 217,064 shares held as trustee for the Robin Raina Foundation, a 501(c) charity organization, which were donated by Robin Raina from vested restricted stock grants previously issued to Mr. Raina by the Company and to which Mr. Raina disclaims any beneficial ownership. The Federal Tax ID Number for the foundation is 51-0497387. The address of Mr. Raina is 1 Ebix Way, Johns Creek, Georgia 30097.
- (4) Mr. Eckert's ownership includes options to purchase 22,875 shares of our common stock which are exercisable as of April 25, 2019, or that will become exercisable within 60 days after that date.
- (5) Mr. Herter's ownership includes options to purchase 20,625 shares of our common stock which are exercisable as of April 25, 2019, or that will become exercisable within 60 days after that date.
- (6) Mr. Keller's ownership includes options to purchase 17,125 shares of our common stock which are exercisable as of April 25, 2019, or that will become exercisable within 60 days after that date.
- (7) Mr. Benz's ownership includes options to purchase 13,875 shares of our common stock which are exercisable as of April 25, 2019, or that will become exercisable within 60 days after that date.
- (8) Mr. Bhalla's ownership includes options to purchase 14,062 shares of our common stock which are exercisable as of April 25, 2019, or that will become exercisable within 60 days after that date.
- (9) Mr. Wright's ownership includes options to purchase 13,875 shares of our common stock which are exercisable as of April 25, 2019, or that will become exercisable within 60 days after that date.
- (10) Mr. Hebard's ownership includes options to purchase 13,875 shares of our common stock which are exercisable as of April 25, 2019, or that will become exercisable within 60 days after that date.
- (11) Includes options to purchase 116,312 shares of our common stock which are exercisable as of April 25, 2019, or that will become exercisable within 60 days after that date.
- (12) Ownership consists of shares of our common stock beneficially owned by FMR LLC, certain of its subsidiaries and affiliates, and other companies ("FMR") as disclosed on its joint Schedule 13G/A filed with the SEC on February 13, 2019. The address of FMR is 245 Summer Street, Boston, Massachusetts 02210.
- (13) Ownership consists of shares of our common stock beneficially owned by Blackrock, Inc. and its wholly-owned subsidiaries ("Blackrock") as disclosed on its Schedule 13G/A filed with the SEC on January 28, 2019. The address of Blackrock is 55 East 52<sup>nd</sup> Street, New York, New York 10055.
- (14) The address of the Rennes Fondation is Rätikonstrasse 13, Vaduz, Principality of Liechtenstein FL-9490. Although Mr. Herter is a director of Rennes Fondation, he disclaims any beneficial ownership of the shares held by Rennes Fondation.
- (15) Ownership consists of shares of our common stock beneficially owned by The Vanguard Group, Inc. and its wholly-owned subsidiaries (collectively, "Vanguard"), as disclosed on Vanguard's joint schedule 13G/A filed with the SEC on February 11, 2019. The address of Vanguard is 100 Vanguard Blvd., Malvern, Pennsylvania 19355.

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Related Party Transactions

Under the Audit Committee's charter, and consistent with NASDAQ rules, any material potential or actual conflict of interest or transaction between the Company and any "related person" of the Company must be reviewed and approved by the Audit Committee. SEC rules define a "related person" of the Company as any director (or nominee), executive officer, 5%-or-greater shareholder or immediate family member of any of these persons.

Rahul Raina is the Company's Corporate Vice President Sales Ebix RCS & A.D.A.M. International Business Development and the brother of Robin Raina, our Chairman of the Board, President, and Chief Executive Officer. During 2018 and 2017 he was paid a salary of \$150,000 and \$135,000, respectively, and received a cash bonus of \$0 in 2018 and \$20,000 in 2017. He received no share-based compensation awards in either 2018 or 2017.

During the year ended December 31, 2018 and 2017, Ebix did not donate to the Robin Raina Foundation, a non-profit 501(c) charity in support of the cause of building and providing homes for the severely underprivileged in India.

Director Independence

Our business is managed by the Company's employees under the direction and oversight of the Board. Except for Mr. Raina, none of our current directors is an employee of the Company. We keep directors informed of our business through discussions with management, materials we provide to them, visits to our offices and facilities and their participation in Board and Board committee meetings.

