

KEMPER Corp
Form 424B5
April 27, 2018
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File No. 333-224144

MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

Dear Stockholders:

Kemper Corporation (*Kemper*) and Infinity Property and Casualty Corporation (*Infinity*) have entered into an Agreement and Plan of Merger, dated as of February 13, 2018 (as amended from time to time, the *Merger Agreement*), providing, among other things, that, upon the terms and subject to the conditions set forth in the Merger Agreement, a wholly owned subsidiary of Kemper will merge with and into Infinity, with Infinity surviving the Merger as a wholly owned subsidiary of Kemper (the *Merger*).

If the Merger is completed, each share of Infinity common stock, no par value per share (*Infinity common stock*), outstanding as of immediately prior to the effective time of the Merger (other than shares owned by Kemper or any of its wholly owned subsidiaries or Infinity or any of its subsidiaries and shares held by any holder of Infinity common stock who is entitled to demand and properly demands appraisal of such shares under Ohio law) will be cancelled and extinguished and automatically converted into, at the election of the holder of such share, subject to proration and adjustment as described in the Merger Agreement, either (i) mixed consideration consisting of \$51.60 in cash, without interest and subject to any required withholding of taxes, and 1.2019 shares of Kemper common stock, par value \$0.01 per share (*Kemper common stock*), (ii) cash consideration consisting of \$129.00, without interest and subject to any required withholding of taxes or (iii) stock consideration consisting of 2.0031 shares of Kemper common stock. Holders of Infinity common stock who do not make an election will receive the mixed consideration described in (i) above.

Based on the number of shares of Infinity common stock outstanding on April 20, 2018, the record date for the special meeting of Infinity shareholders (the *Infinity special meeting*), Kemper expects to issue or reserve for issuance approximately 13.2 million shares of Kemper common stock pursuant to the Merger Agreement (including shares of Kemper common stock issuable to Infinity shareholders and shares of Kemper common stock issuable pursuant to the vesting and/or conversion of Infinity's equity-based incentive awards). Based on this number and the number of shares of Kemper common stock outstanding on April 16, 2018, the record date for the annual meeting of Kemper stockholders (the *Kemper annual meeting*), upon the closing, pre-existing Kemper stockholders and former Infinity shareholders would own approximately 80% and 20% of the outstanding shares of Kemper common stock, respectively.

Kemper common stock is traded on the New York Stock Exchange (*NYSE*) under the trading symbol *KMPR*. On April 26, 2018, Kemper common stock closed at \$60.40 per share as reported by the NYSE.

Infinity common stock is traded on the NASDAQ Stock Market (*NASDAQ*) under the trading symbol IPCC. On April 26, 2018, Infinity common stock closed at \$123.05 per share as reported by the NASDAQ.

The closing is subject to certain conditions, including Kemper stockholders approving a proposal to approve the issuance of shares of Kemper common stock to Infinity shareholders in the Merger (the *share issuance proposal*) and Infinity shareholders approving a proposal to adopt the Merger Agreement (the *merger proposal*). Approval of the share issuance proposal by Kemper stockholders requires the affirmative vote of a majority of votes cast at the Kemper annual meeting with respect to the share issuance proposal, provided that a quorum is present. Approval of the merger proposal by Infinity shareholders requires the affirmative vote of shareholders entitled to exercise a majority of the voting power of Infinity.

At the Kemper annual meeting, Kemper stockholders will be asked to vote on (i) the share issuance proposal, (ii) a proposal to adjourn the Kemper annual meeting, for a period no longer than twenty (20) business days in the aggregate, for the absence of a quorum or to allow reasonable additional time to solicit proxies in favor of the share issuance proposal if there are insufficient votes at the time of the Kemper annual meeting or any adjournment or postponement thereof (the *Kemper meeting adjournment proposal*), (iii) a proposal to elect the director nominees named in this joint proxy statement/prospectus,

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(iv) a non-binding advisory proposal to ratify the selection of Deloitte & Touche LLP as Kemper's independent registered public accountant for fiscal year 2018, (v) a non-binding advisory proposal to approve the compensation of Kemper's named executive officers, as described in this joint proxy statement/prospectus and (vi) any other business as may be properly brought before the Kemper annual meeting.

The Kemper board of directors unanimously recommends that holders of Kemper common stock vote (i) FOR the share issuance proposal, (ii) FOR the Kemper meeting adjournment proposal, (iii) FOR the election of each of the director nominees named in this joint proxy statement/prospectus, (iv) FOR the non-binding advisory proposal to ratify the selection of Deloitte & Touche LLP as Kemper's independent registered public accountant for fiscal year 2018 and (v) FOR the non-binding advisory proposal to approve the compensation of Kemper's named executive officers, as described in this joint proxy statement/prospectus.

At the Infinity special meeting, Infinity shareholders will be asked to vote on (i) the merger proposal, (ii) a proposal to approve, by a non-binding advisory vote, the compensation that may be paid or become payable to Infinity's named executive officers that is based on or otherwise relates to the Merger contemplated by the Merger Agreement (the *non-binding compensation advisory proposal*) and (iii) a proposal to adjourn the Infinity special meeting, for a period no longer than twenty (20) business days in the aggregate, for the absence of a quorum or to allow reasonable additional time to solicit proxies in favor of the merger proposal if there are insufficient votes at the time of the Infinity special meeting or any adjournment or postponement thereof (the *Infinity meeting adjournment proposal*).

The Infinity board of directors unanimously recommends that holders of Infinity common stock vote (i) FOR the merger proposal, (ii) FOR the non-binding compensation advisory proposal and (iii) FOR the Infinity meeting adjournment proposal.

The proposals are being presented to the Kemper stockholders and Infinity shareholders at the Kemper annual meeting and Infinity special meeting, respectively. The dates, times and places of the meetings are as follows:

For Kemper stockholders:

June 1, 2018, 8:00 a.m. local time,
The Kemper Building, 20th floor

One East Wacker Drive

Chicago, Illinois 60601

For Infinity shareholders:

June 1, 2018, 8:00 a.m. local time,
Infinity Property and Casualty Corporation

2201 4th Avenue North

Birmingham, Alabama 35203

Your vote is very important. Whether or not you plan to attend your company's meeting, please take the time to vote by completing and mailing the enclosed proxy card or, if the option is available to you, by granting your proxy electronically over the Internet or by telephone.

This joint proxy statement/prospectus contains important information about Kemper, Infinity, the Merger Agreement, the proposed Merger, the Kemper annual meeting and the Infinity special meeting. We encourage you to read carefully this joint proxy statement/prospectus before voting, including the section entitled Risk Factors beginning on page 38.

We hope to see you at the Kemper annual meeting and Infinity special meeting, as the case may be, and look forward to a successful closing.

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By Order of the Kemper Board of Directors,

By Order of the Infinity Board of Directors,

Joseph P. Lacher, Jr.
President, Chief Executive Officer and Director
Kemper Corporation

James R. Gober
Executive Chairman
Infinity Property and Casualty Corporation

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Neither the Securities and Exchange Commission nor any state or provincial securities regulator has approved or disapproved of the Merger or the other transactions described in this joint proxy statement/prospectus or the securities to be issued pursuant to the Merger Agreement or determined if the information contained in this joint proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated April 27, 2018, and is first being mailed to Kemper stockholders and Infinity shareholders on or about April 30, 2018.

ADDITIONAL INFORMATION

The accompanying document is the proxy statement of Infinity for the Infinity special meeting, the proxy statement of Kemper for the Kemper annual meeting and the prospectus of Kemper for the shares of its common stock to be issued in the Merger. The accompanying joint proxy statement/prospectus incorporates by reference important business and financial information about Kemper and Infinity from documents that are not included in or delivered with the accompanying joint proxy statement/prospectus. You can obtain the documents that are incorporated by reference into the accompanying joint proxy statement/prospectus (other than certain exhibits or schedules to those documents), without charge, by requesting them in writing or by telephone from Kemper or Infinity at the following addresses and telephone numbers, or through the Securities and Exchange Commission website at www.sec.gov:

Kemper Corporation	Infinity Property and Casualty Corporation
One East Wacker Drive	2201 4th Avenue North
Chicago, Illinois 60601	Birmingham, Alabama 35203
Attention: Investor Relations	Attention: Investor Relations
Telephone: (312) 661-4930	Telephone: (205) 803-8186

In addition, if you have questions about the proposed Merger or the accompanying joint proxy statement/prospectus, would like additional copies of the accompanying joint proxy statement/prospectus or need to obtain proxy cards or other information related to the proxy solicitation, please contact Innisfree M&A Incorporated, the proxy solicitor for Kemper, toll-free at (888) 750-5834 or collect at (212) 750-5833, or D.F. King & Co., Inc., the proxy solicitor for Infinity, toll-free at (800) 706-3274. You will not be charged for any of these documents that you request.

To obtain timely delivery of the documents, you must request them no later than five business days before the date of the Kemper annual meeting or Infinity special meeting, as applicable. Therefore, if you would like to request documents from Kemper, please do so by May 24, 2018 in order to receive them before the Kemper annual meeting. If you would like to request documents from Infinity, please do so by May 24, 2018, in order to receive them before the Infinity special meeting.

See **Where You Can Find More Information** beginning on page 279 of the accompanying joint proxy statement/prospectus for further information.

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON JUNE 1, 2018

To the Stockholders of Kemper Corporation (*Kemper*):

Kemper will hold its annual meeting (the *Kemper annual meeting*) of stockholders at The Kemper Building, 20th Floor, One East Wacker Drive, Chicago, Illinois 60601 on June 1, 2018, at 8:00 a.m. local time, for the following purposes:

1. To consider and vote upon a proposal to approve the issuance of shares of Kemper common stock, par value \$0.01 per share (*Kemper common stock*), pursuant to the Agreement and Plan of Merger, dated as of February 13, 2018, by and among Kemper, a wholly owned subsidiary of Kemper and Infinity Property and Casualty Corporation (the *share issuance proposal*).
2. To consider and vote upon a proposal to adjourn the Kemper annual meeting, for a period no longer than twenty (20) business days in the aggregate, for the absence of a quorum or to allow reasonable additional time to solicit proxies in favor of the share issuance proposal if there are insufficient votes at the time of the Kemper annual meeting or any adjournment or postponement thereof (the *Kemper meeting adjournment proposal*).
3. To elect ten director nominees to the Board of Directors of Kemper (the *Kemper Board*).
4. To consider and vote on a non-binding advisory proposal to ratify the selection of Deloitte & Touche LLP as Kemper's independent registered public accountant for fiscal year 2018.
5. To consider and vote on a non-binding advisory proposal to approve the compensation of Kemper's named executive officers, as described in this joint proxy statement/prospectus.
6. To consider and act upon such other business as may be properly brought before the Kemper annual meeting.

The Kemper Board has fixed April 16, 2018 as the record date for determining stockholders entitled to receive this notice and to vote at the Kemper annual meeting (the *Kemper record date*). Only Kemper stockholders of record at the close of business on the Kemper record date will be entitled to notice of, and to vote at, the Kemper annual meeting and any adjournments or postponements thereof. A list of registered Kemper stockholders entitled to vote at the Kemper annual meeting will be available for inspection during ordinary business hours at the executive offices of Kemper at One East Wacker Drive, Chicago, Illinois 60601 at least ten (10) days prior to the Kemper annual meeting.

The Kemper Board unanimously recommends that you vote (i) FOR the share issuance proposal, (ii) FOR the Kemper meeting adjournment proposal, (iii) FOR the election of each of the director nominees named in this joint proxy statement/prospectus, (iv) FOR the non-binding advisory proposal to ratify the selection of Deloitte & Touche LLP as Kemper's independent registered public accountant for fiscal year 2018 and (v) FOR the non-binding advisory proposal to approve the compensation of Kemper's named executive officers.

Your vote is very important. We cannot complete the merger described in this joint proxy statement/prospectus unless we receive the affirmative vote in favor of the share issuance proposal by the holders of at least a majority of the votes cast at the Kemper annual meeting, provided that a quorum is present. **Under the current rules and interpretive guidance of the New York Stock Exchange, if you abstain from voting with respect to the share issuance proposal, it will have the same effect as a vote AGAINST the share issuance proposal.** The failure of a Kemper stockholder who holds his or her shares in street name through a bank, broker, trust or other nominee holder of record to give voting instructions to that bank, broker, trust or other nominee holder of

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record or any other failure of a Kemper stockholder to vote will have no effect on the approval of the share issuance proposal.

It is important that your shares be represented and voted whether or not you plan to attend the Kemper annual meeting in person. Instructions regarding the different methods for voting your shares are provided under the section entitled Questions and Answers About the Kemper Annual Meeting and Infinity Special Meeting.

