

CHOICEPOINT INC
Form DEFM14A
March 17, 2008
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(A)

of the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to § 240.14a-12

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

CHOICEPOINT INC.

(Name of Registrant as Specified in Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

.. No fee required.

.. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies: common stock, par value \$0.10 per share.
- (2) Aggregate number of securities to which transaction applies: 67,860,285 shares of common stock; 9,798,666 options to purchase shares of common stock; restricted stock awards with respect to 493,583 shares of common stock; 375,000 deferred shares; and 106,381 share equivalent units.
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined): The maximum aggregate value was determined based upon the sum of (A) 67,860,285 shares of common stock multiplied by \$50.00 per share; (B) options to purchase 9,798,666 shares of common stock with exercise prices less than \$50.00 multiplied by \$15.02 (which is the difference between \$50.00 and the weighted average exercise price of \$34.98 per share); (C) restricted stock awards with respect to 493,583 shares of common stock multiplied by \$50.00 per share; (D) 375,000 deferred shares multiplied by \$50.00 per share; and (E) 106,381 share equivalent units multiplied by \$50.00. In accordance with Section 14(g) of the Securities Exchange Act of 1934, as amended, the filing fee was determined by multiplying 0.0000393 by the sum calculated in the preceding sentence.
- (4) Proposed maximum aggregate value of transaction: \$3,588,938,413
- (5) Total fee paid: \$141,046

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x Fee paid previously with preliminary materials.

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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CHOICEPOINT INC.

1000 Alderman Drive

Alpharetta, GA 30005

Telephone (770) 752-6000

www.choicepoint.com

March 17, 2008

Dear Fellow Shareholder:

You are cordially invited to attend a special meeting of ChoicePoint Inc. shareholders to be held on April 16, 2008, starting at 10:00 a.m., local time, at The Waldorf=Astoria Hotel, 301 Park Avenue, New York, New York 10022.

At the special meeting, you will be asked to consider and vote upon a proposal to approve a merger agreement under which ChoicePoint would be acquired by Reed Elsevier Group plc. We entered into this merger agreement on February 20, 2008. If the merger is completed, you, as a holder of ChoicePoint common stock, will be entitled to receive \$50.00 in cash, without interest, for each share of ChoicePoint common stock owned by you at the completion of the merger, as more fully described in the enclosed proxy statement.

Our board of directors unanimously recommends that you vote FOR the approval of the merger agreement.

Your vote is very important, regardless of the number of shares of common stock you own. We cannot complete the merger unless the merger agreement is approved by the affirmative vote of the holders of outstanding shares of our common stock representing at least a majority of shares entitled to vote at the special meeting. **Therefore, the failure of any shareholder to vote will have the same effect as a vote by that shareholder against the approval of the merger agreement.** Whether or not you plan to attend the special meeting, please complete, date, sign and return, as promptly as possible, the enclosed proxy card in the accompanying reply envelope, or submit your proxy by telephone or the Internet. If you have Internet access, we encourage you to record your vote via the Internet. If you are a shareholder of record and attend the special meeting and vote in person, your vote by ballot will revoke any proxy previously submitted.

The attached proxy statement provides you with detailed information about the special meeting, the merger agreement and the merger. A copy of the merger agreement is attached as Annex A to the enclosed proxy statement. We encourage you to read this document and the merger agreement carefully and in their entirety. You may also obtain more information about ChoicePoint from documents we have filed with the Securities and Exchange Commission.

Thank you in advance for your continued support and your consideration of this matter.

Sincerely,

Derek V. Smith

Chairman and Chief Executive Officer

Neither the Securities and Exchange Commission nor any state securities regulatory agency has approved or disapproved the merger, passed upon the merits or fairness of the merger or passed upon the adequacy or accuracy of the disclosure in this document. Any representation to the contrary is a criminal offense.

This proxy statement is dated March 17, 2008, and is first being mailed to shareholders on or about March 17, 2008.

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CHOICEPOINT INC.

1000 Alderman Drive

Alpharetta, GA 30005

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

To Be Held on April 16, 2008

To the Shareholders of ChoicePoint Inc.:

A special meeting of shareholders of ChoicePoint Inc., a Georgia corporation, will be held on April 16, 2008, starting at 10:00 a.m., local time, at The Waldorf=Astoria Hotel, 301 Park Avenue, New York, New York 10022, for the following purposes:

1. To consider and vote on a proposal to approve the Agreement and Plan of Merger, dated as of February 20, 2008, by and among ChoicePoint Inc., a Georgia corporation, Reed Elsevier Group plc, a public limited company incorporated in England and Wales, and Deuce Acquisition Inc., a Georgia corporation and an indirect wholly owned subsidiary of Reed Elsevier Group plc, as it may be amended from time to time, pursuant to which Deuce Acquisition Inc. will merge with and into ChoicePoint.

2. To consider and vote on a proposal to adjourn or postpone the special meeting to a later date or time, if necessary or appropriate, to solicit additional proxies in the event there are insufficient votes at the time of such adjournment or postponement to approve the merger agreement.

Our board of directors has set March 14, 2008, as the record date for the purpose of determining the shareholders who are entitled to receive notice of, and to vote at, the special meeting. All shareholders at the close of business on the record date are entitled to notice of and to attend the special meeting and any adjournment or postponement thereof. However, only holders of record of our common stock at the close of business on the record date are entitled to vote at the special meeting and at any adjournment or postponement thereof.