Under our Corporate Governance Guidelines, we require that a majority of the Board consist of independent, non-management directors, who also meet the criteria for independence required by the Nasdaq Marketplace Rules. Under such rules, a director is independent if he or she does not have a material relationship with the Company. Our Board annually evaluates each member's independent status.

The Board has determined that, as of January 1, 2018, the following seven of the Company's directors are independent under the Nasdaq Marketplace Rules: Messrs. Benz, Bhalla, Eckert, Hebard, Herter, Keller and Wright. Mr. Raina, as a management director, participates in the Board's activities and provides valuable insight and advice.

Non-management directors have access to individual members of management or to other employees of the Company on a confidential basis. Directors also have access to Company records and files and directors may contact other directors without informing Company management of the purpose or even the fact of such contact.

Item 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES  
Independent Registered Public Accounting Firm

As previously announced, the Audit Committee appointed RSM US LLP ("RSM") to serve as the Company's independent auditor for fiscal year 2019. T. R. Chadha & Co. ("TRC") served as Ebix's registered public accountants for the year ended December 31, 2018. Cherry Bekaert LLP ("CB") served as Ebix's registered public accountants for the year ended December 31, 2017

The following tables presents fees billed for professional services rendered for the audit of our annual financial statements for 2018 and 2017 and fees billed for other services rendered during 2018 by TRC and during 2017 by CB, our independent registered public accounting firm during these periods.

Services Rendered by T R Chadha & Co LLP	2018	2017
Audit Fees (1)	\$450,000	\$ —
Audit Related Fees (2)	\$—	\$ —
Tax Compliance Service Fees	\$—	\$ —
All Other Fees (3)	\$—	\$ —
Services Rendered by Cherry Bekaert LLP	2018	2017
Audit Fees (1)	\$280,000	\$610,000
Audit Related Fees (2)	\$—	\$11,000
Tax Compliance Service Fees	\$35,000	\$75,000
All Other Fees (3)	\$105,726	\$31,500

(1) Includes fees for the audit of our annual financial statements included in our Form 10-K and reviews of the financial statements in our Forms 10-Q, but excluding audit-related fees.

(2) Includes fees associated with the review of valuation reports associated with business acquisition and audits of the Company's 401(K) plans, and related out of pocket expenses incurred by the auditors.

(3) Includes fees related to the audit of the financial statements and the Company's purchase accounting for certain acquired businesses.

The Audit Committee considered and pre-approved all of the above-referenced fees and services. Pursuant to a policy adopted by our Board of Directors, the Audit Committee requires advance approval of all audit services and permitted non-audit services to be provided by the independent registered public accounting firm as required by the Securities Exchange Act of 1934.



PART IV

Item 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(b) Exhibits

The exhibits listed in the exhibit index of the Original Filing and the exhibits listed below in the exhibit index of this Amendment are filed with, or incorporated by reference in, this report.

EXHIBIT INDEX

The following exhibits are included in this Amendment (and are numbered in accordance with Item 601 of Regulations S-K).

Exhibits

Stock  
Appreciation  
Right Award  
Agreement,  
dated as of April  
10, 2018, by and  
between Ebix,  
Inc. and Robin

10.1 Raina  
(incorporated by  
referenced to  
Exhibit 10.1 to  
the Company's  
Current Report  
on Form 8-K  
filed April 16,  
2018)  
Certification of  
Chief Executive  
Officer Pursuant  
to Rule

31.1 3a-14(a)  
(Section 302 of  
the  
Sarbanes-Oxley  
Act of 2002).  
Certification of  
Chief Financial  
Officer Pursuant  
to Rule

31.2 3a-14(a)  
(Section 302 of  
the  
Sarbanes-Oxley  
Act of 2002).

\* Filed herewith

\*\* Indicates management contract or compensatory plan or arrangement.



SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this amendment to be signed on its behalf by the undersigned, thereunto duly authorized.

EBIX, INC.  
(Registrant)

By: /s/ ROBIN RAINA  
Robin Raina  
Chairman of the Board,  
President and  
Chief Executive Officer  
Principal Executive Officer

By: /s/ SEAN T. DONAGHY  
Sean T. Donaghy  
Chief Financial Officer  
(principal financial and  
accounting officer)

Date: April 30, 2019