By Order of the Board of Directors,

C. Thomas Evans, Jr.
Secretary

April 27, 2018

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NOTICE OF SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 1, 2018

To the Shareholders of Infinity Property and Casualty Corporation (*Infinity*):

Infinity will hold a special meeting (the *Infinity special meeting*) of holders of Infinity common stock, no par value per share (*Infinity common stock*) at Infinity Property and Casualty Corporation, located at 2201 4th Avenue North, Birmingham, Alabama 35203, on June 1, 2018, at 8:00 a.m. local time, for the following purposes:

1. To consider and vote upon a proposal to adopt the Agreement and Plan of Merger, dated as of February 13, 2018 (as amended from time to time, the *Merger Agreement*), by and among Kemper Corporation (*Kemper*), a wholly owned subsidiary of Kemper and Infinity (the *merger proposal*).
2. To consider and vote on a proposal to approve, by a non-binding advisory vote, the compensation that may be paid or become payable to Infinity's named executive officers that is based on or otherwise relates to the merger contemplated by the Merger Agreement (the *non-binding compensation advisory proposal*).
3. To consider and vote upon a proposal to adjourn the Infinity special meeting, for a period no longer than twenty (20) business days in the aggregate, for the absence of a quorum or to allow reasonable additional time to solicit proxies in favor of the merger proposal if there are insufficient votes at the time of the Infinity special meeting or any adjournment or postponement thereof (the *Infinity meeting adjournment proposal*).

The board of directors of Infinity (the *Infinity Board*) has fixed the close of business on April 20, 2018 as the record date for determining shareholders entitled to receive this notice and to vote at the Infinity special meeting (the *Infinity record date*). Only Infinity shareholders of record at the close of business on the Infinity record date will be entitled to notice of, and to vote at, the Infinity special meeting and any adjournments or postponements thereof. A list of registered Infinity shareholders entitled to vote at the Infinity special meeting will be available for inspection during ordinary business hours at the executive offices of Infinity at 2201 4th Avenue North, Birmingham, Alabama 35203 at least ten (10) days prior to the Infinity special meeting.

The Infinity Board unanimously recommends that holders of Infinity common stock vote FOR the merger proposal, FOR the non-binding compensation advisory proposal and FOR the Infinity meeting adjournment proposal.

Your vote is very important. We cannot complete the merger described in this joint proxy statement/prospectus unless the merger proposal receives the affirmative vote of Infinity shareholders entitled to exercise a majority of the voting power of Infinity. **If you abstain from voting, fail to give voting instructions to a bank, broker, trust or other nominee holder of record if you hold your shares in street name through such bank, broker, trust or other nominee holder of record, or if you otherwise fail to vote, it will have the same effect as voting AGAINST the merger proposal.** It is important that your shares be represented and voted whether or not you plan to attend the Infinity special meeting in person. Instructions regarding the different methods for voting your shares are provided

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under the section entitled Questions and Answers About the Kemper Annual Meeting and Infinity Special Meeting.

By Order of the Board of Directors,

James H. Romaker
Secretary

April 27, 2018

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CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This joint proxy statement/prospectus contains certain statements regarding intentions, beliefs and expectations or predictions for the future of Kemper Corporation (*Kemper*) and Infinity Property and Casualty Corporation (*Infinity*), and collectively with Kemper, *we*, *us*, and *our*), which are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the *Securities Act*), and Section 21E of the Securities Exchange Act of 1934, as amended (the *Exchange Act*). Forward-looking statements give expectations, intentions, beliefs or forecasts of future events or otherwise, and can be identified by the fact that they relate to future actions, performance or results rather than relating strictly to historical or current facts. Words such as believe(s), goal(s), target(s), estimate(s), anticipate(s), forecast(s), project(s), plan(s), intend(s), expect(s), might, may, variations of such words and other words and expressions of similar meaning are intended to identify such forward-looking statements. However, the absence of such words or other words and expressions of similar meaning does not mean that a statement is not forward-looking.

Any or all forward-looking statements may turn out to be wrong, and, accordingly, readers are cautioned not to place undue reliance on such statements. Forward-looking statements involve a number of risks and uncertainties that are difficult to predict and are not guarantees or assurances of future performance. No assurances can be given that the results and financial condition contemplated in any forward-looking statements will be achieved or will be achieved in any particular timetable. In evaluating these forward-looking statements, you should consider carefully the risks described herein and in other reports that Kemper and Infinity file with the Securities and Exchange Commission (the *SEC*). See *Risk Factors* and *Where You Can Find More Information* beginning on page 279.

With respect to the proposed transaction and the combined company, the risks, uncertainties and other factors that could cause actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, forward-looking statements include, without limitation:

failure of the combined company to realize all of the anticipated benefits of the transactions contemplated by the Merger Agreement (as defined on page 3) at all or in the anticipated timeframe;

changes to the value of the Merger Consideration (as defined on page 14) to be received by Infinity shareholders pursuant to the Merger Agreement as a result of changes in the price of Kemper common stock;

failure of the combined company to manage its growth;

failure by the combined company to retain and motivate key employees and retain and recruit qualified employees in sufficient numbers;

legal proceedings that may be instituted against Kemper and Infinity following announcement of such proposed Merger (as defined on page 3);

failure to receive regulatory clearances and approvals at all or within anticipated timeframes or the imposition by regulatory authorities of conditions that are not presently anticipated or that cannot be met;

the interests of certain directors and executive officers of Infinity being different from, or in addition to, the interests of Infinity shareholders;

the potential impairment of the goodwill and intangible assets that the combined company will record;

risks relating to the value of the shares of Kemper common stock (as defined on page 3) to be issued in the Merger;

effects on the market price of the common stock of the combined company of factors different from those affecting the market price for shares of Infinity common stock (as defined on page 4) or for shares of Kemper common stock;

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the effect of the Merger Agreement provisions that may discourage other companies from trying to acquire Infinity for a value greater than the Merger Consideration or from trying to acquire Kemper;

the significant transaction and integration costs that Kemper and Infinity will incur in connection with the proposed Merger;

the reduction of the percentage ownership interests of pre-existing Kemper stockholders due to the issuance of shares of Kemper common stock to Infinity shareholders pursuant to the Merger Agreement;

any failure to complete the proposed Merger could negatively impact the stock prices and future businesses and financial results of Kemper and Infinity;

any negative effects on the market price of Kemper common stock following the Merger if the Merger is not accretive and causes dilution to the combined company's earnings per share; and

other risks detailed from time to time in annual, quarterly and periodic reports filed by Kemper and Infinity with the SEC, whether or not related to the proposed Merger.

YOU ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON ANY FORWARD-LOOKING STATEMENTS, ALL OF WHICH SPEAK ONLY AS OF THE DATE OF THIS JOINT PROXY STATEMENT/PROSPECTUS. KEMPER AND INFINITY UNDERTAKE NO DUTY OR OBLIGATION TO UPDATE OR CORRECT ANY FORWARD-LOOKING STATEMENT AS A RESULT OF EVENTS, CHANGES, EFFECTS, STATES OF FACTS, CONDITIONS, CIRCUMSTANCES, OCCURRENCES OR DEVELOPMENTS SUBSEQUENT TO THE DATE OF THIS JOINT PROXY STATEMENT/PROSPECTUS, EXCEPT AS REQUIRED BY LAW.

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**QUESTIONS AND ANSWERS ABOUT THE KEMPER ANNUAL MEETING
AND INFINITY SPECIAL MEETING**

*The following are some questions that you, as a Kemper stockholder or an Infinity shareholder, may have regarding the annual meeting of Kemper stockholders (the **Kemper annual meeting**) or the special meeting of Infinity shareholders (the **Infinity special meeting**) and brief answers to those questions. For more detailed information about the matters discussed in these questions and answers, see *The Kemper Annual Meeting* and *The Infinity Special Meeting* beginning on pages 46 and 53 of this joint proxy statement/prospectus, respectively. Kemper and Infinity encourage you to read carefully the remainder of this joint proxy statement/prospectus because the information in this section does not provide all of the information that might be important to you with respect to the matters being considered at the Kemper annual meeting or the Infinity special meeting. Additional important information is also contained in the Annexes to, and in the documents incorporated by reference into, this joint proxy statement/prospectus. See *Where You Can Find More Information* beginning on page 279 of this joint proxy statement/prospectus.*

Q: Why am I receiving this joint proxy statement/prospectus?

A: The Kemper board of directors (**Kemper Board**) and Infinity board of directors (**Infinity Board**) are using this joint proxy statement/prospectus to solicit proxies of Kemper stockholders and Infinity shareholders pursuant to the Agreement and Plan of Merger, dated as of February 13, 2018 (as amended from time to time, the **Merger Agreement**), by and among Kemper, a wholly owned subsidiary of Kemper and Infinity. The Merger Agreement provides, among other things, that, upon the terms and subject to the conditions set forth in the Merger Agreement, a wholly owned subsidiary of Kemper will merge with and into Infinity, with Infinity surviving the Merger as a wholly owned subsidiary of Kemper (the **Merger**). The Merger will be effective, after all of the conditions to the closing are satisfied or, to the extent permitted by law, waived, at the time a certificate of merger is duly filed with, and accepted by, the Secretary of State of the State of Ohio or at such later date and time as is agreed upon by Kemper and Infinity and specified in the certificate of merger (such completion or consummation of the Merger, the **closing** or the **effective time**).

In addition, this joint proxy statement/prospectus also serves as a proxy statement for other matters not related to the Merger to be voted on by Kemper stockholders at the Kemper annual meeting. See *The Kemper Annual Meeting* beginning on page 46.

This joint proxy statement/prospectus is also a prospectus for Infinity shareholders because, pursuant to the Merger Agreement, Kemper is offering shares of Kemper common stock, par value \$0.01 per share (**Kemper common stock**) to be issued in exchange for shares of Infinity common stock in the Merger, at the election of Infinity shareholders.

In order to complete the Merger, Kemper stockholders must approve the issuance of new shares of Kemper common stock pursuant to the Merger Agreement (i.e., approve the share issuance proposal as defined below) and Infinity shareholders must adopt the Merger Agreement (i.e., approve the merger proposal as defined below).

This joint proxy statement/prospectus contains important information about the Merger Agreement, the Merger, the Kemper annual meeting and the Infinity special meeting, and you should read it carefully. The enclosed voting materials allow you to vote your shares without attending the Kemper annual meeting or Infinity special meeting in person.

Your vote is important. We encourage you to vote as soon as possible.

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Q: What are Infinity shareholders entitled to receive in the Merger?

A: If the Merger is completed, each share of Infinity common stock, no par value per share (*Infinity common stock*), issued and outstanding as of immediately prior to the effective time (other than shares owned by Kemper or any of its wholly owned subsidiaries or Infinity or any of its subsidiaries and shares held by any holder of Infinity common stock who is entitled to demand and properly demands appraisal of such shares under Ohio law) will be cancelled and converted into, at the election of the holder of such share, subject to proration and adjustment, either (i) *Mixed Consideration* equal to 1.2019 shares of Kemper common stock and \$51.60 in cash, without interest and subject to any required withholding of taxes, (ii) *Cash Consideration* equal to \$129.00, without interest and subject to any required withholding of taxes, which consists of an amount of cash, without interest, consisting of (a) \$51.60 plus (b) the product of 1.2019 multiplied by \$64.40, which was the 20-trading day volume-weighted average price of Kemper common stock on the New York Stock Exchange (*NYSE*) as of February 12, 2018, the day prior to the date of media publications regarding the proposed Merger (the *Fixed Volume-Weighted Average Price*) or (iii) *Stock Consideration* equal to 2.0031 shares of Kemper common stock, consisting of the sum of (a) 1.2019 plus (y) 0.8012, which is the quotient (rounded to four decimal places) of \$51.60 divided by the Fixed Volume-Weighted Average Price (such sum, the *exchange ratio*). Holders of Infinity common stock who do not make an election will receive the Mixed Consideration. The shares of Kemper common stock issuable and cash payable upon conversion of shares of Infinity common stock in the Merger, and cash payable in lieu of the issuance of fractional shares of Kemper common stock, are referred to collectively as the *Merger Consideration*.

Q: When and where will the Kemper annual meeting and Infinity special meeting be held?

A: The Kemper annual meeting will take place on June 1, 2018, at 8:00 a.m. local time, at The Kemper Building, 20th floor, One East Wacker Drive, Chicago, Illinois, 60601.

The Infinity special meeting will take place on June 1, 2018, at 8:00 a.m. local time, at Infinity Property and Casualty Corporation, 2201 4th Avenue North, Birmingham, Alabama 35203.

Q: What are Kemper stockholders voting to approve in connection with the Merger and why is this approval necessary?

A: Kemper stockholders are voting on a proposal to approve the issuance of shares of Kemper common stock pursuant to the Merger Agreement (the *share issuance proposal*). The approval by Kemper stockholders of the share issuance proposal is required by the rules and regulations of the NYSE, and is a condition to the closing. Based on the number of shares of Infinity common stock expected to be outstanding and Infinity equity awards expected to be vested or converted pursuant to the Merger Agreement as of the effective time, Kemper expects to issue up to approximately 13.2 million shares of Kemper common stock in the Merger.

Kemper stockholders are also voting on a proposal to adjourn the Kemper annual meeting, for a period no longer than twenty (20) business days in the aggregate, for the absence of a quorum or to allow reasonable additional time to solicit proxies in favor of the share issuance proposal if there are insufficient votes at the time of the Kemper annual meeting or any adjournment or postponement thereof to approve the share issuance proposal (the *Kemper meeting adjournment proposal*). The approval by Kemper stockholders of the Kemper meeting adjournment proposal is not a

condition to the closing.

Q: What other proposals will be presented to Kemper stockholders at the Kemper annual meeting?