Under Georgia law, ChoicePoint shareholders who do not vote in favor of the merger agreement are entitled to dissenters' rights if the merger is completed, but only if they comply with the Georgia law procedures explained in the accompanying proxy statement.

Regardless of whether you plan to attend the special meeting in person, we request that you complete, sign, date and return the enclosed proxy card or submit your proxy by telephone or the Internet prior to the special meeting to ensure that your shares will be represented at the special meeting. If you have Internet access, we encourage you to record your vote via the Internet. Properly executed proxy cards with no instructions indicated on the proxy card will be voted **FOR** the approval of the merger agreement and **FOR** the adjournment or postponement of the special meeting, if necessary or appropriate, to solicit additional proxies. If you fail to return your proxy card or fail to submit your proxy by telephone or the Internet and you fail to attend the special meeting, your shares will not be counted for purposes of determining whether a quorum is present at the meeting. If you hold your shares through a bank, broker or other custodian, you must obtain a legal proxy from such custodian in order to vote in person at the special meeting. If you attend the special meeting, you may revoke your proxy and vote in person if you wish, even if you have previously returned your proxy card. Your prompt attention is greatly appreciated.

THE CHOICEPOINT BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE APPROVAL OF THE MERGER AGREEMENT.

By Order of the Board of Directors,

David W. Davis

Corporate Secretary

Alpharetta, Georgia

March 17, 2008

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ADDITIONAL INFORMATION

This document incorporates important business and financial information about ChoicePoint from documents that are not included in or delivered with this document. See *Where You Can Find More Information* on page 51. You can obtain documents incorporated by reference in this document by requesting them in writing or by telephone from ChoicePoint Inc., Investor Relations, 1000 Alderman Drive, Alpharetta, Georgia 30005, telephone (770) 752-6000. You will not be charged for any of these documents that you request. If you wish to request documents, you should do so by April 9, 2008 in order to receive them before the special meeting.

For additional questions about the merger, assistance in submitting proxies or voting shares of our common stock, or additional copies of the proxy statement or the enclosed proxy card, please contact our proxy solicitor:

Innisfree M&A Incorporated

501 Madison Avenue

New York, NY 10022

Shareholders Call Toll-Free: (877) 800-5186

Banks and Brokers Call Collect: (212) 750-5833

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SUMMARY

The following summary highlights information in this proxy statement and may not contain all the information that is important to you. Accordingly, we encourage you to read carefully this entire proxy statement, its annexes and the documents referred to or incorporated by reference in this proxy statement. We sometimes make reference to ChoicePoint Inc. and its subsidiaries in this proxy statement by using the terms ChoicePoint, the Company, we, our or us and to Reed Elsevier Group plc by using the term Reed Elsevier.

The Merger (Page 13)

The Agreement and Plan of Merger, dated as of February 20, 2008, which we refer to as the merger agreement, by and among ChoicePoint, Reed Elsevier and Deuce Acquisition Inc., provides that, subject to the terms and conditions set forth in the merger agreement, Deuce Acquisition Inc., an indirect wholly owned subsidiary of Reed Elsevier, will merge with and into ChoicePoint. As a result of the merger, ChoicePoint will become an indirect wholly owned subsidiary of Reed Elsevier. Upon completion of the proposed merger, shares of ChoicePoint's common stock will no longer be listed on any stock exchange or quotation system. If the merger is completed, each outstanding share of ChoicePoint common stock will be converted into the right to receive \$50.00 in cash, without interest. We refer to this amount in this proxy statement as the merger consideration.

The Special Meeting (Page 9)

Date, Time and Place. The special meeting will be held on April 16, 2008, starting at 10:00 a.m., local time, at The Waldorf=Astoria Hotel, 301 Park Avenue, New York, New York 10022.

Purpose. You will be asked to consider and vote upon (1) the approval of the merger agreement and (2) the adjournment or postponement of the special meeting to a later date, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the meeting to approve the merger agreement.

Record Date and Quorum. You are entitled to vote at the special meeting if you owned shares of our common stock at the close of business on March 14, 2008, the record date for the special meeting. You will be entitled to one vote for each share of our common stock that you owned on the record date. As of March 14, 2008, there were 68,363,210 shares of our common stock issued and outstanding and entitled to vote. A majority of our common stock issued, outstanding and entitled to vote at the special meeting constitutes a quorum for the purpose of considering the proposals. In the event that a quorum is not present at the special meeting, the meeting may be adjourned or postponed to solicit additional proxies.

Vote Required. The approval of the merger agreement requires the affirmative vote of the holders of outstanding shares of our common stock representing at least a majority of the shares entitled to vote at the special meeting.

Approval of any proposal to adjourn or postpone the special meeting, if necessary or appropriate, for the purpose of soliciting additional proxies requires the affirmative vote of the holders of a majority of the shares of our common stock present in person or represented by proxy at the special meeting and entitled to vote on the matter.

