

SECURITIES AND EXCHANGE COMMISSION

FORM SC 13D

Schedule filed to report acquisition of beneficial ownership of 5% or more of a class of equity securities

Filing Date: **1997-12-18**
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SUBJECT COMPANY

AMVESTORS FINANCIAL CORP

CIK: **5320** | IRS No.: **481021516** | State of Incorpor.: **KS** | Fiscal Year End: **1231**
Type: **SC 13D** | Act: **34** | File No.: **005-07606** | Film No.: **97740398**
SIC: **6311** Life insurance

Mailing Address
415 SOUTHWEST 8TH AVE
P O BOX 2039
TOPEKA KS 66601

Business Address
555 SOUTH KANSAS AVE
TOPEKA KS 66603
9132333600

FILED BY

AMERICAN MUTUAL HOLDING CO

CIK: **1051717**
Type: **SC 13D**

Business Address
699 WALNUT STREET
DES MOINES IA 50309
5153623600

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 13D
(RULE 13D-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO
13D-1(A) AND AMENDMENTS THERETO FILED PURSUANT TO 13D-2(A)

(AMENDMENT NO. _____)

AMVESTORS FINANCIAL CORPORATION
(NAME OF ISSUER)

COMMON STOCK, NO PAR VALUE
(TITLE OF CLASS OF SECURITIES)

032343 30 3
(CUSIP NUMBER)

Mr. Mark V. Heitz
AmVestors Financial Corporation
555 South Kansas Avenue,
Topeka, Kansas 66603
(785) 232-6945

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

December 8, 1997
(Date of Event which Requires Filing of this Statement)

=====

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1 (b) (3) or (4), check the following box [].

(Continued on following pages)

1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
AmerUs Group Co.
42-1459713

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF GROUP*
[] (a)
[] (b)

3 SEC USE ONLY

4 SOURCES OF FUNDS*
WC

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEM 2(d) or 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION Iowa

7	SOLE VOTING POWER	992,067
8	SHARED VOTING POWER	-0-
9	SOLE DISPOSITIVE POWER	992,067
10	SHARED DISPOSITIVE POWER	-0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY EACH
REPORTING
PERSON WITH

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
992,067

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
5.76%

14 TYPE OF REPORTING PERSON* CO

* SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP NO. 032343 30 3 13D

1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
American Mutual Holding Company
42-1458424

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF GROUP*

[] (a)

[] (b)

3 SEC USE ONLY

4 SOURCES OF FUNDS*
N/A

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEM 2(d) or 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION Iowa

NUMBER OF	7	SOLE VOTING POWER	-0-
SHARES	8	SHARED VOTING POWER	-0-
BENEFICIALLY	9	SOLE DISPOSITIVE POWER	-0-
OWNED BY EACH	10	SHARED DISPOSITIVE POWER	-0-
REPORTING			
PERSON WITH			

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
992,067

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
5.76%

14 TYPE OF REPORTING PERSON* HC, CO

* SEE INSTRUCTIONS BEFORE FILLING OUT!

SCHEDULE 13D

ITEM 1. SECURITY AND ISSUER.

This statement relates to the Common Stock, no par value (the "Issuer Common Stock"), of AmVestors Financial Corporation, a Kansas corporation ("Issuer"). The address of the principal executive offices of the Issuer is 555 South Kansas Avenue, Topeka, Kansas.

ITEM 2. IDENTITY AND BACKGROUND.

This statement is filed on behalf of American Mutual Holding Company, an Iowa mutual insurance holding company ("AMHC"), and AmerUs Group Co., an Iowa corporation and a wholly owned subsidiary of AMHC ("AmerUs Group"). The address of the principal business and offices of each of AmerUs Group and AMHC is 418 Sixth Avenue, Des Moines, Iowa.

ITEM 3.

SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

AmerUs Group acquired the Shares (as defined below) for an aggregate of approximately \$21.6 million (excluding any Additional Amount (as described in Item 6)) using funds from working capital, which include amounts drawn from time to time under AmerUs Group's working capital line of credit.

ITEM 4.

PURPOSE OF TRANSACTION.