A: In addition to the share issuance proposal and Kemper meeting adjournment proposal, Kemper stockholders are voting on the following at the Kemper annual meeting:

a proposal to elect the ten director nominees named in this joint proxy statement/prospectus (the *Nominees*) in the section entitled Proposal 3: Election of Directors beginning on page 68;

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a non-binding advisory proposal to ratify the selection of Deloitte & Touche LLP as Kemper's independent registered public accountant for fiscal year 2018; and

a non-binding advisory proposal to approve the compensation of Kemper's named executive officers, as described in this joint proxy statement/prospectus.

See The Kemper Annual Meeting beginning on page 46.

Q: What are Infinity shareholders voting to approve at the Infinity special meeting and why is this approval necessary?

A: Infinity shareholders are voting on a proposal to approve the adoption of the Merger Agreement (the *merger proposal*). The approval by Infinity shareholders of the merger proposal is required under Ohio law and Infinity's Amended and Restated Articles of Incorporation, dated as of May 21, 2007 (the *Infinity Articles*), and is a condition to the closing.

Under Section 14A of the Exchange Act, which was enacted as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (*Dodd-Frank*), Infinity is required to provide its shareholders the opportunity to vote to approve, by a non-binding advisory vote, the compensation that may be paid or become payable to Infinity's named executive officers that is based on or otherwise relates to the Merger contemplated by the Merger Agreement. Accordingly, Infinity shareholders are being provided with the opportunity to cast an advisory vote on such payments. The approval by Infinity shareholders of this proposal (the *non-binding compensation advisory proposal*) is not a condition to the closing.

Infinity shareholders are also voting on a proposal to adjourn the Infinity special meeting, for a period no longer than twenty (20) business days in the aggregate, for the absence of a quorum or to allow reasonable additional time to solicit proxies in favor of the merger proposal if there are insufficient votes at the time of the Infinity special meeting or any adjournment or postponement thereof (the *Infinity meeting adjournment proposal*). The approval by Infinity shareholders of the Infinity meeting adjournment proposal is not a condition to the closing.

Q: Why are the Infinity shareholders being asked to consider and vote on the non-binding compensation advisory proposal?

A: The Securities and Exchange Commission (the *SEC*) has adopted rules that require Infinity to seek an advisory, non-binding vote on matters deemed to relate to golden parachute compensation. The non-binding compensation advisory proposal relates to certain golden parachute compensation that will or may be paid by Infinity to its named executive officers as a result of or in connection with the Merger.

Q: What will happen if the non-binding compensation advisory proposal is not approved at the Infinity special meeting?

- A. Approval of the non-binding compensation advisory proposal with respect to certain golden parachute compensation is not a condition to closing. Accordingly, Infinity shareholders may vote against the golden parachute compensation proposal but still vote in favor of the merger proposal. The non-binding compensation advisory proposal vote is an advisory, non-binding vote. If the Merger is completed, the golden parachute compensation described in the non-binding compensation advisory proposal may be paid to Infinity's named executive officers to the extent payable in accordance with the terms of their respective compensation agreements and contractual arrangements, even if Infinity shareholders do not approve the non-binding compensation advisory proposal.

Q: Who can attend and vote at the Kemper annual meeting and Infinity special meeting?

- A: The Kemper Board has fixed April 16, 2018 as the record date (the *Kemper record date*) for determining stockholders entitled to receive notice of, and to vote at, the Kemper annual meeting or any adjournments or

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postponements thereof. Only stockholders of record at the close of business on the Kemper record date for the Kemper annual meeting will be entitled to notice of, and to vote at, the Kemper annual meeting and any adjournments or postponements thereof. As of the Kemper record date, there were 51,536,698 shares of Kemper common stock outstanding and entitled to vote at the Kemper annual meeting, held by approximately 3,400 holders of record. Each holder of Kemper common stock is entitled to one vote for each share of Kemper common stock owned as of the Kemper record date. Please note that participants in the Kemper Corporation 401(k) and Retirement Plan (the **401(k) and Retirement Plan**) cannot vote shares of Kemper common stock held through the 401(k) and Retirement Plan in person at the Kemper annual meeting.

The Infinity Board has fixed April 20, 2018 as the record date (the **Infinity record date**) for determining shareholders entitled to receive notice of and to vote at the Infinity special meeting or any adjournments or postponements thereof. Only shareholders of record at the close of business on the Infinity record date for the Infinity special meeting will be entitled to notice of, and to vote at, the Infinity special meeting and any adjournments or postponements thereof. As of the Infinity record date, there were 10,941,936 shares of Infinity common stock outstanding and entitled to vote at the Infinity special meeting, held by approximately 60 holders of record. Each holder of Infinity common stock is entitled to one vote for each share of Infinity common stock owned as of the Infinity record date.

Q: What vote of Kemper stockholders is required to approve each of the proposals at the Kemper annual meeting?

A: With respect to the election of directors at the Kemper annual meeting, provided a quorum is present, each Nominee will be elected to the Kemper Board by the affirmative vote of a majority of votes cast, meaning that the number of shares voted **FOR** a Nominee exceeds the number of shares voted **AGAINST** a Nominee. Abstentions and broker non-votes are not considered votes cast **FOR** or **AGAINST** the election of Nominees, and will have no effect on the election of Nominees. If a Nominee who is an incumbent director of the Kemper Board receives a greater number of votes **AGAINST** his or her election than votes **FOR** such election, such director must promptly tender his or her resignation to the Kemper Board following certification of the vote with respect to the election of directors.

With respect to (i) the share issuance proposal, (ii) the Kemper meeting adjournment proposal, (iii) the non-binding advisory proposal to ratify the selection of Deloitte & Touche LLP as Kemper's independent registered public accountant for fiscal year 2018 and (iv) the non-binding advisory proposal to approve the compensation of Kemper's named executive officers, as described in this joint proxy statement/prospectus, the affirmative vote of a majority of the votes cast with respect to each proposal will approve such proposal, provided a quorum is present.

Q: How does the Kemper Board recommend that Kemper stockholders vote on each of the proposals at the Kemper annual meeting?

A: The Kemper Board unanimously recommends that Kemper stockholders vote (i) **FOR** the share issuance proposal, (ii) **FOR** the Kemper meeting adjournment proposal, (iii) **FOR** the election of each of the Nominees, (iv) **FOR** the non-binding advisory proposal to ratify the selection of Deloitte & Touche LLP as Kemper's independent registered public accountant for fiscal year 2018 and (v) **FOR** the non-binding advisory proposal to approve the compensation of Kemper's named executive officers, as described in this joint proxy statement/prospectus.

- Q. What will happen if the non-binding advisory proposal to approve the compensation of Kemper's named executive officers, as described in this joint proxy statement/prospectus, is not approved at the Kemper annual meeting?**
- A. The vote by Kemper stockholders on the non-binding advisory proposal to approve the compensation of Kemper's named executive officers, as described in this joint proxy statement/prospectus, is advisory. The

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result of the vote is therefore non-binding on Kemper, the Kemper Board or the Compensation Committee (as described on page 76). However, Kemper's Compensation Committee will take into account the outcome of the vote when considering future executive compensation arrangements and in evaluating Kemper's executive compensation program.

Q: What vote of Infinity shareholders is required to approve (i) the merger proposal, (ii) the non-binding compensation advisory proposal and (iii) the Infinity meeting adjournment proposal?

A: The approval by Infinity shareholders of the merger proposal requires the affirmative vote of Infinity shareholders entitled to exercise a majority of the voting power of Infinity. The approval of the non-binding compensation advisory proposal and the approval of the Infinity meeting adjournment proposal require, in each case, the affirmative vote of a majority of votes cast on the proposal at the Infinity special meeting, provided that a quorum is present.

Q: How does the Infinity Board recommend that Infinity shareholders vote on each of the proposals at the Infinity special meeting?

A: The Infinity Board unanimously recommends that Infinity shareholders vote (i) **FOR** the merger proposal, (ii) **FOR** the non-binding compensation advisory proposal and (iii) **FOR** the Infinity meeting adjournment proposal.

Q: What should Kemper stockholders and Infinity shareholders do now in order to vote on the proposals being considered at the Kemper annual meeting and Infinity special meeting?

A: Holders of Kemper common stock as of the Kemper record date and holders of Infinity common stock as of the Infinity record date may vote now by proxy by:

completing, signing, dating and returning the enclosed proxy card in the accompanying pre-addressed postage-paid envelope;

calling the toll-free number specified on the enclosed proxy card; or

accessing the Internet website specified on the enclosed proxy card.

Both Kemper and Infinity strongly encourage their stockholders and shareholders of record, respectively, to vote using the enclosed proxy card.

If you hold Kemper common stock or Infinity common stock in street name, which means your shares are held of record by a bank, broker, trust or other nominee holder of record, you must provide the record holder of your shares with instructions on how to vote your shares. Please refer to the voting instruction card used by your bank, broker, trust or other nominee holder of record to see if you may submit voting instructions using the Internet or by telephone.

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Holders of Kemper common stock or Infinity common stock may also vote in person by attending the Kemper annual meeting or Infinity special meeting, as applicable. If you plan to attend the Kemper annual meeting or Infinity special meeting and wish to vote in person, you will be given a ballot at the applicable meeting. Please note, however, that if your shares are held in street name and you wish to vote in person at your company's meeting, you must bring a legal proxy, executed in your favor, from the record holder of the shares authorizing you to vote at the meeting. For additional information, see [The Kemper Annual Meeting](#) and [The Infinity Special Meeting](#) beginning on pages 46 and 53 of this joint proxy statement/prospectus, respectively.

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Whether or not you plan to attend the Kemper annual meeting or Infinity special meeting, you are encouraged to vote your shares by proxy as described in this joint proxy statement/prospectus.

Q: How can I vote the shares of Kemper common stock I hold through the 401(k) and Retirement Plan?

A: Participants in the 401(k) and Retirement Plan, who receive this joint proxy statement/prospectus in their capacity as holders of Kemper common stock through the 401(k) and Retirement Plan, are entitled to vote by one of the following methods:

Complete, sign and date the proxy card and return it by 1:00 a.m. Central Daylight Time on Wednesday, May 30, 2018 (the **401(k) Deadline**);

Call the toll-free number on the proxy card and follow the recorded instructions by the 401(k) Deadline;

Access the proxy voting website identified on the proxy card and follow the instructions by the 401(k) Deadline.

If voting instructions for shares held pursuant to the 401(k) and Retirement Plan are provided prior to the 401(k) Deadline, the plan trustee will confidentially vote such shares in accordance with the voting instructions. In accordance with the terms of the 401(k) and Retirement Plan, if voting instructions for shares held pursuant to the 401(k) and Retirement Plan are not provided prior to the 401(k) Deadline, the plan trustee will vote such shares in the same proportion as all other shares voted in accordance with timely voting instructions provided to the trustee by all other plan participants.

Q: What will happen if I abstain from voting, fail to vote or do not direct how to vote on my proxy?

A: For purposes of the Kemper stockholder proposals:

Approval of the share issuance proposal. Approval of the share issuance proposal requires the affirmative vote of a majority of the votes cast at the Kemper annual meeting with respect to such proposal, provided that a quorum is present. Under the current rules and interpretive guidance of the NYSE, votes cast on the share issuance proposal consist of votes FOR or against, as well as elections to abstain from voting on the share issuance. As a result, a Kemper stockholder's election to abstain from voting on the share issuance proposal will have the same effect as a vote **AGAINST** the approval of the share issuance proposal. The failure of a Kemper stockholder who holds his, hers or its shares in street name through a bank, broker, trust or other nominee holder of record to give voting instructions to that bank, broker, trust or other nominee holder of record or any other failure of a Kemper stockholder to vote will have no effect on the approval of the share issuance proposal because these failures to vote are not considered votes cast.

Election of Nominees to the Kemper Board. Each Nominee will be elected to the Kemper Board by the affirmative vote of a majority of votes cast at the Kemper annual meeting, provided that a quorum is present. As a result, a Nominee will be elected to the Kemper Board if the number of shares voted FOR such Nominee exceeds the number of shares voted AGAINST such Nominee. For purposes of the election of Nominees to the Kemper Board, a Kemper stockholder's election to abstain from voting, the failure of a Kemper stockholder who holds his or her shares in street name through a bank, broker, trust or other nominee holder of record to give voting instructions to that bank, broker, trust or other nominee holder of record or any other failure of a Kemper stockholder to vote will have no effect on the election of Nominees.

Approval of all other proposals at the Kemper annual meeting. Approval of each of (i) the Kemper meeting adjournment proposal, (ii) the non-binding advisory proposal to ratify the selection of Deloitte & Touche LLP as Kemper's independent registered public accountant for fiscal year 2018 and (iii) the

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non-binding advisory proposal to approve the compensation of Kemper's named executive officers, as disclosed in this joint proxy statement/prospectus, requires the affirmative vote of a majority of the votes cast at the Kemper annual meeting with respect to such proposal, provided that a quorum is present. For purposes of these proposals, votes cast means votes FOR or AGAINST the proposal. As a result, a Kemper stockholder's election to abstain from voting, the failure of a Kemper stockholder who holds his or her shares in street name through a bank, broker, trust or other nominee holder of record to give voting instructions to that bank, broker, trust or other nominee holder of record or any other failure of a Kemper stockholder to vote will have no effect on the approval of each of these proposals at the Kemper annual meeting.