Voting and Proxies. Any shareholder of record entitled to vote at the special meeting may submit a proxy by telephone, via the Internet, by returning the enclosed proxy card by mail, or by voting in person at the special meeting. If you intend to submit your proxy by telephone or the Internet, you must do so no later than 12:00 a.m. on April 16, 2008. If you hold shares of Company common stock in our 401(k) Plan, you may vote by giving instructions to the trustee, via the voting instruction card being mailed by the trustee to plan participants, by telephone or via the Internet. The trustee will vote your shares in accordance with your duly executed instructions

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if you meet the deadline for submitting your vote, which is 5:00 p.m. (Central time) on April 11, 2008. If you do not send instructions, the trustee will vote your shares in the same proportion as the directions received from other participants. If your shares of Company common stock are held in street name by your broker, you should instruct your broker on how to vote such shares of common stock using the instructions provided by your broker. If you do not provide your broker with instructions, your shares of common stock will not be voted, which will have the same effect as a vote AGAINST the approval of the merger agreement. The persons named in the accompanying proxy will also have discretionary authority to vote on any adjournments or postponements of the special meeting. Even if you plan to attend the special meeting, after carefully reading and considering the information contained in this proxy statement, if you hold your shares of Company common stock in your own name as the shareholder of record, please vote your shares by completing, signing, dating and returning the enclosed proxy card, by using the telephone number printed on your proxy card or by using the Internet voting instructions printed on your proxy card.

If you return your signed proxy card, but do not mark the boxes showing how you wish to vote, your shares will be voted FOR the proposal to approve the merger agreement and FOR the adjournment proposal, if applicable.

Revocability of Proxy. Any shareholder of record who executes and returns a proxy card (or submits a proxy via telephone or the Internet) may revoke the proxy at any time before it is voted at the special meeting by attending the special meeting and voting in person. Your attendance at the special meeting will not, by itself, revoke your proxy; you must also vote in person at the special meeting. If you hold your shares in your name as a shareholder of record, you may also revoke the proxy by notifying our proxy solicitor, Innisfree M&A Incorporated, 501 Madison Avenue, New York, NY 10022. The proxy may also be revoked by submitting a later-dated proxy card, or, if you voted by telephone or the Internet, by voting a second time by telephone or the Internet. In the event you have instructed a broker, bank or other nominee to vote your shares of our common stock, you must follow the directions received from your broker, bank or other nominee and change those instructions in order to revoke your proxy.

The Companies (Page 12)

ChoicePoint Inc. ChoicePoint helps businesses, non-profit organizations, and federal, state and local governments reduce fraud, mitigate risk, facilitate smarter decisions, and make society safer, while protecting consumer privacy. ChoicePoint's Insurance Services group provides data, analytics, software and business information services to property and casualty personal and commercial insurance carriers. The Screening and Authentication Services group conducts employment screening, tenant screening and customer enrollment services and delivers vital records. The Business Services group provides public information solutions primarily to retail and commercial banking, mortgage lending, and legal industries, and provides information solutions that support the missions of federal, state and local government and international law enforcement agencies. The Marketing Services group is a provider of direct marketing and database solutions to the insurance and financial services industries.

Reed Elsevier Group plc. Reed Elsevier Group plc is jointly owned by two companies, Reed Elsevier PLC (a United Kingdom company listed on the London Stock Exchange under the symbol REL and on the New York Stock Exchange under the symbol RUK) and Reed Elsevier NV (a Netherlands company listed on the Amsterdam Stock Exchange under the symbol REN and on the New York Stock Exchange under the symbol ENL), and along with Reed Elsevier PLC, Reed Elsevier NV and certain other entities, is part of the collection of businesses that make up the Reed Elsevier combined businesses. Reed Elsevier is one of the world's leading publishers and information providers. Its activities include science and medical, legal and business publishing. Reed Elsevier's principal operations are in North America and Europe. For the year ended December 31, 2007, Reed Elsevier had total revenue from continuing operations of approximately £4.6 billion and approximately 31,600 employees. Reed Elsevier's businesses provide products and services that are organized to serve three

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business sectors: LexisNexis serves the legal and other professional sectors; Elsevier serves the science and medical sector; and Reed Business serves the business to business sector.

Deuce Acquisition Inc. Deuce Acquisition Inc. is a Georgia corporation and an indirect wholly owned subsidiary of Reed Elsevier. Deuce Acquisition Inc. was formed solely for the purpose of facilitating Reed Elsevier's acquisition of ChoicePoint. Deuce Acquisition Inc. has not carried on any activities to date, except for activities incidental to its formation and activities undertaken in connection with the transactions contemplated by the merger agreement. Upon consummation of the proposed merger, Deuce Acquisition Inc. will merge with and into ChoicePoint and will cease to exist.

Recommendation of Our Board of Directors (Page 15)

Our board of directors unanimously adopted the merger agreement, the merger and the transactions contemplated by the merger agreement, and determined that the transactions contemplated by the merger agreement are advisable and in the best interests of ChoicePoint and its shareholders. The board of directors unanimously recommends that our shareholders vote FOR the approval of the merger agreement and FOR the adjournment or postponement of the special meeting, if necessary or appropriate, to solicit additional proxies.

Opinion of ChoicePoint's Financial Advisor (Page 17)

Goldman, Sachs & Co. (Goldman Sachs) rendered its opinion to our board of directors that, as of February 20, 2008, and based upon and subject to the factors and assumptions set forth therein, the \$50.00 in cash per share of Company common stock to be received by the holders of the outstanding shares of Company common stock pursuant to the merger agreement was fair from a financial point of view to such holders.

The full text of the written opinion of Goldman Sachs, dated February 20, 2008, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached hereto as Annex B. Goldman Sachs provided its opinion for the information and assistance of our board of directors in connection with its consideration of the transaction. The Goldman Sachs opinion is not a recommendation as to how any holder of shares of Company common stock should vote with respect to the merger agreement or any other matter.

Treatment of Options and Other Awards (Page 31)

Stock Options. Options to acquire shares of our common stock will vest in full as of the effective time of the merger and will be cancelled, and holders of such options will only be entitled to receive an amount in cash equal to the excess, if any, of the merger consideration over the per share exercise price for each share subject to the option, less required withholding taxes.