(a)-(j) The purpose of the acquisition of the Shares was to limit the dilution of AmerUs Group's interest in AmerUs Life Holdings, Inc. ("AmerUs") upon consummation of the Merger (as defined below). AmerUs Group currently holds a majority of the outstanding shares of common stock, no par value ("AmerUs Common Stock"), of AmerUs. On September 19, 1997, AmerUs, a wholly owned subsidiary of AmerUs ("Merger Sub"), and the Issuer entered into an Agreement and Plan of Merger dated as of September 19, 1997 and as amended and restated as of October 8, 1997 ("Merger Agreement"), providing for a merger (the "Merger") pursuant to which, and subject to the terms thereof, the Issuer would become a wholly owned subsidiary of AmerUs (the "Surviving Corporation").

As of the effective time of the Merger, each outstanding share of Issuer Common Stock, including the Shares but excluding shares held in the treasury of the Issuer and shares owned by AmerUs or any of its subsidiaries, will be converted into the right to receive shares of AmerUs Common Stock. Consummation of the Merger is subject to satisfaction or waiver by the parties of certain closing conditions, including the receipt of regulatory approvals, approvals by the stockholders of the Registrant and the Issuer and other customary closing conditions. AmerUs Group intends to vote the Lee Shares (as defined below), which are the only Shares entitled to vote with respect to the Merger, in favor of the Merger.

Immediately following consummation of the Merger, it is expected that AmerUs Group will own at least a majority of the outstanding shares of AmerUs Common Stock, comprised of shares of AmerUs Common Stock which AmerUs Group currently owns and shares of AmerUs Common Stock which AmerUs Group will receive upon conversion of the Shares in the Merger. The Issuer Common Stock is currently registered pursuant to Section 12(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the Issuer files reports pursuant thereto with the Securities and Exchange Commission and the New York Stock Exchange (the "NYSE"). Following the consummation of the Merger, the registration of the Issuer Common Stock under the Exchange Act will be terminated and the Issuer Common Stock will no longer be listed on the NYSE or otherwise publicly traded.

Under the Merger Agreement, upon consummation of the Merger, the directors of Merger Sub will become the directors of the Surviving Corporation. AmerUs has advised AmerUs Group that certain current directors of Issuer are expected to be appointed to the Issuer's

Board following the Merger. AmerUs has advised AmerUs Group that at such time certain of the officers of the Issuer will resign, and AmerUs will cause their replacement. By operation of the Merger, the Articles of Incorporation of the Issuer will be the articles of incorporation of the Surviving Corporation. Immediately after the Effective Time, the By-laws of the Surviving Corporation shall be amended and restated in their entirety to be in the form of the By-laws of Merger Sub as in effect immediately prior to the Merger.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

(a) The aggregate number of shares of the Issuer Common Stock beneficially owned by AmerUs Group (directly) and AMHC (indirectly) is 992,067 (collectively, the "Shares"), representing approximately 5.76% of the outstanding shares of the Issuer Common Stock, based upon the number of outstanding shares of the Issuer Common Stock set forth in the Issuer's Quarterly Report for the period ended September 30, 1997. From time to time prior to consummation of the Merger, AmerUs Group may acquire or dispose of shares of Issuer Common Stock, depending on market conditions and other factors. AmerUs Group previously announced its intention (depending on, among other things, market conditions and other factors) to expend up to an aggregate of \$35 million (including amounts expended to acquire the Shares) to partially offset its dilution from the stock issuance in the Merger, through purchases of shares of Issuer Common Stock in public or private transactions prior to the closing of the Merger and/or through purchases of shares of AmerUs Common Stock in public or private transactions following the shareholders' meetings being held in connection with the Merger on December 18, 1997.

(b) AmerUs Group has sole power to vote and dispose of all of the Shares. There are no shares of the Issuer Common Stock with respect to which AmerUs Group has shared power to vote or direct the vote, or shared power to dispose or direct the disposition. There are no shares of the Issuer Common Stock with respect to which AMHC has sole or shared power to vote or direct the vote, or sole or shared power to dispose or direct the disposition.

(c) Except as disclosed in Item 6 and on Schedule 1 hereto, there have been no transactions in the AmVestors Common Stock that were effected during the past sixty days by AmerUs Group. AMHC did not effect any transactions in Issuer Common Stock in the past sixty days.

(d)-(e) Not applicable.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER.