All properly submitted proxies received by Kemper before the Kemper annual meeting that are not revoked or changed prior to being exercised at the Kemper annual meeting will be voted at the Kemper annual meeting in accordance with the instructions indicated on the proxies or, if no instructions were provided, (i) FOR the share issuance proposal, (ii) FOR the Kemper meeting adjournment proposal, (iii) FOR the election of each of the Nominees, (iv) FOR the non-binding advisory proposal to ratify the selection of Deloitte & Touche LLP as Kemper's independent registered public accountant for fiscal year 2018 and (v) FOR the non-binding advisory proposal to approve the compensation of Kemper's named executive officers.

For purposes of the Infinity shareholder proposals:

Approval of the merger proposal. Approval of the merger proposal requires the affirmative vote of Infinity shareholders entitled to exercise a majority of the voting power of Infinity. Accordingly, an Infinity shareholder's abstention from voting, the failure of an Infinity shareholder who holds his or her shares in street name through a bank, broker, trust or other nominee holder of record to give voting instructions to that bank, broker, trust or other nominee holder of record, or any other failure of an Infinity shareholder to vote will have the same effect as a vote **AGAINST** this proposal.

Approval of the non-binding compensation advisory proposal. Approval of the non-binding compensation advisory proposal requires the affirmative vote of a majority of the votes cast at the Infinity special meeting with respect to such proposal, provided that a quorum is present. Accordingly, an Infinity shareholder's abstention from voting, the failure of an Infinity shareholder who holds his or her shares in street name through a bank, broker, trust or other nominee holder of record to give voting instructions to that bank, broker, trust or other nominee holder of record or any other failure of an Infinity shareholder to vote will have no effect on the approval of the non-binding compensation advisory proposal as these failures to vote are not considered votes cast with respect to the non-binding compensation advisory proposal.

Approval of the Infinity meeting adjournment proposal. Approval of the Infinity meeting adjournment proposal requires the affirmative vote of a majority of the votes cast at the Infinity special meeting with respect to such proposal, provided that a quorum is present. Accordingly, an Infinity shareholder's abstention from voting, the failure of an Infinity shareholder who holds his or her shares in street name through a bank, broker, trust or other nominee holder of record to give voting instructions to that bank, broker, trust or other nominee holder of record or any other failure of an Infinity shareholder to vote will have no effect on the approval of the Infinity meeting adjournment proposal. In addition, even if a quorum is not present at the special meeting, the affirmative vote of shares representing a majority of the voting power of the shares present in person or represented by proxy or by use of communications equipment at the Infinity special meeting may adjourn the meeting to another place, date or time. In this case, an abstention from voting will

have the same effect as a vote **AGAINST** the proposal to adjourn the meeting due to an absence of a quorum.

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All properly submitted proxies received by Infinity before the Infinity special meeting that are not revoked or changed prior to being exercised at the Infinity special meeting will be voted at the Infinity special meeting in accordance with the instructions indicated on the proxies or, if no instructions were provided, FOR the merger proposal, FOR the non-binding compensation advisory proposal and FOR the Infinity meeting adjournment proposal.

Under the applicable stock exchange rules, matters subject to a stockholder vote are classified as routine or non-routine. In the case of non-routine matters, a bank, broker, trust or other nominee holder of record may not vote shares held in street name for which they have not received instructions from the beneficial owner (referred to as broker non-votes), whereas they may vote those shares in their discretion in the case of any routine matter. The non-binding advisory proposal submitted to Kemper stockholders to ratify the selection of Deloitte & Touche LLP as Kemper's independent registered public accountant for fiscal year 2018 is a routine matter. All other proposals submitted to Kemper stockholders and Infinity shareholders are non-routine matters. **Accordingly, shares of Kemper common stock or Infinity common stock held in street name by a bank, broker, trust or other nominee holder of record will NOT be voted by such bank, broker, trust or other nominee holder of record on any of the proposals with respect to non-routine matters unless the beneficial owner of such shares has properly instructed such bank, broker, trust or other nominee holder of record how to vote.**

Q: Can I change or revoke my vote after I have delivered my proxy?

A: Yes. If you are a holder of record, you can change your vote at any time before your proxy is voted at the Kemper annual meeting or Infinity special meeting by:

signing and delivering a new, valid proxy bearing a later date and, if it is a written proxy, signed and delivered to the attention of your company's Corporate Secretary;

delivering a signed written notice of revocation to the Corporate Secretary of your company at:

Kemper Corporation
One East Wacker Drive
Chicago, Illinois 60601
Attention: Corporate Secretary

Infinity Property and Casualty Corporation
2201 4th Avenue North
Birmingham, Alabama 35203
Attention: Corporate Secretary

calling the toll-free telephone number, or accessing the proxy voting website, identified on the proxy card and re-voting any time prior to 10:59 p.m., Central Daylight Time, on the last business day preceding the applicable special meeting; or

attending the special meeting and voting in person, although your attendance alone will not revoke your proxy.

If your shares are held through the 401(k) and Retirement Plan, you can change your vote by:

delivering another signed proxy card with a later date anytime prior to the 401(k) Deadline;

calling the toll-free telephone number, or accessing the proxy voting website, identified on the proxy card and re-voting any time prior to the 401(k) Deadline.

If your shares are held in a street name account, you must contact your bank, broker, trust or other nominee to change your vote.

Q: What should Kemper stockholders or Infinity shareholders do if they receive more than one set of voting materials?

A: You may receive more than one set of voting materials, including multiple copies of this joint proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, if you hold your

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shares of Kemper common stock or Infinity common stock in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold shares. If you are a holder of record and your shares are registered in more than one name, you will receive more than one proxy card. In addition, if you are both a Kemper stockholder and an Infinity shareholder, you will receive one or more separate proxy cards or voting instruction cards for each company. In each case, please complete, sign, date and return each proxy card that you receive to ensure that all of your shares are voted.

Q: Who will tabulate the votes for the Kemper annual meeting and Infinity special meeting, and how will Kemper stockholders and Infinity shareholders find out the voting results after the respective meetings?

A: Representatives of Broadridge Financial Solutions, Inc. (*Broadridge*) will tabulate the votes and act as inspectors of election at the Kemper annual meeting and American Stock Transfer & Trust Company, LLC (*AST*) will tabulate the votes and act as inspectors of election at the Infinity special meeting. Kemper and Infinity will each report the voting results in a Current Report on Form 8-K that will be filed with the SEC within four business days after the vote taken at the Kemper annual meeting and the vote taken at the Infinity special meeting.

Q: If I am a Kemper stockholder or other interested party, how can I communicate with the Kemper Board?

A: Kemper stockholders and other interested parties may communicate with the Kemper Board, or with the non-management directors of the Kemper Board as a group, by calling the Kemper Corporate Responsibility Hotline at 888.695.3359 or by submitting a report or inquiry online at *MyComplianceReport.com* (enter access code KEMP). The hotline and the online reporting function are managed by an independent company, and reports can be made anonymously or confidentially. Communications will be directed to the chair of Kemper's Nominating and Corporate Governance Committee (described on page 59 of this joint proxy statement/prospectus) if addressed to the non-management or independent directors as a group.

Q: If I am an Infinity shareholder, how do I make an election for the type of Merger Consideration that I prefer to receive?

A: Each holder of shares of Infinity common stock as of the close of business on the Infinity record date (other than shares owned by Kemper or any of its wholly owned subsidiaries or Infinity or any of its subsidiaries and shares held by any holder of Infinity common stock who is entitled to demand and properly demands appraisal of such shares under Ohio law) will be mailed a form of election (*Form of Election*). These materials will be mailed concurrently with this joint proxy statement/prospectus. Each such Infinity shareholder should specify in the Form of Election (i) the number of shares of Infinity common stock for which such shareholder elects to have exchanged for the Mixed Consideration, (ii) the number of shares of Infinity common stock for which such shareholder elects to receive the Cash Consideration and (iii) the number of shares of Infinity common stock for which such shareholder elects to have exchanged for the Stock Consideration. Any Infinity shareholder who does not make an election will be deemed to have made an election to receive the Mixed Consideration. The consideration to be paid to Infinity shareholders electing to receive only Cash Consideration or Stock Consideration is subject, pursuant to the terms of the Merger Agreement, to automatic proration to ensure that the total amount of cash paid and the total number of shares of Kemper common stock issued in the Merger is

approximately the same as what would be paid and issued if all Infinity shareholders were to receive the Mixed Consideration. No fractional shares of Kemper common stock will be issued in the Merger, and Infinity shareholders will receive cash in lieu of any fractional shares of Kemper common stock. The election will have been properly made only if the exchange agent has received at its designated office by 5:00 p.m., New York City, New York time, on the date that is ten (10) business days preceding the closing date (the ***Election Deadline***) a Form of Election properly completed and signed and accompanied by (x) in the case of shares of Infinity common stock

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represented by stock certificates, certificates representing shares of Infinity common stock, duly endorsed in blank or otherwise in form acceptable for transfer on the books of Infinity or (y) in the case of book-entry shares held by holders of Infinity common stock, any documentation required by the procedures set forth in the Form of Election.

Q: When can Infinity shareholders expect to receive the Merger Consideration?

A: If you hold physical stock certificates of Infinity common stock (other than shares owned by Kemper or any of its wholly owned subsidiaries or Infinity or any of its subsidiaries and shares held by any holder of Infinity common stock who is entitled to demand and properly demands appraisal of such shares under Ohio law) and you do not make an election to receive the Cash Consideration, Stock Consideration or Mixed Consideration by delivering to the exchange agent by the Election Deadline a properly completed Form of Election and your share certificates, you will be sent a letter of transmittal as soon as reasonably practicable after the closing, describing how you may exchange your shares of Infinity common stock for the Mixed Consideration, and the exchange agent will forward you the cash and the Kemper common stock in book entry form (or applicable evidence of ownership) to which you are entitled, including cash in lieu of fractional shares of Kemper common stock, if any, after receiving the proper documentation from you.

If you hold your shares of Infinity common stock in book-entry form, after the closing, you need only to deliver the Form of Election for your shares to automatically be exchanged for the applicable Merger Consideration, including cash in lieu of fractional shares of Kemper common stock, if any.

Q: If I am an Infinity shareholder, will I receive the Merger Consideration that I request on the Form of Election?

A: Not necessarily. The aggregate amount of cash and the aggregate number of shares of Kemper common stock to be paid and issued, respectively, to Infinity shareholders pursuant to the Merger Agreement are fixed. Each share of Infinity common stock with respect to which an Infinity shareholder makes an election to receive the Mixed Consideration, and each share of Infinity common stock held by an Infinity shareholder who fails to make any valid election with respect to such stockholder's shares of Infinity common stock, will receive \$51.60 in cash and 1.2019 shares of Kemper common stock (subject to adjustment for any reclassification, stock split, recapitalization or other similar transaction with respect to shares of Kemper common stock). However, if the elections of all Infinity shareholders electing to receive solely the Cash Consideration or the Mixed Consideration (including all Infinity shareholders who fail to make a valid election with respect to their shares of Infinity common stock) result in an oversubscription or undersubscription of the aggregate amount of cash available to be paid by Kemper to Infinity shareholders as Merger Consideration, the aggregate amount of cash payable by Kemper in the Merger will not be increased or decreased. Similarly, if the elections of all Infinity shareholders electing to receive solely the Stock Consideration or the Mixed Consideration (including all Infinity shareholders who fail to make a valid election with respect to their shares of Infinity common stock) result in an oversubscription or undersubscription of the aggregate number of shares of Kemper common stock available to be issued by Kemper to Infinity shareholders as Merger Consideration, the aggregate number of shares of Kemper common stock to be issued by Kemper in the Merger will not be increased or decreased. Rather, in each such case, the exchange agent will allocate between cash and Kemper common stock in the manner described in The Merger Agreement Merger Consideration Cash Consideration and The Merger Agreement Merger

Consideration Stock Consideration beginning on pages 179 and 180, respectively, to ensure that the total amount of cash paid and the total number of shares of Kemper common stock issued in the Merger is the same as what would be paid and issued if all Infinity shareholders were to receive the Mixed Consideration. Accordingly, there is no assurance that an Infinity shareholder that has made a valid election to receive solely Cash Consideration or solely Stock Consideration will receive the form of consideration elected with respect to the shares of Infinity common stock held by such shareholder.

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For detailed illustrations of the potential proration and adjustment of the Cash Consideration and Stock Consideration for those Infinity shareholders electing to receive solely Cash Consideration or solely Stock Consideration, see The Merger Agreement Allocation of Merger Consideration and Illustrative Elections and Calculations beginning on page 180.

Q: If I am an Infinity shareholder, what is the deadline for making an election?

A: Your election, to be properly made, must be received by Computer Share Trust Company, N.A., the exchange agent for the Merger (the *exchange agent*) at its designated office by the Election Deadline, which is 5:00 p.m. New York City, New York, time on the date that is ten (10) business days preceding the closing. Kemper and Infinity will publicly announce the anticipated Election Deadline at least three (3) business days before the anticipated Election Deadline.

Q: If I am an Infinity shareholder, what happens if I do not send a Form of Election or it is not received by the Election Deadline?

A: If the exchange agent does not receive a properly completed Form of Election from you at or prior to the Election Deadline, then you will be deemed to have elected to receive Mixed Consideration with respect to your shares of Infinity common stock. You bear the risk of delivery of the Form of Election (including the risk of loss of any certificates representing shares of Infinity common stock) to the exchange agent.