Restricted Shares. All shares of our restricted stock will vest in full as of the effective time of the merger and will be converted into the right to receive the merger consideration, less any required withholding taxes.

Share Equivalent Units. Each share equivalent unit denominated in our common stock will vest in full as of the effective time of the merger and will be converted into the right to receive an amount in cash equal to the merger consideration. These amounts, plus interest and less any required withholding taxes, will be payable in accordance with and at the time set forth under the terms of the arrangement relating to the share equivalent unit (or, if earlier, on the death of the holder if occurring after the effective time).

Deferred Shares. Each deferred share award denominated in our common stock will vest in full as of the effective time of the merger and will be converted into the right to receive an amount in cash equal to the merger consideration. These amounts, plus interest and less any required withholding taxes, will be payable in full (without exercise of discretionary proration) on the later of (i) the effective time of the merger and (ii) January 2, 2009, subject to earlier payment on the death of the holder if occurring after the effective time.

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Other Company Awards. Immediately prior to the effective time of the merger, all amounts held in participant accounts and denominated in our common stock under our nonqualified deferred compensation plans or any of our other benefit plans will be converted into the right to receive the merger consideration, based on the number of shares in such participant accounts. These amounts will be payable in accordance with and at the time set forth under the terms of the applicable plan (or, if earlier, on the death of the holder), less any required withholding taxes and, prior to payment, will be permitted to be deemed invested in an investment option under the applicable plan.

Material U.S. Federal Income Tax Consequences (Page 28)

The exchange of shares of our common stock for cash pursuant to the merger generally will be a taxable transaction for U.S. federal income tax purposes. Shareholders who exchange their shares of our common stock for cash in the merger will generally recognize gain or loss in an amount equal to the difference, if any, between the cash received in the merger and their adjusted tax basis in their shares of our stock. You should consult your tax advisor for a complete analysis of the effect of the merger on your federal, state, local and/or foreign taxes.

Interests of ChoicePoint's Directors and Executive Officers in the Merger (Page 25)

ChoicePoint's executive officers and directors have financial interests in the merger that are different from, or in addition to, their interests as ChoicePoint shareholders. The independent members of ChoicePoint's board of directors were aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement and the merger, and in recommending to the shareholders that the merger agreement be approved.

ChoicePoint's executive officers, including each of its named executive officers, are either parties to employment agreements with ChoicePoint that provide severance and other benefits in the case of qualifying terminations of employment following a change in control, including completion of the merger, or are eligible to receive severance benefits under ChoicePoint's severance pay plan upon termination of employment in accordance with the terms of such plan. In addition, stock-based awards held by ChoicePoint's executive officers will be vested upon completion of the merger. Pursuant to the terms of ChoicePoint's non-qualified deferred compensation arrangements, the benefits thereunder will vest in connection with the merger. Executive officers and directors of ChoicePoint also have rights to indemnification and directors' and officers' liability insurance that will survive completion of the merger.

Please see "The Merger Interests of ChoicePoint's Officers and Directors in the Merger" beginning on page 25 for additional information about these financial interests.

Common Stock Ownership of Directors and Executive Officers (Page 48)

As of March 14, 2008, the directors and executive officers of ChoicePoint owned and were entitled to vote in the aggregate 3,253,099 of the shares of our common stock entitled to vote at the special meeting. We currently expect that each of these individuals will vote all of his or her shares of common stock in favor of each of the proposals.

Dissenters' Rights (Page 45)

Under Georgia law, ChoicePoint shareholders have the right to dissent from the merger and to receive a cash payment for the judicially determined fair value of their shares of our common stock. The judicially determined fair value could be greater than, equal to or less than the \$50.00 in cash per share that our shareholders are entitled to receive in the merger. Shareholders who wish to exercise their dissenters' rights must not vote in favor of the approval of the merger agreement and must strictly comply with all of the procedures required by the Georgia Business Corporation Code.

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Conditions to the Merger (Page 41)

Conditions to Each Party's Obligations. Each party's obligation to complete the merger is subject to the satisfaction or waiver of the following mutual conditions:

approval of the merger agreement by ChoicePoint's shareholders;

the waiting period(s) under the Hart-Scott-Rodino Act (the HSR Act) and all other applicable antitrust laws shall have expired or been terminated, and any other approvals required to consummate the merger that if not obtained would provide a reasonable basis to conclude that the parties or any of their affiliates would be subject to risk of criminal sanctions or any of their representatives would be subject to the risk of criminal or civil sanctions have been obtained; and

no governmental entity of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any temporary, preliminary or permanent law or order that restrains, enjoins or otherwise prohibits consummation of the merger.

Conditions to ChoicePoint's Obligation. Our obligation to complete the merger is subject to the satisfaction or waiver of further conditions, including:

Reed Elsevier's and Deuce Acquisition Inc.'s representations and warranties must be true and correct in all material respects, as of February 20, 2008, and as of the closing date of the merger; and

Reed Elsevier must have performed, in all material respects, its obligations under the merger agreement.

