

CERTEGY INC
Form PREM14A
October 12, 2005
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant x

Filed by a Party other than the Registrant o

Check the appropriate box:

- x Preliminary Proxy Statement
- o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- o Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Material Pursuant to §240.14a-12

CERTEGY INC.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- o No fee required.
- x Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
Common stock, par value \$.0001 per share, of Fidelity National Information Services, Inc.
 - (2) Aggregate number of securities to which transaction applies:
200,000,000 shares of common stock of Fidelity National Information Services, Inc., which represents the number of such issued and outstanding shares which will be converted into shares of common stock, par value \$.01 per share, of Certegy Inc. pursuant to an Agreement and Plan of Merger, dated September 14, 2005, among Fidelity National Information Services, Inc., Certegy Inc. and C Co Merger Sub, LLC
 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
\$2.89 per share of common stock of Fidelity National Information Services, Inc., which is the book value per share of such common stock as of June 30, 2005
 - (4) Proposed maximum aggregate value of transaction:
\$578,000,000, which is the maximum value calculated pursuant to Rule 0-11 under the Securities Exchange Act of 1934, as amended
 - (5) Total fee paid:
\$68,031
- o Fee paid previously with preliminary materials.
- o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 - (1) Amount Previously Paid:
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- (3) Filing Party:
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Lee A. Kennedy
Chairman and
Chief Executive Officer

Certegy Inc.
100 Second Avenue South
Suite 1100S
St. Petersburg, Florida 33701

[], 2005

Dear Shareholder:

On behalf of the board of directors of Certegy Inc., I am pleased to deliver our proxy statement for the proposed combination of Certegy and Fidelity National Information Services, Inc., or FIS, to be effected pursuant to a merger agreement that Certegy entered into with FIS on September 14, 2005. The proxy statement provides you with important information concerning the proposed combination and explains why we believe the merger is in the best interests of Certegy's shareholders. Since the completion of the merger requires the approval of Certegy's shareholders, **YOUR VOTE IS IMPORTANT**. I urge you to read the enclosed materials carefully, including the risks described under the heading "Risk Factors" on page 18 of the proxy statement, and to promptly vote by following the instructions shown on the enclosed proxy card.

Under the merger agreement, subject to satisfaction or waiver of the conditions to closing of the proposed transactions, FIS will merge with and into a wholly owned subsidiary of Certegy, and shares of Certegy's common stock will be issued to the stockholders of FIS. Fidelity National Financial, Inc., or FNF, currently owns 75% of the common stock of FIS. Following the merger the former stockholders of FIS, including FNF, will own approximately 67.1% of Certegy's common stock, and FNF will own approximately 50.3% of Certegy's outstanding common stock.

The merger agreement also provides for the payment of a special cash dividend of \$3.75 per share of Certegy common stock, payable to Certegy's shareholders of record immediately prior to the closing of the merger. This dividend will be payable only if shareholder approval of the merger is obtained and the closing of the merger is assured.

At the special meeting, shareholders also will be asked to approve (1) the amendment and restatement of Certegy's articles of incorporation to increase the number of authorized shares of capital stock from 400,000,000 to 800,000,000 shares and to change the name of Certegy to Fidelity National Information Services, Inc., and (2) the amended and restated Certegy Inc. Stock Incentive Plan, which, among other things, will increase the shares available under the current plan, and increase the limits on the awards that may be granted under the current plan. Following the merger our shares will trade on the New York Stock Exchange under the ticker symbol FIS.

Certegy's board of directors recommends that Certegy's shareholders vote FOR the approval of the merger agreement and the other proposals to be presented at the special meeting.

Sincerely,

LEE A. KENNEDY
Chairman and Chief Executive Officer

This proxy statement is first being mailed to Certegy shareholders on or about [], 2005 and is dated [], 2005. You should not assume that the information contained in this document is accurate as of any date other than that date, and the mailing of this document to you does not create any implication to the contrary.

CERTEGY INC.

**100 Second Avenue South, Suite 1100S
St. Petersburg, Florida 33701**

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON [], 2005**

TO THE SHAREHOLDERS OF CERTEGY INC.:

We will hold a special meeting of shareholders of Certegy Inc. on [], 2005, at [] a.m. local time, at [], for the following purposes:

1. To consider and vote upon a proposal to approve the Agreement and Plan of Merger, dated as of September 14, 2005, by and among Certegy Inc., C Co Merger Sub, LLC, and Fidelity National Information Services, Inc., including the merger of Fidelity National Information Services, Inc. with and into C Co Merger Sub, LLC, and the issuance of shares of Certegy common stock to the stockholders of Fidelity National Information Services, Inc., in connection with the merger;
2. To consider and vote upon a proposal to amend and restate Certegy's Amended and Restated Articles of Incorporation to increase the number of authorized shares of capital stock from 400,000,000 shares to 800,000,000 shares, with 600,000,000 shares being designated as common stock and 200,000,000 shares being designated as preferred stock, and to change the name of Certegy to Fidelity National Information Services, Inc. ;
3. To consider and vote upon a proposal to approve the Amended and Restated Certegy Inc. Stock Incentive Plan, which will, among other things, increase the total number of shares of common stock available for issuance under the current stock incentive plan by an additional 6,000,000 shares, and increase the limits on the number of options, restricted shares, and other awards that may be granted to any individual in any calendar year; and
4. To transact such other business as may properly be brought before the special meeting or any adjournment or postponement of the special meeting.

Certegy's board of directors has fixed the close of business on [], 2005 as the record date for determining those shareholders entitled to vote at the special meeting and any adjournment or postponement thereof. Accordingly, only shareholders of record at the close of business on that date are entitled to notice of, and to vote at, the special meeting. A complete list of our shareholders will be available for inspection at the special meeting.

To ensure your representation at the special meeting, please complete and promptly mail your proxy card in the enclosed return envelope. This will not prevent you from voting in person, but will help to secure a quorum and avoid added solicitation costs. Your proxy may be revoked at any time before it is voted. Please review the proxy statement accompanying this notice for more complete information regarding the merger and the special meeting.

By Order of the Board of Directors

WALTER M. KORCHUN
Secretary

St. Petersburg, Florida
[], 2005

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