Q: If I am an Infinity shareholder, can I change my election after the Form of Election has been submitted?

A: Yes. You may revoke your election at or prior to the Election Deadline by submitting a written notice of revocation to the exchange agent. Revocations must specify the name in which your shares are registered on the share transfer books of Infinity and any other information that the exchange agent may request. If you wish to submit a new election, you must do so in accordance with the election procedures described in this joint proxy statement/prospectus and the Form of Election. If you instructed a bank, broker, trust or other nominee holder of record to submit an election for your shares, you must follow directions from your bank, broker, trust or other nominee holder of record for changing those instructions. The notice of revocation must be received by the exchange agent at or prior to the Election Deadline in order for the revocation to be valid.

Q: If I am an Infinity shareholder, may I transfer shares of Infinity common stock after making an election?

A: Yes, but only if you revoke your election or the Merger Agreement is terminated. Once you properly make an election with respect to any shares of Infinity common stock, you will be unable to sell or otherwise transfer those shares, unless you properly revoke your election or the Merger Agreement is terminated.

Q: If I am an Infinity shareholder, may I transfer shares of Infinity common stock before the Infinity special meeting?

A: Yes. The Infinity record date is earlier than the Infinity special meeting and the date that the Merger is expected to be completed. If you transfer your shares of Infinity common stock after the Infinity record date but before the Infinity special meeting, you will retain your right to vote at the Infinity special meeting, but you will have transferred the right to receive the Mixed Consideration, Cash Consideration or Stock Consideration, each of which may only be received if you hold your shares through the closing.

Q: Who can help answer my questions?

A: If you have any questions about the Kemper annual meeting, the Infinity special meeting, the Merger or how to submit your proxy, or, for Infinity shareholders, how to complete your Form of Election, or if you need

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additional copies of this joint proxy statement/prospectus, the enclosed proxy card or voting instructions, you should contact the proxy solicitors listed below.

If you are a Kemper stockholder, please contact Innisfree M&A Incorporated, Kemper's proxy solicitor:

501 Madison Avenue, 20th floor

New York, New York 10022

Kemper stockholders may call toll free: (888) 750-5834

Banks and brokers may call collect: (212) 750-5833

If you are an Infinity shareholder, please contact D.F. King & Co., Inc., Infinity's proxy solicitor:

D.F. King & Co., Inc.

48 Wall Street

New York, NY 10005

Toll-free: (800) 706-3274

Banks and Brokers: (212) 269-5550

Email: IPCC@dfking.com

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SUMMARY

*This summary highlights certain information in this joint proxy statement/prospectus, but does not contain all of the information that may be important to you. You should read carefully this entire joint proxy statement/prospectus and the attached Annexes and the other documents to which this joint proxy statement/prospectus refers you for a more complete description of the Merger Agreement and the transactions contemplated by the Merger Agreement, including the Merger and the issuance of shares of Kemper common stock pursuant to the Merger Agreement. In addition, you are encouraged to read carefully the information incorporated by reference into this joint proxy statement/prospectus, which includes important business and financial information about Kemper and Infinity that has been filed with the SEC. You may obtain the information incorporated by reference into this joint proxy statement/prospectus without charge by following the instructions in the section entitled *Where You Can Find More Information* beginning on page 279.*

Information about the Companies

Kemper (see page 229)

Kemper is a diversified insurance holding company, with subsidiaries that provide automobile, homeowners, life, health, and other insurance products to individuals and businesses. The principal executive offices of Kemper are located at One East Wacker Drive, Chicago, Illinois 60601, and its telephone number is (312) 661-4600.

Kemper is a holding company incorporated under the laws of the State of Delaware in 1990, with equity securities traded on the NYSE. On August 25, 2011, Kemper adopted its current name and changed its NYSE ticker symbol to KMPR. Prior to the name change, Kemper was known as Unitrin, Inc. and traded under the NYSE ticker symbol UTR.

Kemper is engaged, through its subsidiaries, in the property and casualty insurance and life and health insurance businesses. Kemper conducts its operations through two operating segments: Property & Casualty Insurance and Life & Health Insurance. Kemper conducts its operations solely in the United States.

Kemper's subsidiaries employ approximately 5,550 full-time associates supporting their operations, of which approximately 1,850 are employed in its Property & Casualty Insurance segment, approximately 3,200 are employed in the Life & Health Insurance segment and the remainder are employed in various corporate and other staff and shared functions.

For additional information regarding Kemper, please refer to its Annual Report on Form 10-K for the year ended December 31, 2017, as filed with the SEC and incorporated by reference into this joint proxy statement/prospectus, as well as Kemper's other filings with the SEC. See *Where You Can Find More Information* beginning on page 279.

Merger Sub (see page 229)

Vulcan Sub, Inc. (***Merger Sub***) is a direct wholly owned subsidiary of Kemper and was formed solely for the purpose of consummating the Merger. Merger Sub 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. The principal executive offices of Merger Sub are located at One East Wacker Drive, Chicago, Illinois 60601, and its telephone number is (312) 661-4600.

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Infinity (see page 230)

Infinity was incorporated under the laws of the State of Ohio on September 16, 2002. Infinity is a holding company that provides insurance, through its subsidiaries, for personal auto with a concentration on non-standard risks, commercial auto and classic collectors. Infinity's headquarters are located at 2201 4th Avenue North, Birmingham, Alabama. Infinity employed approximately 2,300 people at December 31, 2017. Infinity's common stock is traded on the NASDAQ under the symbol IPCC.

Infinity offers personal and commercial auto insurance primarily in four key states: Arizona, California, Florida and Texas. Infinity's target customers are urban and Hispanic drivers. This narrow geographic and demographic focus allows Infinity to concentrate its efforts and resources on providing competitively priced products to underserved segments while generating adequate returns for its shareholders.

For additional information regarding Infinity, please refer to its Annual Report on Form 10-K for the year ended December 31, 2017 (as amended on Form 10-K/A) as filed with the SEC and incorporated by reference into this joint proxy statement/prospectus, as well as Infinity's other filings with the SEC. See [Where You Can Find More Information](#) beginning on page 279.

The Merger (see page 122)

Kemper, Merger Sub and Infinity have entered into the Merger Agreement, a copy of which is attached as [Annex A](#) to this joint proxy statement/prospectus. Upon the terms and subject to the conditions set forth in the Merger Agreement and in accordance with applicable law, Merger Sub will merge with and into Infinity, with Infinity surviving the Merger as a wholly owned subsidiary of Kemper. Upon the closing, Infinity common stock will no longer be publicly traded on NASDAQ. You are encouraged to read carefully the Merger Agreement in its entirety because it is the legal document that governs the Merger. Kemper and Infinity currently expect that the Merger will be completed during the third quarter of 2018, subject to the satisfaction or waiver of applicable conditions to the closing, including the receipt of certain regulatory approvals including approvals from insurance regulators. Following the Merger, Kemper and Infinity are referred to as the *combined company*.

Merger Consideration (see page 178)

Under the terms of the Merger Agreement, as of the effective time, each share of Infinity common stock issued and outstanding as of immediately prior to the effective time (other than shares owned by Kemper or any of its wholly owned subsidiaries or Infinity or any of its subsidiaries and shares held by any holder of Infinity common stock who is entitled to demand and properly demands appraisal of such shares under Ohio law) will be cancelled and convert into, at the election of the holder thereof, the right to receive either the Mixed Consideration, Cash Consideration or Stock Consideration, in each case as described below, subject to the automatic proration and adjustment procedures described under [The Merger Agreement Merger Consideration Cash Consideration](#) beginning on page 179, [The Merger Agreement Merger Consideration Stock Consideration](#) beginning on page 180 and [The Merger Agreement Allocation of Merger Consideration and Illustrative Elections and Calculations](#) beginning on page 180.

The consideration to be paid to Infinity shareholders electing to receive only Cash Consideration or Stock Consideration is subject, pursuant to the terms of the Merger Agreement, to automatic proration and adjustment, as applicable, to ensure that the total amount of cash paid and the total number of shares of Kemper common stock issued in the Merger is approximately the same as what would be paid and issued if all Infinity shareholders were to receive the Mixed Consideration. Accordingly, the total number of shares of Kemper common stock to be issued and the total amount of cash to be paid by Kemper as part of the Merger Consideration will not change from what was

agreed to in the Merger Agreement (other than for adjustment in

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the event that there is any change in the outstanding shares or classes of capital stock of Kemper or Infinity as a result of any reclassification, stock split (including a reverse stock split), recapitalization, split-up, combination, exchange or readjustment of shares or other similar transaction, or any stock dividend or stock distribution that is declared thereon. However, since the market price of Kemper common stock will fluctuate, the total value of the Mixed Consideration and the value of the Stock Consideration may increase or decrease between the date of the Merger Agreement and the effective time. Accordingly, the value of the actual per share consideration to be paid to Infinity shareholders cannot be determined until after the effective time. No fractional shares of Kemper common stock will be issued in the Merger, and Infinity shareholders will receive cash in lieu of any fractional shares of Kemper common stock.

Mixed Consideration

The Merger Agreement provides that each share of Infinity common stock with respect to which an Infinity shareholder makes a valid election to receive a fixed combination of cash and Kemper common stock, and each share for which an Infinity shareholder fails to make any election with respect to such shareholder's shares of Infinity common stock, will be converted into the right to receive the combination of (i) \$51.60 in cash and (ii) 1.2019 shares of Kemper common stock.

Cash Consideration

The Merger Agreement provides that each share of Infinity common stock with respect to which an Infinity shareholder makes a valid election to receive cash will be converted into the right to receive an amount of cash equal to \$129.00, without interest and subject to any required withholding of taxes, subject to the automatic proration and adjustment procedures described under The Merger Agreement Merger Consideration Cash Consideration beginning on page 179 and The Merger Agreement Allocation of Merger Consideration and Illustrative Elections and Calculations beginning on page 180.

Stock Consideration

The Merger Agreement provides that each share of Infinity common stock with respect to which an Infinity shareholder makes a valid election to receive Kemper common stock will convert into the right to receive 2.0031 shares of Kemper common stock, subject to the automatic proration and adjustment procedures described under The Merger Agreement Merger Consideration Stock Consideration beginning on page 180 and The Merger Agreement Allocation of Merger Consideration and Illustrative Elections and Calculations beginning on page 180.

Treatment of Infinity Equity Awards in the Merger (see page 172)

Pursuant to the Merger Agreement, at the effective time:

Infinity performance share awards

Each award of Infinity performance share units with respect to Infinity common stock granted under an Infinity stock plan that is outstanding and unvested immediately prior to the effective time (***Infinity performance share awards***) will vest with respect to the target number of shares of Infinity common stock subject to such Infinity performance share award (the ***target share amount***) and will be converted into shares of Kemper common stock (provided that any such shares of Kemper common stock held after payment of required withholding taxes may not be sold or transferred prior to the first anniversary of the date of the closing), with the number of shares of Kemper common stock subject to each Infinity performance share award determined by multiplying such target share amount by 2.0031.

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Director Restricted Shares

Each award of restricted shares of Infinity common stock granted under any Infinity stock plan that is outstanding and unvested immediately prior to the effective time (*Infinity restricted shares*) and held by a non-employee member of the Infinity Board (*Director Restricted Shares*) will vest in full and be eligible to receive the Merger Consideration

Rollover RSUs

Each award of Infinity restricted shares (other than the Director Restricted Shares) will be cancelled without any acceleration of vesting and in exchange Kemper will grant, as soon as practicable following the closing, a number of restricted stock units with respect to Kemper common stock determined by multiplying the number of cancelled Infinity restricted shares by 2.0031 (*Rollover RSUs*) with such Rollover RSUs vesting in accordance with any applicable award or other agreement between the recipient of such Rollover RSUs and Kemper (or an affiliate thereof).

Ownership of Kemper After the Merger

Based on the number of shares of common stock of Infinity outstanding on the Infinity record date, Kemper expects to issue or reserve for issuance approximately 13.2 million shares of Kemper common stock in connection with the Merger (including shares of Kemper common stock issuable to Infinity shareholders and shares of Kemper common stock issuable pursuant to certain Infinity equity-based awards). Based on this number and the number of shares of Kemper common stock outstanding on the Kemper record date, upon the closing, pre-existing Kemper stockholders and former Infinity shareholders would own approximately 80% and 20% of the outstanding shares of Kemper common stock, respectively, immediately following the closing. The Merger will have no effect on the number of shares of Kemper common stock owned by existing Kemper stockholders.

Share Ownership of Kemper's and Infinity's Directors and Executive Officers

At the close of business on the Kemper record date, directors and executive officers of Kemper and their affiliates owned and were entitled to vote approximately 604,738 shares of Kemper common stock, collectively representing approximately 1.2% of the shares of Kemper common stock outstanding on that date. Approval of the share issuance proposal by Kemper stockholders requires the affirmative vote of a majority of votes cast at the Kemper annual meeting with respect to the share issuance proposal, provided that a quorum is present. On February 13, 2018, all of Kemper's directors and then-employed named executive officers entered into Voting and Support Agreements with Infinity (*Kemper Voting and Support Agreements*) pursuant to which, among other things and subject to certain exceptions, each director and named executive officer agreed to vote or cause to be voted any shares of Kemper common stock of which they are the beneficial or record owner in favor of the share issuance proposal. Kemper currently expects that Kemper's executive officers not party to the Kemper Voting and Support Agreements will vote in favor of the share issuance proposal, although they are under no obligation to do so. See *The Voting and Support Agreements* Kemper Voting and Support Agreements beginning on page . A form of the Kemper Voting and Support Agreement is attached as Annex B to this joint proxy statement/prospectus.