Conditions to Reed Elsevier's and Deuce Acquisition Inc.'s Obligation. The obligation of Reed Elsevier and Deuce Acquisition Inc. to complete the merger is subject to the satisfaction or waiver of further conditions, including:

our representations with respect to our capital structure, our corporate authority and anti-takeover statutes or provisions in our organizational documents must be true and correct in all material respects as of February 20, 2008, and the closing date of the merger (except to the extent that they specifically speak as to a different date);

our other representations and warranties must be true and correct (without giving effect to any materiality or Material Adverse Effect (as defined below under The Merger Agreement Representations and Warranties) qualifications) as of February 20, 2008, and the closing date of the merger (except to the extent that they specifically speak as to a different date), unless the failure of our representations and warranties to be true and correct, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect;

we must have performed, in all material respects, our obligations under the merger agreement; and

there shall not have occurred, or been discovered, any change, event, circumstances or development that has had, or is reasonably likely to have, a Material Adverse Effect on us since February 20, 2008.

Termination of the Merger Agreement (Page 42)

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We and Reed Elsevier may terminate the merger agreement by mutual written consent at any time before the completion of the merger. In addition, with certain exceptions, either Reed Elsevier or ChoicePoint may terminate the merger agreement at any time before the completion of the merger:

if the merger has not been completed by the end date, which is December 31, 2008, which may be extended by us or Reed Elsevier until February 28, 2009 to obtain regulatory approval;

if the approval of the merger agreement by our shareholders is not obtained at the special meeting of our shareholders or at any adjournment or postponement of such meeting; or

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if any governmental entity of competent jurisdiction has issued or entered a final and non-appealable order permanently restraining, enjoining or otherwise prohibiting consummation of the merger.

ChoicePoint may also terminate the merger agreement:

prior to the approval of the merger agreement by our shareholders if (1) our board authorizes us to enter into an agreement with respect to a Superior Proposal (as defined below under *The Merger Agreement No Solicitation of Transactions*) and we notify Reed Elsevier in writing that we intend to enter into such an agreement, (2) Reed Elsevier does not make, within five business days of receipt of the notice of the Company's intention, an offer that our board determines, in good faith after consultation with its financial advisors, is at least as favorable, from a financial point of view, to our shareholders as the Superior Proposal and (3) concurrently with such termination, we pay the Termination Fee (as defined below under *The Merger Agreement Fees and Expenses*). We may not enter into an agreement with respect to a Superior Proposal unless such agreement will not become effective earlier than the termination of the merger agreement in accordance with the provisions of the merger agreement. We have also agreed to notify Reed Elsevier promptly if our intention to enter into an agreement with respect to such a Superior Proposal changes. During the five-day period referred to above, we must negotiate in good faith with Reed Elsevier with respect to any revisions to the terms of the merger proposed by Reed Elsevier; or

at any time before the completion of the merger if Reed Elsevier or Deuce Acquisition Inc. has breached any of its representations, warranties, covenants or other agreements in the merger agreement and such breach would result in the failure of a closing condition to be satisfied and such breach or condition cannot be cured or, if curable, is not cured within the earlier of 30 days following written notice to Reed Elsevier or the end date.

Reed Elsevier may also terminate the merger agreement if:

the board makes a Change of Recommendation (as defined below under *The Merger Agreement No Solicitation of Transactions*) or we fail to take a vote of shareholders on the merger within the timeframe permitted by the merger agreement (unless such failure is due to a final and non-appealable permanent injunction imposed by a governmental entity);

a tender or exchange offer for shares of our common stock is publicly disclosed and at any time after the commencement of such tender or exchange offer the board makes a statement with respect to such offer and fails to recommend that our shareholders not tender any of their shares into such offer; or

we have breached any of our representations, warranties, covenants or other agreements in the merger agreement and such breach would result in the failure of a closing condition to be satisfied and such breach or condition cannot be cured or, if curable, is not cured within the earlier of 30 days following written notice to Reed Elsevier or the end date.

Termination Fees (Page 43)

We will be obligated to pay to Reed Elsevier a termination fee of \$100 million and reimburse Reed Elsevier for its expenses up to \$15 million in the event that the merger agreement is terminated:

by either us or Reed Elsevier if the merger has not been consummated by the end date and an Acquisition Proposal (as defined below under *The Merger Agreement No Solicitation of Transactions*) has been either made to us or our shareholders or publicly announced and not withdrawn more than 10 business days prior to the end date;

by either us or Reed Elsevier if the merger is not approved by our shareholders and an Acquisition Proposal has been either made to us or our shareholders or publicly announced and not withdrawn more than 10 business days prior to the date of the special meeting

of our shareholders;

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by Reed Elsevier if (1) our board changes its recommendation to our shareholders to vote for the approval of the merger agreement, (2) we fail to hold a special meeting of shareholders (unless we are enjoined from doing so) or (3) at any time when there is an outstanding tender offer or exchange offer for our shares that is commenced by any person other than Reed Elsevier or any of Reed Elsevier's affiliates, our board makes a statement with respect to such tender offer or exchange offer (other than a "stop, look and listen" statement) and fails to recommend that our shareholders do not tender their shares in such tender offer or exchange offer;

by us if the merger is not approved by our shareholders and Reed Elsevier is entitled to terminate the merger agreement due to one of the circumstances described in the immediately preceding bullet; or

by us in order to enter into an agreement for a Superior Proposal.

Notwithstanding the foregoing, in the event of a termination of the merger agreement under the circumstances described in the first two bullets above, we will not be obligated to pay the termination fee to Reed Elsevier unless and until within 12 months of the termination of the merger agreement, we enter into an agreement for or consummate, or there otherwise has been consummated, in a single transaction or series of related transactions, an Acquisition Proposal involving 50% or more of our assets or the voting power of our shares.