See Item 4. In addition, on October 20, 1997, R. Rex Lee, M.D., a director of AmVestors, exercised options resulting in the net acquisition of 63,675 shares (the "Lee Shares") of AmVestors Common Stock

and on October 22, 1997 sold such shares to AmerUs Group for \$20 per share plus payment, upon consummation of the Merger, of an amount per share equal to the amount (the "Additional Amount") by which the lesser of (i) the Merger Consideration (as defined in the Merger Agreement) or (ii) \$20.625, exceeds \$20. If the Merger is consummated on December 19, 1997, as currently anticipated, the Additional Amount is expected to be \$0.625 per share. In the event the Merger Agreement is terminated pursuant to Article IX thereof, AmerUs will pay Dr. Lee a per share amount equal to the closing price of Issuer Common Stock on the fifth trading day following the first public announcement of such termination less \$20, up to the Additional Amount.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS.

(1) Agreement of Sale, dated as of October 22, 1997, by and between R. Rex Lee and AmerUs Group Co.

SIGNATURE

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.

December 17, 1997

DATE

/s/ Michael E. Sproule

SIGNATURE

MICHAEL E. SPROULE
EXECUTIVE VICE PRESIDENT AND
CHIEF FINANCIAL OFFICER

AMERUS GROUP CO.

SIGNATURE

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.

December 17, 1997

DATE

/s/ Michael E. Sproule

SIGNATURE

MICHAEL E. SPROULE
EXECUTIVE VICE PRESIDENT AND
CHIEF FINANCIAL OFFICER

AMERICAN MUTUAL HOLDING COMPANY

Schedule I

MARKET TRANSACTIONS IN ISSUER COMMON STOCK

Set forth in the table below is a summary of all market transactions in Issuer Common Stock in the last 60 days effected by AmerUs Group Co. The transactions described below were effected through open market purchases through the New York Stock Exchange. The table shows the total number of shares of Issuer Common Stock acquired on each date listed in one or more transactions and the weighted average price paid for such shares.

STOCK PURCHASES

	Number of Shares Purchased	Average Price Paid
Nov. 17	67,700	\$21.19
Nov. 18	103,000	\$21.86
Nov. 19	9,000	\$21.73
Nov. 20	3,800	\$21.83
Nov. 21	5,000	\$21.88
Nov. 24	87,500	\$22.00
Nov. 25	200,000	\$21.94
Nov. 26	24,500	\$21.88
Nov. 28	3,700	\$21.75
Dec. 1	24,500	\$21.38
Dec. 2	2,000	\$21.44
Dec. 3	51,500	\$21.68

Dec. 4	5,000	\$21.84
Dec. 5	192,189	\$22.00
Dec. 8	141,485	\$22.00
Dec. 9	7,518	\$22.00

TOTAL
(including Lee
Shares)

992,067

EXHIBIT INDEX

(1) Agreement of Sale, dated as of October 22, 1997, by
and between R. Rex Lee and AmerUs Group Co.

AGREEMENT OF SALE

THIS AGREEMENT OF SALE is made and entered into this 22 day of October, 1997, by and between R. Rex Lee, M.D. ("Seller") and AmerUs Group Co., an Iowa corporation ("Buyer").

WITNESSETH

WHEREAS, Seller desires to sell and Buyer desires to purchase all of Seller's rights, title and interest in 63,675 shares of common stock, no par value ("Common Stock") of AmVestors Financial Corporation, a Kansas corporation ("AmVestors") held by Seller (individually a "Share," collectively the "Shares").

NOW, THEREFORE, in consideration of the above premises, the mutual covenants and agreements stated herein, the Purchase Price (as defined below) paid by Buyer to Seller, and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. SALE OF SHARES Seller does hereby irrevocably sell, assign, transfer and deliver unto Buyer, its successors and assigns, all of Seller's right, title, and interest in and to the Shares.

2. PURCHASE PRICE. Buyer hereby agrees to pay to Seller this day, in immediately available funds, an amount equal to \$20 per Share (\$1,273,500.00 in the aggregate for all the Shares). In addition:

- (a) Upon timely consummation of the merger pursuant to that certain Amended and Restated Agreement and Plan of Merger dated as of September 19, 1997, amended and restated on October 8, 1997 (the "Merger Agreement"), by and among AmVestors, AmerUs Life Holdings, Inc., an Iowa corporation ("AmerUs") and AFC Corp., a Kansas corporation and wholly owned subsidiary of AmerUs, Buyer agrees to pay Seller additional consideration equal to the positive amount, if any, of (i) the product of (x) the Merger Consideration (as defined in the Merger Agreement) multiplied by the Average Parent Share Price (as defined in the Merger Agreement) multiplied by (y) 63,675; minus (ii) \$1,273,500; provided, however, that any such payment shall be subject to a maximum of \$0.625

multiplied by 63,675 (the "Maximum Amount").