At the close of business on the Infinity record date, directors and executive officers of Infinity and their affiliates owned and were entitled to vote approximately 314,379 shares of Infinity common stock, collectively representing 2.9% of the shares of Infinity common stock outstanding on that date. Approval of the merger proposal by Infinity shareholders requires the affirmative vote of shareholders entitled to exercise a majority of the voting power of Infinity. On February 13, 2018, all of Infinity's directors and then-employed named executive officers entered into Voting and Support Agreements with Kemper (the *Infinity Voting and Support Agreements*) pursuant to which,

among other things and subject to certain exceptions, each director and named

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executive officer agreed to vote or cause to be voted any shares of Infinity common stock of which they are the beneficial or record owner in favor of the merger proposal. Infinity currently expects that Infinity's executive officers not party to the Infinity Voting and Support Agreements will vote in favor of the merger proposal, although they are under no obligation to do so. See *The Voting and Support Agreements* Infinity Voting and Support Agreements beginning on page 224. A form of the Infinity Voting and Support Agreement is attached as Annex C to this joint proxy statement/prospectus.

Recommendation of the Kemper Board and Its Reasons for the Merger (see page 139).

After careful consideration, on February 13, 2018 the Kemper Board unanimously adopted resolutions approving the Merger Agreement and the consummation of the transactions contemplated by the Merger Agreement and the share issuance, including the Merger, upon the terms and subject to the conditions set forth in the Merger Agreement. **The Kemper Board unanimously recommends that Kemper stockholders vote FOR the share issuance proposal and FOR the Kemper meeting adjournment proposal at the Kemper annual meeting.**

For a summary of the factors considered by the Kemper Board in reaching its decision to approve the Merger Agreement and the consummation of the transactions contemplated thereby, as well as the Kemper Board's reasons for, and certain risks related to, the Merger, see *The Merger Recommendation of the Kemper Board and Its Reasons for the Merger* beginning on page 139.

Recommendation of the Infinity Board and Its Reasons for the Merger (see page 143)

After careful consideration, on February 13, 2018, the Infinity Board unanimously adopted the Merger Agreement and approved the consummation of the transactions contemplated by the Merger Agreement, including the Merger, upon the terms and subject to the conditions set forth in the Merger Agreement. **The Infinity Board unanimously recommends that Infinity shareholders vote FOR the merger proposal, FOR the non-binding compensation advisory proposal and FOR the Infinity meeting adjournment proposal at the Infinity special meeting.**

For a summary of the factors considered by the Infinity Board in reaching its decision to adopt the Merger Agreement and approve the consummation of the transactions contemplated by the Merger Agreement, including the Merger, as well as the Infinity Board's reasons for, and certain risks related to, the Merger, see *The Merger Recommendation of the Infinity Board and Its Reasons for the Merger* beginning on page 143.

Opinion of Kemper's Financial Advisor (see page 146)

At a meeting of the Kemper Board held on February 13, 2018, Goldman Sachs & Co. LLC (*Goldman Sachs*) delivered to the Kemper Board its oral opinion, subsequently confirmed in writing, that, as of February 13, 2018, and based upon and subject to the factors and assumptions set forth in Goldman Sachs' written opinion, the aggregate Merger Consideration to be paid by Kemper for all of the issued and outstanding shares of Infinity common stock pursuant to the Merger Agreement was fair from a financial point of view to Kemper.

The full text of Goldman Sachs' written opinion, dated February 13, 2018, which sets forth the assumptions made, procedures followed, matters considered, qualifications and limitations on the review undertaken in connection with the opinion, is attached as Annex D and is incorporated by reference into this joint proxy statement/prospectus. A summary of Goldman Sachs' opinion is set forth in this joint proxy statement/prospectus in the section entitled *The Merger Opinion of Kemper's Financial Advisor*

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beginning on page 143 and is qualified in its entirety by reference to the full text of Goldman Sachs' written opinion. Goldman Sachs' advisory services and opinion were provided for the information and assistance of the Kemper Board in connection with its consideration of the proposed Merger and the opinion does not constitute a recommendation as to how any holder of shares of Kemper common stock should vote with respect to the share issuance proposal or any other matter.

Pursuant to an engagement letter between Kemper and Goldman Sachs, Kemper has agreed to pay Goldman Sachs for its services in connection with the transactions an aggregate fee of \$13 million, all of which is contingent upon the closing.

Opinion of Infinity's Financial Advisor (see page 156)

At the February 12, 2018 meeting of the Infinity Board, Deutsche Bank Securities Inc. (*Deutsche Bank*), financial advisor to Infinity, rendered its oral opinion to the Infinity Board, confirmed by delivery of a written opinion dated February 13, 2018, to the effect that as of the date of such opinion, and based upon and subject to the assumptions, limitations, qualifications and conditions described in Deutsche Bank's opinion, the Merger Consideration was fair, from a financial point of view, to the holders of Infinity common stock (excluding Kemper and its affiliates). Deutsche Bank did not express any opinion as to the proration and election procedures in the Merger Agreement.

The full text of Deutsche Bank's written opinion, dated February 13, 2018, which sets forth the assumptions made, procedures followed, matters considered and limitations, qualifications and conditions on the review undertaken in connection with the opinion, is attached as Annex E and is incorporated by reference into this joint proxy statement/prospectus. A summary of Deutsche Bank's opinion is set forth in this joint proxy statement/prospectus in the section entitled **The Merger Opinion of Infinity's Financial Advisor beginning on page 156 and is qualified in its entirety by reference to the full text of the opinion. Deutsche Bank's opinion was addressed to, and for the use and benefit of, the Infinity Board in connection with and for the purpose of its evaluation of the Merger. Deutsche Bank did not express an opinion, and Deutsche Bank's opinion did not constitute a recommendation, as to how any holder of Infinity common stock should vote or act with respect to the Merger or any other matter, including whether any such holder should elect to receive the Mixed Consideration, the Cash Consideration or the Stock Consideration. Deutsche Bank's opinion was limited to the fairness of the Merger Consideration, from a financial point of view, to the holders of Infinity common stock (excluding Kemper and its affiliates) as of the date of the opinion. The opinion did not address any other terms of the Merger or the Merger Agreement. Nor did the opinion address the terms of any other agreement entered into or to be entered into in connection with the Merger. Deutsche Bank expressed no opinion as to the merits of the underlying decision by Infinity to engage in the Merger or the relative merits of the Merger as compared to any alternative transactions or business strategies.**

Pursuant to an engagement letter between Infinity and Deutsche Bank, dated December 21, 2017, Infinity has agreed to pay Deutsche Bank a transaction fee equal to 1% of the value of the aggregate consideration (as defined in the engagement letter), which equaled approximately \$13 million as of March 29, 2018, for its services as financial advisor to Infinity in connection with the Merger, of which \$1.0 million became payable upon the delivery of Deutsche Bank's opinion and the remainder of which is contingent upon the closing.

Interests of Infinity's Directors and Executive Officers in the Merger (see page 172)

When considering the Infinity recommendation, Infinity shareholders should be aware that directors and executive officers of Infinity have certain interests in the Merger that may be different from or in addition to the interests of Infinity shareholders generally. The Infinity Board was aware of these interests and considered them, among other

things, in evaluating and negotiating the Merger Agreement and the Merger.

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These interests include the following:

Infinity executive officers and directors hold outstanding shares of Infinity common stock, which will be treated like all other shares of Infinity common stock in the Merger. See *Ownership of Infinity Common Stock* beginning on page 234.

Pursuant to the terms of certain letter agreements entered into between Kemper and each of Glen N. Godwin, Samuel J. Simon and Robert H. Bateman, Messrs. Godwin, Simon and Bateman will continue to be employed pursuant to the terms of their respective employment agreements, and the term of each such executive's employment agreement shall be extended for a period of two (2) years following the closing.

The letter agreements also provide that each of Messrs. Godwin, Simon and Bateman will be entitled to receive a retention bonus equal to the cash severance benefit that he would have received under his current employment agreement with Infinity if his employment had been terminated by Infinity immediately prior to the expiration of the term (as extended by the letter agreements) for a reason other than cause, subject generally to the executive remaining in continuous employment with the combined company through the extended term.

The letter agreements also provide that Kemper will, as soon as practicable after the closing, grant each of Messrs. Godwin, Simon and Bateman a special award of time-based restricted stock units having a grant date value equal to \$1,000,000. The special grant will vest in full at the expiration of the applicable term, provided generally that the executive remains in continuous employment with the combined company through such date.

In connection with the Merger, the Infinity Board approved the extension of Mr. Gober's employment for a period commencing March 1, 2018 through the effective time of the Merger. During such period, Mr. Gober will be paid a salary at a rate of \$287,500 per annum, payable in accordance with Infinity's normal payroll practices. Mr. Gober will not be entitled to any other compensation in respect of such period.

In connection with the Merger, the Infinity Board established the Term Sheet Committee (as described on page 126 of this joint proxy statement/prospectus), which included Samuel J. Weinhoff serving as Chairman of the committee and Victor T. Adamo, Richard J. Bielen, Teresa A. Canida and James L. Weidner serving as the remaining members of the Term Sheet Committee. As compensation for the Term Sheet Committee's services throughout the negotiation of the Merger Agreement, the Nominating and Corporate Governance Committee of the Infinity Board approved a payment to Mr. Weinhoff of \$25,000 and to each other member of the Term Sheet Committee of \$20,000, to be paid in April 2018.

Certain directors and officers of Infinity will have rights to indemnification from Kemper after the effective time. See *The Merger Agreement Interests of Infinity's Directors and Executive Officers in the Merger* beginning on page 172.

The Infinity Board was aware of these interests and considered them, among other matters, in adopting the Merger Agreement and in determining to recommend that Infinity shareholders adopt the Merger Agreement. See The Merger Interests of Infinity's Directors and Executive Officers in the Merger, beginning on page 172 for additional information about these interests.

Board of Directors of Kemper after the Merger (see page 177)

In connection with the Merger, Kemper has agreed to take all actions necessary to cause, as of the effective time, the election as a member of the Kemper Board of one individual who is serving as a director of the Infinity Board as of February 13, 2018 or immediately prior to the closing. The decision as to which individual will be so

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elected by the Kemper Board shall be in the sole discretion of Kemper and shall comply with the policies of the Kemper Board's Nominating and Corporate Governance Committee, Kemper's corporate governance guidelines, applicable laws and the NYSE's rules and regulations.

Information about the current Kemper and Infinity directors and executive officers can be found in the documents listed under the heading "Where You Can Find More Information" beginning on page 279.

Listing of Kemper Common Stock and Delisting and Deregistration of Infinity Common Stock (see page 172)

Application will be made to have the shares of Kemper common stock to be issued in the Merger approved for listing on NYSE, subject to official notice of issuance, where Kemper common stock currently is traded under the symbol KMPR. If the Merger is completed, Infinity common stock will be delisted from the NASDAQ Stock Market LLC (the *NASDAQ*) and will be deregistered under the Exchange Act. As a result, Infinity will no longer be publicly traded or file periodic reports with the SEC.

Dissenting Rights of Infinity Shareholders (see page 187)

Under Ohio law, if the merger proposal is approved by the Infinity shareholders, any holder of shares of Infinity common stock who does not vote in favor of approving the merger proposal may be entitled to seek relief as a dissenting shareholder under Section 1701.85 of the Ohio General Corporation Law (the *OGCL*), which includes the right to seek appraisal of the fair cash value of such holder's shares as determined by the Court of Common Pleas of Hamilton County, Ohio, but only if such shareholder complies with the procedures of Ohio law applicable to the exercise of the rights of a dissenting shareholder, including by delivering to Infinity a written demand with the information required by Section 1701.85(A)(4) of the OGCL before the vote on the merger proposal. The appraised fair cash value of Infinity common stock could be more, the same as or less than the Merger Consideration. See "The Merger Agreement - Dissenting Rights of Infinity Shareholders" and "Appraisal and Dissenters' Rights" beginning on pages 187 and 226, respectively.

SECTION 1701.85 OF THE OGCL, GOVERNING THE RIGHTS OF DISSENTING INFINITY SHAREHOLDERS, IS ATTACHED IN ITS ENTIRETY AS ANNEX F TO THIS JOINT PROXY STATEMENT/PROSPECTUS. ANY INFINITY SHAREHOLDER WHO WISHES TO EXERCISE THE RIGHTS OF A DISSENTING SHAREHOLDER OR WHO WISHES TO PRESERVE THE RIGHT TO DO SO SHOULD REVIEW ANNEX F CAREFULLY AND SHOULD CONSULT SUCH SHAREHOLDER'S LEGAL ADVISOR, AS FAILURE TO TIMELY COMPLY WITH THE PROCEDURES SET FORTH IN SECTION 1701.85 OF THE OGCL WILL RESULT IN THE LOSS OF THOSE RIGHTS.