Regulatory Approvals (Page 29)

Under the HSR Act, the merger cannot be completed until notification and report forms have been filed with the U.S. Federal Trade Commission (the "FTC") and the Antitrust Division of the U.S. Department of Justice (the "Antitrust Division") and all applicable waiting periods have expired or been terminated. On February 28, 2008, ChoicePoint and Reed Elsevier filed its respective notification and report form under the HSR Act with the FTC and the Antitrust Division. Reed Elsevier and ChoicePoint also filed notifications with the merger control authorities of Austria and Germany on March 7, 2008 and March 12, 2008, respectively, and Reed Elsevier intends to file a notification with the Committee on Foreign Investment in the United States.

Completion of the Merger (Page 41)

We currently anticipate that the merger will be completed by the end of the summer of 2008. However, we cannot predict the exact timing of the completion of the merger and whether the merger will be completed. In order to complete the merger, we must obtain approval of our shareholders and the other closing conditions under the merger agreement, including receipt of certain regulatory approvals, must be satisfied or, to the extent legally permitted, waived.

Market Price of Common Stock (Page 47)

The closing sale price of our common stock on the New York Stock Exchange on February 20, 2008, the last trading day prior to the announcement of the merger, was \$33.66.

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CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING INFORMATION

This proxy statement, and the documents to which we refer you in this proxy statement, include forward-looking statements based on estimates and assumptions. There are forward-looking statements throughout this proxy statement, including, without limitation, under the headings Summary, The Special Meeting, The Merger, Opinion of ChoicePoint's Financial Advisor, Projected Financial Information, and Regulatory Approvals, and in statements containing words such as believes, estimates, anticipates, continues, predict, potential, contemplates, could, will, likely, could, should or would or other similar words or phrases. These statements are subject to risks, uncertainties, and other factors, including, among others:

the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement;

the effect of the announcement of the merger on ChoicePoint's business relationships, operating results and business generally;

the outcome of any legal proceedings that may be instituted against ChoicePoint or Reed Elsevier and others related to the merger agreement;

shareholder approval or other conditions to the completion of the transaction may not be satisfied, or the regulatory approvals required for the transaction may not be obtained on the terms expected or on the anticipated schedule;

ChoicePoint's and Reed Elsevier's ability to meet expectations regarding the timing, completion and accounting and tax treatments of the merger; and

the retention of key employees at ChoicePoint.

In addition, we are subject to risks and uncertainties and other factors detailed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2007, filed with the Securities and Exchange Commission, which we refer to herein as the SEC, on February 29, 2008, which should be read in conjunction with this proxy statement. See "Where You Can Find More Information" on page 51. Many of the factors that will determine our future results are beyond our ability to control or predict. In light of the significant uncertainties inherent in the forward-looking statements contained herein, readers should not place undue reliance on forward-looking statements, which reflect management's views only as of the date hereof. We cannot guarantee any future results, levels of activity, performance or achievements. The statements made in this proxy statement represent our views as of the date of this proxy statement, and it should not be assumed that the statements made herein remain accurate as of any future date. Moreover, we assume no obligation to update forward-looking statements or update the reasons that actual results could differ materially from those anticipated in forward-looking statements, except as required by law.

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THE SPECIAL MEETING

Date, Time, Place and Purpose of the Special Meeting

This proxy statement is being furnished to our shareholders as part of the solicitation of proxies by our board of directors for use at the special meeting to be held on April 16, 2008, starting at 10:00 a.m., local time, at The Waldorf=Astoria Hotel, 301 Park Avenue, New York, New York 10022, or at any postponement or adjournment thereof. The purpose of the special meeting is for our shareholders to consider and vote on approval of the merger agreement (and to approve the adjournment or postponement of the special meeting, if necessary or appropriate, to solicit additional proxies). Our shareholders must approve the merger agreement in order for the merger to occur. If our shareholders fail to approve the merger agreement, the merger will not occur. A copy of the merger agreement is attached to this proxy statement as Annex A. You are urged to read the merger agreement in its entirety.

Record Date and Quorum

We have fixed the close of business on March 14, 2008, as the record date for the special meeting, and only holders of record of our common stock on the record date are entitled to vote at the special meeting. As of March 14, 2008, there were 68,363,210 shares of our common stock outstanding and entitled to vote. Each share of our common stock entitles its holder to one vote on all matters properly coming before the special meeting.

A majority of the shares of our common stock issued, outstanding and entitled to vote at the special meeting constitutes a quorum for the purpose of considering the proposals. Shares of our common stock represented at the special meeting but not voted, including shares of our common stock for which proxies have been received but for which shareholders have abstained, will be treated as present at the special meeting for purposes of determining the presence or absence of a quorum for the transaction of all business. In the event that a quorum is not present at the special meeting, the meeting may be adjourned or postponed to solicit additional proxies.

Vote Required for Approval

You may vote FOR or AGAINST, or you may ABSTAIN from voting on, the proposal to approve the merger agreement. Abstentions will not be counted as votes cast or shares voting on the proposal to approve the merger agreement, but will count for the purpose of determining whether a quorum is present.

Completion of the merger requires the approval of the merger agreement by the affirmative vote of the holders of outstanding shares of our common stock representing at least a majority of the shares entitled to vote at the special meeting. **Therefore, if you abstain, it will have the same effect as a vote AGAINST the approval of the merger agreement.**

As of March 14, 2008, our directors and executive officers held and are entitled to vote, in the aggregate, 3,253,099 shares of our common stock, representing approximately 4.76% of our outstanding common stock. All of our directors and executive officers have informed ChoicePoint that they currently intend to vote all of their shares of common stock FOR the approval of the merger agreement and the proposal to postpone the special meeting, if necessary or appropriate, to solicit additional proxies.