- (b) In the event the Merger Agreement is terminated pursuant to Article IX of the Merger Agreement, Buyer agrees to pay Seller an amount equal to the positive amount, if any, of (i) the product of (x) 63,675 multiplied by (y) the closing price per share of AmVestors Common Stock as reported on the New York Stock Exchange on the fifth trading day following the date of the first public announcement by Buyer of the termination; minus (ii) \$1,273,500; provided, however, that any such payment shall be subject to a maximum of \$0.625 multiplied by 63,675 (the "Maximum Amount").

3. REPRESENTATIONS, WARRANTIES AND COVENANTS OF SELLER. Seller does hereby represent, warrant and covenant to Buyer as follows:

(a) Seller is the lawful owner of the Shares and has and is hereby transferring to Buyer good and marketable title to the Shares, free and clear of any and all encumbrances, liens, security interests, pledges, and charges of any kind whatsoever.

(b) Seller has the power to enter into this Agreement of Sale and to sell, assign and transfer all of his right, title and interest in the Shares.

(c) Seller covenants and agrees that in the event the Shares cannot be transferred or assigned without the consent of or notice to a third party, such third party consent has previously been obtained, or notice has been previously given (as the case may be), by Seller.

(d) Neither the execution and delivery of this Agreement of Sale nor compliance with the terms hereof by Seller will breach any governmental law, statute or regulation, or conflict with or result in the breach of any of the terms, conditions, or provisions of any agreement or instrument to which the Seller is a party or by which it is or may be bound or result in the creation or imposition of any encumbrance, lien, security interest, pledge or charge.

(e) This Agreement of Sale is enforceable against Seller in accordance with its terms.

4. REPRESENTATIONS, WARRANTIES AND COVENANTS OF BUYER. Buyer does hereby represent and warrant to Seller as follows:

(a) Neither the execution and delivery of this Agreement of Sale nor compliance with the terms hereof by the Buyer will violate the articles of incorporation or bylaws of Buyer, will breach any governmental statute or regulation, or conflict with or result in the

breach of any of the terms, conditions or provisions of any agreement or instrument to which Buyer is a party or by which it is or may be bound or result in the creation or imposition of any encumbrance, lien, security interest, pledge or charge.

(b) Buyer has the corporate power and authority to enter into this Agreement of Sale and this Agreement of Sale is enforceable against Buyer in accordance with its terms.

(c) Buyer covenants and agrees that in the event the Shares cannot be purchased without the consent of or notice to a third party, such third party consent has previously been obtained, or notice has been previously given (as the case may be), by Buyer.

(d) Buyer is acquiring the Shares for its own account for investment purposes, and not with a view to distribution thereof within the meaning of the Securities Act of 1933, as amended (the "Securities Act").

(e) Buyer is an "Accredited Investor" as defined in the Securities Act.

5. GENERAL.

(a) This Agreement of Sale cancels and supersedes all previous agreements relating to the subject matter of this Agreement of Sale, written or oral, between the parties hereto and contains the entire understanding of the parties hereto and shall not be amended, modified or supplemented in any manner whatsoever except in a writing signed by each of the parties hereto.

(b) This Agreement of Sale shall be binding upon, and inure to the benefit of, and be enforceable by, the parties hereto and their respective successors and permitted assigns.

(c) This Agreement of Sale may be executed in any number or counterparts, each of which shall be deemed to be an original and all of which shall constitute one agreement which is binding upon all the parties hereto, notwithstanding that all parties are not signatories to the same counterpart.

(d) This Agreement of Sale and all rights and obligations of the parties hereunder shall be governed by, and construed and interpreted in accordance with, the laws of the State of Kansas applicable to agreements made and to be performed entirely within such State, including all matters of enforcement, validity and performance.

(e) Both parties acknowledge and agree that Seller may be deemed an "Affiliate" of AmVestors under federal and state securities laws, that therefore the Shares may be deemed restricted under Rule 144 of the Securities Act and that the certificates for such Shares may bear

an appropriate restrictive legend.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement of Sale to be executed as of the date and year first set forth above.

R. Rex Lee, M.D.

/s/ R. Rex Lee

AmerUs Group Co.

By: /s/ Joseph Haggerty

Name: Joseph Haggerty

Title: _____
General Counsel