Merely not voting for the Merger will not preserve the right of Infinity shareholders to seek an appraisal of their shares of Infinity common stock under Ohio law because a submitted proxy not marked **AGAINST** or **ABSTAIN** will be voted **FOR** the merger proposal, **FOR** the non-binding compensation advisory proposal and **FOR** the Infinity meeting adjournment proposal. Accordingly, the submission of a proxy not marked **AGAINST** or **ABSTAIN** will result in the waiver of appraisal rights. Infinity shareholders who wish to exercise their appraisal rights and hold shares in the name of a bank, broker, trust or other nominee holder of record must instruct their bank, broker, trust or other nominee holder of record to take the steps necessary to enable them to demand appraisal for their shares.

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Conditions to Completion of the Merger (see page 188)

The respective obligations of Kemper, Merger Sub and Infinity to effect the Merger are subject to the satisfaction or waiver of the following conditions at or prior to the closing:

the affirmative vote of a majority of the votes cast at the Kemper annual meeting with respect to the share issuance proposal;

the affirmative vote of Infinity shareholders entitled to exercise a majority of the voting power of Infinity in favor of the merger proposal;

the approval for listing on the NYSE, subject to official notice of issuance, of the shares of Kemper common stock to be issued to Infinity shareholders in the Merger;

the expiration or termination of any applicable waiting period (or extensions thereof) under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the *HSR Act*);

the receipt of authorizations, consents, orders, declarations or approvals of, notifications to or filings or registrations with, or terminations or expirations of waiting periods imposed by, certain insurance regulators, and other governmental entities, the failure of which to be obtained or made or occur would reasonably be likely to have, individually or in the aggregate, a material adverse effect (as described on page 190 of this joint proxy statement/prospectus) with respect to Kemper after giving effect to the Merger;

the absence of any temporary restraining order, preliminary or permanent injunction or other order issued by a court of competent jurisdiction or other legal restraint or prohibition preventing the closing;

the declaration by the SEC of the effectiveness under the Securities Act of the registration statement on Form S-4 of which this joint proxy statement/prospectus forms a part and the absence of any stop order or proceedings initiated (and not withdrawn) by the SEC for that purpose;

in the case of Kemper's and Merger Sub's obligation to effect the Merger, the satisfaction of certain employee retention requirements;

in the case of Kemper's and Merger Sub's obligation to effect the Merger, no proper exercise of appraisal rights under Ohio law by Infinity shareholders holding more than 10% of the outstanding shares of Infinity common stock;

in the case of Kemper's and Merger Sub's obligation to effect the Merger, the absence of any pending action commenced by certain governmental entities wherein a judgment, individually or in the aggregate with other such judgments, would reasonably be expected to prevent the closing or impose or require a materially burdensome condition (as defined on page 24 of this joint proxy statement/prospectus);

in the case of Kemper's and Merger Sub's obligation to effect the Merger, the absence of certain approvals under applicable insurance laws imposing or requiring a materially burdensome condition;

in the case of each party's obligation to effect the Merger, the absence of a material adverse effect with respect to the other party and its subsidiaries since the date of the Merger Agreement;

in the case of each party's obligation to effect the Merger, subject to certain materiality exceptions, the accuracy of the representations and warranties made by the other party, and the receipt of a certificate from an executive officer of the other party to that effect; and

in the case of each party's obligation to effect the Merger, compliance by the other party in all material respects with such party's respective covenants under the Merger Agreement, and the receipt of a certificate from an executive officer of the other party to that effect.

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The conditions set forth in the Merger Agreement may be waived by Kemper or Infinity, in whole or in part, to the extent permitted by applicable law. For a more detailed discussion of these matters, see The Merger Agreement Conditions to Completion of the Merger beginning on page 188. The condition that the expiration or termination of any applicable waiting period (or extension thereof) under the HSR Act has been satisfied, as early termination of the waiting period was granted on March 12, 2018.

Regulatory Approvals; Materially Burdensome Condition (see page 164)

Kemper and Infinity have agreed to use their reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable law to consummate the transactions contemplated by the Merger Agreement including, subject to certain limitations, (i) obtaining all necessary actions or non-actions, waivers, consents, qualifications and approvals from governmental entities (including under the HSR Act and applicable insurance regulatory laws), (ii) obtaining all necessary consents, qualifications and approvals from non-governmental third parties, (iii) defending any lawsuits or other legal proceedings challenging the Merger Agreement or the consummation of the transactions contemplated by the Merger Agreement, including seeking to have any stay or temporary restraining order entered by any governmental entity vacated or reversed (but excluding any lawsuits or legal proceedings brought by or against any applicable state insurance regulator) and (iv) executing and delivering any additional documents or instruments necessary to consummate the Merger Agreement and transactions contemplated thereby. On February 28, 2018, Kemper and Infinity each filed a notification and report form under the HSR Act with the Federal Trade Commission (*FTC*) and the U.S. Department of Justice (*DOJ*). Early termination of the waiting period under the HSR Act was granted by the FTC on March 12, 2018.

Notwithstanding the foregoing, none of Kemper or any of its subsidiaries will be obligated to, and neither Infinity nor any of its subsidiaries will, without the prior written consent of Kemper, consent to, take or refrain from taking, or offer or commit or consent to take or refrain from taking (i) any action that involves (A) making any divestiture or disposition of any portion of any business or assets, (B) licensing any portion of any business or assets, (C) accepting or entering any consent decree or hold separate order or (D) placing any assets in trust, in each case by Kemper, Infinity or any their respective subsidiaries or affiliates, in each case except for such actions related to de minimis assets (with such assets measured on a scale relative to Infinity and its subsidiaries, taken as a whole), (ii) any action that involves (A) accepting or entering into any operational restriction or restriction on the payment or declaration of dividends, (B) making any capital commitment or capital guaranty or (C) entering into any capital support agreement, statement of support, guarantee, keep well or other similar capital maintenance undertaking to maintain a minimum risk-based capital level or rating, in each case with respect to, or in connection with, Kemper, Infinity or their respective subsidiaries or affiliates which, in each case and together with any other such action, would or would reasonably be expected to detract from the benefits reasonably expected to be derived by Kemper and its subsidiaries as a result of the Merger (with such benefits measured on a scale relative to Infinity and its subsidiaries, taken as a whole and to include Kemper's ability to operate its business after giving effect to the Merger), or (iii) any action that would reasonably be expected to have a material adverse effect with respect to either Kemper or Infinity, after giving effect to the Merger (with such materiality measured on a scale relative to Infinity and its subsidiaries, taken as a whole), in each case of the immediately foregoing clauses (i), (ii) and (iii), whether before or after the closing (any such action, a *materially burdensome condition*). See The Merger Agreement Conditions to Completion of the Merger and The Merger Agreement Efforts to Complete the Merger beginning on pages 188 and 201, respectively.

Financing (see page 210)

Kemper currently anticipates borrowing under its available credit facilities and/or incurring indebtedness under an unsecured bank loan to fund a portion of the cash payable in connection with the Merger Consideration.

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Prior to the effective time or the termination of the Merger Agreement, as the case may be, at Kemper's sole expense, Infinity has agreed to, and has agreed to cause each of its subsidiaries to, use its reasonable best efforts to provide, or cause to be provided by its and their respective personnel and representatives, to Kemper such cooperation reasonably requested by Kemper in connection with the arrangement of any debt financing obtained to fund the Merger Consideration. See The Merger Agreement Financing beginning on page 210.

Infinity Acquisition Proposals (see page 191)

Subject to certain exceptions, the Merger Agreement precludes Infinity, its directors and officers and their respective other representatives from, among other things, soliciting, initiating or knowingly encouraging or knowingly inducing or facilitating the making, submission or announcement of any inquiries or the making of any proposal or offer constituting or related to an Infinity acquisition proposal (as described on page 193 of this joint proxy statement/prospectus). Notwithstanding such restrictions, the Merger Agreement provides that, at any time prior to Infinity shareholders approving the merger proposal, provided that Infinity and its subsidiaries have complied with their non-solicitation restrictions, the Infinity Board may, upon receiving an Infinity acquisition proposal that did not result from a breach of the Merger Agreement and determining in good faith (after consultation with Infinity's outside legal counsel and outside financial advisor) that such Infinity acquisition proposal constitutes an Infinity superior proposal (as described on page 194 of this joint proxy statement/prospectus), make an Infinity adverse recommendation change (as described on page 193 of this joint proxy statement/prospectus) and may cause Infinity to terminate the Merger Agreement and concurrently enter into a binding definitive agreement to effect such Infinity superior proposal if Infinity has taken certain actions (as described under The Merger Agreement Infinity Acquisition Proposals and The Merger Agreement Special Meeting of Infinity Shareholders; Recommendation of the Infinity Board beginning on pages 191 and 197, respectively).

Kemper Acquisition Proposals (see page 194)

Subject to certain exceptions, the Merger Agreement precludes Kemper, its directors and officers and their respective other representatives from, among other things, soliciting, initiating or knowingly encouraging or knowingly inducing or facilitating the making, submission or announcement of any inquiries or the making of any proposal or offer constituting or related to a Kemper acquisition proposal (as described on page 196 of this joint proxy statement/prospectus). Notwithstanding such restrictions, the Merger Agreement provides that, at any time prior to Kemper stockholders approving the share issuance proposal, provided that Kemper and its subsidiaries have complied with their non-solicitation restrictions, the Kemper Board may, upon receiving a Kemper acquisition proposal that did not result from a breach of the Merger Agreement and determining in good faith (after consultation with Kemper's outside legal counsel and outside financial advisor) that such Kemper acquisition proposal constitutes a Kemper superior proposal (as described on page 196 of this joint proxy statement/prospectus), make a Kemper adverse recommendation change (as described on page 196 of this joint proxy statement/prospectus) and may cause Kemper to terminate the Merger Agreement and concurrently enter into a binding definitive agreement to effect such Kemper superior proposal if Kemper has taken certain actions (as described under The Merger Agreement Kemper Acquisition Proposals and The Merger Agreement Annual Meeting of Kemper Stockholders; Recommendation of the Kemper Board beginning on pages 194 and 199, respectively).

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Termination of the Merger Agreement (see page 216)

Termination by Kemper or Infinity

The Merger Agreement may be terminated and the Merger may be abandoned prior to the effective time by the mutual written consent of Kemper and Infinity. Moreover, either Kemper or Infinity may terminate the Merger Agreement at any time prior to the effective time if:

any court of competent jurisdiction or other government entity has issued a judgment, order, injunction, rule or decree, or taken any other action, restraining, enjoining or otherwise prohibiting or making illegal the closing or any of the other transactions contemplated by the Merger Agreement and such judgment, order, injunction, rule, decree or other action has become final and nonappealable (provided that the right to terminate the Merger Agreement for this reason will not be available to any party that has failed to (i) use its reasonable best efforts to contest, resolve or lift, as applicable, such judgment, order, injunction, rule, decree or other action and (ii) comply with its obligations described in The Merger Agreement Efforts to Complete the Merger beginning on page 201 in all material respects as its relates to such governmental entity);

the Infinity special meeting (including any adjournment or postponement thereof) was held to obtain the approval of the merger proposal and concluded without obtaining such approval (provided that Infinity may not terminate the Merger Agreement for this reason if Infinity has not complied with its obligations under the Merger Agreement with respect to not soliciting Infinity acquisition proposals and the holding of the Infinity special meeting);

the Kemper annual meeting (including any adjournment or postponement thereof) was held to obtain the approval of the share issuance proposal and concluded without obtaining such approval (provided that Kemper may not terminate the Merger Agreement for this reason if Kemper has not complied with its obligations under the Merger Agreement with respect to not soliciting Kemper acquisition proposals and the holding of the Kemper annual meeting); or

the effective time has not occurred on or before November 13, 2018 (or, if extended pursuant to the Merger Agreement, February 13, 2019) (the *outside date*) (provided, that neither Kemper nor Infinity has the right to terminate the Merger Agreement for this reason if the failure to consummate the Merger by such date results from the material breach or failure to perform by Kemper or Merger Sub (in the case of termination by Kemper) or Infinity (in the case of termination by Infinity) of any of its representations, warranties, covenants or agreements contained in the Merger Agreement). See The Merger Agreement Termination of the Merger Agreement beginning on page 216.