Proxies and Revocation

If you submit a proxy by telephone or the Internet or by returning a signed and dated proxy card by mail, your shares will be voted at the special meeting as you indicate. If you sign your proxy card without indicating your vote, your shares will be voted FOR the approval of the merger agreement and FOR the adjournment or postponement of the special meeting, if necessary or appropriate, to solicit additional proxies, and in accordance with the recommendations of our board of directors on any other matters properly brought before the special meeting, or at any adjournment or postponement thereof, for a vote.

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If your shares of common stock are held by a broker, bank or other nominee (*i.e.*, in street name), you will receive instructions from your broker, bank or other nominee that you must follow in order to have your shares voted. If you have not received such voting instructions or require further information regarding such voting instructions, contact your broker. Brokers are precluded from exercising their voting discretion with respect to approving non-routine matters such as the approval of the merger agreement and, as a result, absent specific instructions from the beneficial owner of such shares, brokers are not empowered to vote those shares, referred to generally as broker non-votes. **Therefore, while broker non-votes will be counted for the purpose of determining a quorum, because completion of the merger requires the approval of the merger agreement by the affirmative vote of the holders of outstanding shares of our common stock representing at least a majority of the shares entitled to vote at the special meeting, any broker non-votes will have the same effect as a vote AGAINST the approval of the merger agreement.**

Proxies received at any time before the special meeting, and not revoked or superseded before being voted, will be voted at the special meeting. You have the right to change or revoke your proxy at any time before the vote taken at the special meeting:

if you hold your shares in your name as a shareholder of record, by notifying Innisfree M&A Incorporated, 501 Madison Avenue, New York, NY 10022;

by attending the special meeting and voting in person (your attendance at the meeting will not, by itself, revoke your proxy; you must vote in person at the meeting);

by submitting a later-dated proxy card;

if you voted by telephone or the Internet, by voting again by telephone or Internet; or

if you have instructed a broker, bank or other nominee to vote your shares, by following the directions received from your broker, bank or other nominee to change those instructions.

Adjournments and Postponements

Although it is not currently expected, the special meeting may be adjourned or postponed for the purpose of soliciting additional proxies. ChoicePoint's amended and restated bylaws, as amended, provide that any adjournment may be made without notice if the adjournment is to a date that is not greater than 120 days after the original date fixed for the special meeting and no new record date is fixed for the adjourned meeting. Under the merger agreement, if there are not sufficient votes to approve the merger agreement, ChoicePoint may propose to adjourn the meeting for periods of up to 15 days, not to exceed 30 days in the aggregate. Any signed proxies received by ChoicePoint in which no voting instructions are provided on such matter will be voted FOR an adjournment or postponement of the special meeting, if necessary or appropriate, to solicit additional proxies. Whether or not a quorum exists, holders of a majority of our shares of common stock present in person or represented by proxy and entitled to vote at the special meeting may adjourn the special meeting. Because a majority of the votes represented at the meeting, whether or not a quorum exists, is required to approve the proposal to adjourn the meeting, abstentions and broker non-votes will have the same effect on such proposal as a vote AGAINST the proposal. In connection with any adjournment or postponement of the special meeting for the purpose of soliciting additional proxies, ChoicePoint's shareholders who have already sent in their proxies will be able to revoke them at any time prior to their use at the special meeting as adjourned or postponed.

Solicitation of Proxies

We have retained Innisfree M&A Incorporated to assist in the solicitation of proxies for the special meeting for a fee of approximately \$25,000 in advance and \$25,000 upon obtaining shareholder approval of the merger agreement, plus reimbursement of reasonable out-of-pocket expenses. Our directors, officers and employees may also solicit proxies by personal interview, mail, e-mail, telephone, facsimile or other means of communication. These persons will not be paid additional remuneration for their efforts. We will also request brokers and other fiduciaries to forward proxy solicitation materials to the beneficial owners of shares of our common stock that

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the brokers and fiduciaries hold of record. Upon request, we will reimburse them for their reasonable out-of-pocket expenses.

Questions and Additional Information

If you have questions about the merger or how to submit your proxy, or if you need additional copies of this proxy statement or the enclosed proxy card or voting instructions, please call our proxy solicitor, Innisfree M&A Incorporated, toll-free at (877) 800-5186 (shareholders) or collect at (212) 750-5833 (banks and brokers).

Availability of Documents

Documents incorporated by reference (excluding exhibits to those documents unless the exhibit is specifically incorporated by reference into those documents) will be provided by first-class mail without charge to each person to whom this proxy statement is delivered upon the written or oral request of such person. After the record date, a list of our shareholders entitled to vote at the special meeting will be prepared and made available through the special meeting for inspection at our principal executive offices for any purpose germane to the meeting; the list will also be available at the meeting for inspection by any shareholder present at the meeting.

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THE COMPANIES

ChoicePoint

ChoicePoint helps businesses, non-profit organizations, and federal, state and local governments reduce fraud, mitigate risk, facilitate smarter decisions, and make society safer, while protecting consumer privacy. ChoicePoint's Insurance Services group provides data, analytics, software and business information services to property and casualty personal and commercial insurance carriers. The Screening and Authentication Services group conducts employment screening, tenant screening and customer enrollment services and delivers vital records. The Business Services group provides public information solutions primarily to retail and commercial banking, mortgage lending and legal industries, and provides information solutions that support the missions of federal, state and local government and international law enforcement agencies. The Marketing Services group is a provider of direct marketing and database solutions to the insurance and financial services industries.