Termination by Kemper

Kemper may terminate the Merger Agreement as follows:

if Infinity breaches or fails to perform in any material respect any of its representations, warranties, covenants or agreements contained in the Merger Agreement, which breach or failure to perform (i) would give rise to the failure of the applicable conditions precedent to Kemper's obligation to complete the Merger and (ii) cannot be or has not been cured within the lesser of (A) thirty (30) days after the giving by Kemper of written notice to Infinity of such breach or failure to perform (such notice to describe such breach or failure to perform in reasonable detail) and (B) the number of days remaining until the outside date, provided that Kemper will not have the right to terminate the Merger Agreement for this reason if Kemper or Merger Sub is then in material breach of any of its representations, warranties, obligations or agreements under the Merger Agreement;

if, prior to Infinity shareholders approving the merger proposal, the Infinity Board or any committee thereof has (i) effected or permitted an Infinity adverse recommendation change (whether or not

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permitted to do so under the terms of the Merger Agreement), (ii) adopted, approved, endorsed, declared advisable or recommended to Infinity shareholders an Infinity acquisition proposal other than the Merger, (iii) failed to publicly reaffirm the Infinity recommendation within five business days following receipt of a written request by Kemper to provide such reaffirmation after an Infinity acquisition proposal has been publicly disclosed or has become publicly known, (iv) failed to include in this joint proxy statement/prospectus the Infinity recommendation or included in this joint proxy statement/prospectus any proposal to vote upon or consider any Infinity acquisition proposal other than the Merger or (v) failed to recommend against a competing tender offer or exchange offer for 15% or more of the outstanding capital stock of Infinity within ten (10) business days after commencement of such offer (including by taking no position with respect to the acceptance of such tender offer or exchange offer by its shareholders);

if Infinity breaches in any material respect any of its obligations with respect to not soliciting Infinity acquisition proposals; or

if, prior to Kemper stockholders approving the share issuance proposal, Kemper terminates the Merger Agreement in order to enter into a definitive agreement to effect a Kemper superior proposal, so long as Kemper has complied with its obligations with respect to not soliciting Kemper acquisition proposals in all material respects and enters into such definitive agreement concurrently with the termination of the Merger Agreement and pays the termination fee (described below) in accordance with the procedures and within the time periods set forth in the Merger Agreement. See The Merger Agreement Termination of the Merger Agreement and The Merger Agreement Reimbursement of Fees and Expenses beginning on pages 216 and 218, respectively.

Termination by Infinity

Infinity may terminate the Merger Agreement as follows:

if Kemper or Merger Sub breaches or fails to perform in any material respect any of its respective representations, warranties, covenants or agreements contained in the Merger Agreement, which breach or failure to perform (i) would give rise to the failure of the applicable conditions precedent to Infinity's obligation to complete the Merger and (ii) cannot be or has not been cured within the lesser of (A) thirty (30) days after the giving by Infinity of written notice to Kemper of such breach or failure to perform (such notice to describe such breach or failure to perform in reasonable detail) and (B) the number of days remaining until the outside date, provided that Infinity will not have the right to terminate the Merger Agreement for this reason if Infinity is then in material breach of any of its representations, warranties, obligations or agreements under the Merger Agreement;

if, prior to Kemper stockholders approving the share issuance proposal, the Kemper Board or any committee thereof has (i) effected or permitted a Kemper adverse recommendation change (whether or not permitted to do so under the terms of the Merger Agreement), (ii) adopted, approved, endorsed, declared advisable or recommended to Kemper stockholders a Kemper acquisition proposal, (iii) failed to publicly reaffirm the Kemper recommendation within five business days following receipt of a written request by Infinity to provide such reaffirmation after a Kemper acquisition proposal has been publicly disclosed or has become publicly known, (iv) failed to include in this joint proxy statement/prospectus the Kemper recommendation

or included in this joint proxy statement/prospectus any proposal to vote upon or consider any Kemper acquisition proposal or (v) failed to recommend against a competing tender offer or exchange offer for 15% or more of the outstanding capital stock of Kemper within five business days after commencement of such offer (including by taking no position with respect to the acceptance of such tender offer or exchange offer by its stockholders);

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if Kemper breaches in any material respect any of its obligations with respect to not soliciting Kemper acquisition proposals; or

if, prior to Infinity shareholders approving the merger proposal, Infinity terminates the Merger Agreement in order to enter into a definitive agreement to effect an Infinity superior proposal, so long as Infinity has complied with its obligations with respect to not soliciting Infinity acquisition proposals in all material respects and enters into such definitive agreement concurrently with the termination of the Merger Agreement, and pays the termination fee (described below) in accordance with the procedures and within the time periods set forth in the Merger Agreement. See *The Merger Agreement Termination of the Merger Agreement* and *The Merger Agreement Reimbursement of Fees and Expenses* beginning on pages 216 and 218, respectively.

Reimbursement of Fees and Expenses (see page 218)

Kemper must pay Infinity a termination fee of \$49,598,810 if the Merger Agreement is terminated under certain specified circumstances, including (i) following a failure by Infinity or Kemper to obtain the requisite stockholder approvals, if in certain circumstances, Kemper enters into a transaction with respect to a Kemper acquisition proposal concurrently with or within twelve (12) months of such termination, or (ii) if Infinity terminates the Merger Agreement following a Kemper adverse recommendation change.

Infinity must pay Kemper a termination fee of \$49,598,810 if the Merger Agreement is terminated under certain specified circumstances, including (i) following a failure by Kemper or Infinity to obtain the requisite stockholder approvals, if in certain circumstances, Infinity enters into a transaction with respect to an Infinity acquisition proposal concurrently with or within 12 months of such termination, or (ii) if Kemper terminates the Merger Agreement following an Infinity adverse recommendation change.

If the Merger Agreement is terminated under certain circumstances, including if Kemper or Infinity fail to obtain the requisite stockholder or shareholder approvals, Kemper or Infinity may be required to reimburse the other party for its expenses incurred in connection with the Merger in an aggregate amount not to exceed \$14,171,089.

Material U.S. Federal Income Tax Consequences (see page 166)

For U.S. holders (as described on page 167 of this joint proxy statement/prospectus), the receipt of the Merger Consideration in exchange for shares of Infinity common stock pursuant to the Merger will be a taxable transaction for U.S. federal income tax purposes. Infinity shareholders should consult their tax advisors regarding the particular tax consequences of the exchange of shares of Infinity common stock for the Merger Consideration pursuant to the Merger in light of their particular circumstances (including the application and effect of any state, local or foreign income and other tax laws). See *Material U.S. Federal Income Tax Consequences* beginning on page 166.

Accounting Treatment (see page 171)

Kemper will account for the acquisition of shares of Infinity common stock through the Merger under the acquisition method of accounting for business combinations. In determining the acquirer for accounting purposes, Kemper considered the factors required under Financial Accounting Standards Board Accounting Standards Codification 805, *Business Combinations* (**ASC 805**) and determined that Kemper will be considered the acquirer of Infinity for accounting purposes. Accordingly, Kemper's cost to acquire all issued and outstanding shares of Infinity common stock will be allocated to Infinity's acquired assets, liabilities and non-controlling interests based upon their estimated fair values. The allocation of the purchase price is preliminary and is dependent upon estimates of certain valuations

that are subject to change.

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Risk Factors (see page 38)

In evaluating the Merger, the Merger Agreement or the issuance of shares of Kemper common stock pursuant to the Merger Agreement, you should read carefully this joint proxy statement/prospectus and especially consider the factors discussed in the section entitled **Risk Factors** beginning on page 38.

Kemper's Dividend Policy

Kemper has historically paid quarterly dividends and intends to continue paying regular quarterly dividends to its stockholders. However, any decision to pay dividends on its common stock will be at the discretion of the Kemper Board, which may determine not to declare dividends at all or at a reduced amount. As a holding company with no significant business operations of its own, Kemper relies on dividends from its insurance subsidiaries to meet its obligations and pay dividends to its stockholders, and such insurance subsidiaries are subject to significant regulatory restrictions under state insurance laws and regulations that limit their ability to declare and pay dividends. See **The Merger Kemper's Dividend Policy** on page 164.

Comparison of Rights of Kemper Stockholders and Infinity Shareholders (see page 241)

The rights of the Kemper stockholders are governed by Kemper's Restated Certificate of Incorporation, dated as of August 6, 2014 (the **Kemper Charter**) and Amended and Restated Bylaws, effective August 6, 2014 (the **Kemper Bylaws**) as well as the Delaware General Corporation Law (**DGCL**). The rights of the Infinity shareholders are governed by Infinity's Amended and Restated Articles of Incorporation, dated as of May 21, 2007 (the **Infinity Articles**) and Regulations, as amended and restated as of August 1, 2017, (the **Infinity Regulations**) as well as the OGCL. Following the closing, the rights of the Infinity shareholders will be governed by the Kemper Charter and the Kemper Bylaws, as well as the DGCL, and the former Infinity shareholders will have the same rights as Kemper stockholders. However, because the Kemper Charter and Kemper Bylaws are different from the Infinity Articles and Infinity Regulations, and the DGCL is different from the OGCL, the rights of Infinity shareholders will differ in some respects from the rights afforded to them prior to the Merger. Certain of these differences are described in detail under **Comparison of Rights of Kemper Stockholders and Infinity Shareholders** beginning on page 241.

Expenses (see page 222)

Generally, all fees and expenses incurred in connection with the Merger, the Merger Agreement and the transactions contemplated by the Merger Agreement will be paid by the party incurring those expenses, subject to the specific exceptions discussed in this joint proxy statement/prospectus.

The Kemper Annual Meeting (see page 46)

The Kemper annual meeting will be held at 8:00 a.m. local time, on Friday, June 1, 2018, at The Kemper Building, 20th floor, One East Wacker Drive, Chicago, Illinois 60601. Holders of Kemper common stock on the Kemper record date will be entitled to vote at the Kemper annual meeting. In addition to the share issuance proposal and Kemper meeting adjournment proposal, Kemper stockholders will be asked at the Kemper annual meeting:

To elect the Nominees to the Kemper Board;

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To consider and vote on a non-binding advisory proposal to ratify the selection of Deloitte & Touche LLP as Kemper's independent registered public accountant for fiscal year 2018; and

To consider and vote on a non-binding advisory proposal to approve the compensation of Kemper's named executive officers, as described in this joint proxy statement/prospectus.

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The Kemper Board unanimously recommends that Kemper stockholders vote (i) FOR the share issuance proposal, (ii) FOR the Kemper meeting adjournment proposal, (iii) FOR the election of each of the Nominees, (iv) FOR the non-binding advisory proposal to ratify the selection of Deloitte & Touche LLP as Kemper's independent registered public accountant for fiscal year 2018 and (v) FOR the non-binding advisory proposal to approve the compensation of Kemper's named executive officers.

Table of Contents**Selected Historical Consolidated Financial Data of Kemper**

The following tables set forth the selected historical consolidated financial data of Kemper and its subsidiaries. The selected consolidated financial data as of December 31, 2017 and 2016 and for the years ended December 31, 2017, 2016 and 2015 have been derived from Kemper's audited consolidated financial statements and related notes contained in its Annual Report on Form 10-K for the year ended December 31, 2017 (as amended on Form 10-K/A, filed with the SEC on April 23, 2018), which are incorporated by reference into this joint proxy statement/prospectus. The selected consolidated financial data as of December 31, 2015, 2014 and 2013 and for the years ended December 31, 2014 and 2013 have been derived from Kemper's audited consolidated financial statements and related notes for such years, which have not been incorporated by reference into this joint proxy statement/prospectus. Historical results are not necessarily indicative of the results that may be expected for any future period.

This selected historical consolidated financial data should be read in conjunction with Kemper's audited consolidated financial statements, the notes related thereto and the related Management's Discussion and Analysis of Financial Condition and Results of Operations contained in Kemper's Annual Report on Form 10-K for the year ended December 31, 2017. See [Where You Can Find More Information](#) beginning on page 279.

(Dollars in Millions, Except for Per Share Amounts)	2017	2016	2015	2014	2013
FOR THE YEAR					
Earned Premiums	\$ 2,350.0	\$ 2,220.0	\$ 2,009.6	\$ 1,862.2	\$ 2,025.8
Net Investment Income	327.2	298.3	302.6	309.1	314.7
Other Income	4.0	3.2	3.7	1.4	0.8
Net Realized Gains on Sales of Investments	56.5	33.1	52.1	39.1	99.1
Net Impairment Losses Recognized in Earnings	(14.3)	(32.7)	(27.2)	(15.2)	(13.9)
Total Revenues	\$ 2,723.4	\$ 2,521.9	\$ 2,340.8	\$ 2,196.6	\$ 2,426.5
Income from Continuing Operations	\$ 119.9	\$ 12.7	\$ 80.2	\$ 112.6	\$ 214.5
Income from Discontinued Operations	1.0	4.1	5.5	1.9	3.2
Net Income	\$ 120.9	\$ 16.8	\$ 85.7	\$ 114.5	\$ 217.7
Per Unrestricted Share:					
Income from Continuing Operations	\$ 2.32	\$ 0.25	\$ 1.55	\$ 2.08	\$ 3.75
Income from Discontinued Operations	0.02	0.08	0.10	0.04	0.06
Net Income	\$ 2.34	\$ 0.33	\$ 1.65	\$ 2.12	\$ 3.81
Per Unrestricted Share Assuming Dilution:					
Income from Continuing Operations	\$ 2.31	\$ 0.25	\$ 1.55	\$ 2.08	\$ 3.74
Income from Discontinued Operations	0.02	0.08	0.10	0.04	0.06
Net Income	\$ 2.33	\$ 0.33	\$ 1.65	\$ 2.12	\$ 3.80
Dividends Paid to Shareholders Per Share	\$ 0.96	\$ 0.96	\$ 0.96	\$ 0.96	\$ 0.96

AT YEAR END

Total Assets	\$ 8,376.2	\$ 8,210.5	\$ 8,036.1	\$ 7,833.4	\$ 7,656.4
Insurance Reserves	\$ 4,537.8	\$ 4,406.7	\$ 4,203.8	\$ 4,007.6	\$ 4,061.0
Unearned Premiums	653.9	618.7	613.1	536.9	598.9
Long-term Debt, Current and Non-current	592.3	751.6	750.6	752.1	606.9
All Other Liabilities	4				