ChoicePoint's principal address is 1000 Alderman Drive, Alpharetta, Georgia 30005, and our telephone number is (770) 752-6000. For more information about ChoicePoint, please visit our corporate website at www.choicepoint.com. Our website address is provided as an inactive textual reference only. The information provided on our website is not part of this proxy statement, and is not incorporated herein by reference. See also [Where You Can Find More Information](#). ChoicePoint's common stock is publicly traded on the New York Stock Exchange under the symbol [CPS](#).

Reed Elsevier

Reed Elsevier Group plc is jointly owned by two companies, Reed Elsevier PLC (a United Kingdom company listed on the London Stock Exchange under the symbol [REL](#) and on the New York Stock Exchange under the symbol [RUK](#)) and Reed Elsevier NV (a Netherlands company listed on the Amsterdam Stock Exchange under the symbol [REN](#) and on the New York Stock Exchange under the symbol [ENL](#)), and along with Reed Elsevier PLC, Reed Elsevier NV and certain other entities, is part of the collection of businesses that make up the Reed Elsevier combined businesses. Reed Elsevier is one of the world's leading publishers and information providers. Its activities include science and medical, legal and business publishing. Reed Elsevier's principal operations are in North America and Europe. For the year ended December 31, 2007, Reed Elsevier had total revenue from continuing operations of approximately £4.6 billion and an average of approximately 31,600 employees. Reed Elsevier's businesses provide products and services that are organized to serve three business sectors: LexisNexis serves the legal and other professional sectors; Elsevier serves the science and medical sector; and Reed Business serves the business to business sector. Reed Elsevier Group plc's principal address is 1-3 The Strand, London WC2N 5JR England, and its telephone number is (011) 44-20-7930-7077.

Deuce Acquisition Inc.

Deuce Acquisition Inc. is a Georgia corporation and an indirect wholly owned subsidiary of Reed Elsevier. Deuce Acquisition Inc. was formed solely for the purpose of facilitating Reed Elsevier's acquisition of ChoicePoint. Deuce Acquisition Inc. has not carried on any activities to date, except for activities incidental to its formation and activities undertaken in connection with the transactions contemplated by the merger agreement. Upon consummation of the proposed merger, Deuce Acquisition Inc. will merge with and into ChoicePoint and will cease to exist, with ChoicePoint continuing as an indirect wholly owned subsidiary of Reed Elsevier. Deuce Acquisition Inc.'s address is c/o Reed Elsevier Group plc, 1-3 The Strand, London WC2N 5JR England, and its telephone number is (011) 44-20-7930-7077.

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THE MERGER

This discussion of the merger is qualified in its entirety by reference to the merger agreement, which is attached to this proxy statement as Annex A and which is incorporated by reference into this proxy statement. You should read the entire merger agreement carefully as it is the legal document that governs the merger.

Background of the Merger

The board of directors of ChoicePoint has from time to time reviewed with senior management the Company's strategic direction and the alternatives available to enhance its performance and prospects in the context of developments in the industries in which it operates. The board has periodically considered, among other things, potential acquisitions, dispositions and business combinations with third parties based on their lines of business, geographic locations and management and employee cultures. In 2006, ChoicePoint's management completed and the board approved a strategic analysis pursuant to which the Company adopted a new strategic focus on helping customers manage economic risks and the board determined to divest businesses that either did not fit within the new strategic direction or were unlikely to gain critical mass in the marketplace under ChoicePoint's ownership.

Throughout the first half of 2007, the ChoicePoint board of directors pursued the strategy set forth in the 2006 strategic analysis. In doing so, the board noted a trend towards specialization and consolidation in the industries in which ChoicePoint operates. Companies in those industries were choosing either to focus on a few core product lines or, alternatively, to expand to provide a more comprehensive product set. Against that backdrop, ChoicePoint's board of directors reviewed with executive management the competitive landscape in the industries in which ChoicePoint operates and other strategic matters at its regularly scheduled board meetings. In the course of these reviews, the board discussed various business initiatives potentially available to ChoicePoint, including sales of assets and non-core businesses, a recapitalization coupled with a share buyback on the open market, and potential business combinations involving ChoicePoint.

During the summer of 2007, the ChoicePoint board of directors, with the assistance of its financial advisors and its legal advisors, determined to investigate on a preliminary basis the strategic alternatives available to the Company. In connection with this exploration, and in order to provide a comparison by which the ChoicePoint board could evaluate the alternatives available to it, the ChoicePoint board of directors instructed its financial advisors to contact a number of parties that had expressed or might have an interest in a business combination involving the Company. A few parties executed confidentiality agreements with the Company and conducted documentary and management due diligence. ChoicePoint received preliminary indications of interest ranging from \$50.00 to \$54.00 from these parties. After conducting further due diligence, the parties were instructed to deliver revised proposals to ChoicePoint. The revised proposals received by ChoicePoint from these parties ranged from \$45.50 to \$49.00, most of which were subject to continued due diligence and none of which had committed financing for the full purchase price. In light of the reduction in price and the conditional nature of the revised proposals, the board of directors determined not to proceed with its discussions with any of these parties regarding a business combination.

During ChoicePoint's process of evaluating strategic alternatives in the summer of 2007, Reed Elsevier expressed an interest in exploring the possibility of a business combination with ChoicePoint at prices higher than \$50.00 per share, subject to, among other things, conducting due diligence and negotiation of a definitive agreement. ChoicePoint and Reed