

# CNO FINANCIAL GROUP, INC.

## FORM SC TO-C

(Written communication relating to an issuer or third party)

Filed 10/14/09

Address	11825 N PENNSYLVANIA ST CARMEL, IN 46032
Telephone	3178176100
CIK	0001224608
Symbol	CNO
SIC Code	6321 - Accident and Health Insurance
Industry	Insurance (Life)
Sector	Financial
Fiscal Year	12/31

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**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**SCHEDULE TO**

**Tender Offer Statement Under Section 14(d)(1) or Section 13(e)(1)  
of the Securities Exchange Act of 1934**

**CONSECO, INC.**

(Name Of Subject Company (Issuer) and Filing Person (Offeror))

**3.50% Convertible Debentures due 2035**  
(Title of Class of Securities)

**208464BH9**  
**208464BG1**

(CUSIP Number of Class of Securities)

**Karl Kindig**  
**Corporate Counsel and Corporate Secretary**  
**11825 N. Pennsylvania Street**  
**Carmel, Indiana 46032**  
**(317) 817-6100**

(Name, address and telephone number of person authorized to receive notices  
and communications on behalf of filing person)

*With copies to:*

**Gary I. Horowitz**  
**Roxane F. Reardon**  
**Simpson Thacher & Bartlett LLP**  
**425 Lexington Avenue**  
**New York, New York 10017**  
**(212) 455-2000**

**Calculation of Filing Fee**

<b>Transaction valuation *</b>	<b>Amount of filing fee *</b>
N/A	N/A

\* Pursuant to Instruction D of Schedule TO, no filing fee is required for pre-commencement communications.

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

Amount Previously Paid: Not applicable.

Filing Party: Not applicable.

Form or Registration No.: Not applicable.

Date Filed: Not applicable.

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer. Check the appropriate boxes below to designate any transactions to which the statement relates:

- third-party tender offer subject to Rule 14d-1.
- issuer tender offer subject to Rule 13e-4.
- going private transaction subject to Rule 13e-3.
- amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

\* If applicable, check the appropriate box(es) below to designate the appropriate rule provision(s) relied upon:

- Rule 13e-4(i) (Cross-Border Issuer Tender Offer)
  - Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)
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EX-99.A.5

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**INTRODUCTION**

This Tender Offer Statement on Schedule TO (the “*Schedule TO*”) relates to a pre-commencement communication made by Conseco, Inc., a Delaware corporation (the “*Company*,” “*Conseco*,” “*we*” or “*us*”), in connection with its contemplated offer to purchase (the “*Tender Offer*”) for cash any and all of its outstanding 3.50% Convertible Debentures due September 30, 2035 (the “*Debentures*”). The press release is attached to this Schedule TO as Exhibit (a)(5). This Schedule TO is intended to satisfy the reporting requirements of Rule 13e-4(c)(1) of the Securities Exchange Act of 1934, as amended.

We have not commenced the Tender Offer. Upon commencement of the Tender Offer, we will file with the Securities and Exchange Commission a Schedule TO and related exhibits, including an offer to purchase and related documents. Once available, holders of Debentures are advised to read the Schedule TO and related exhibits because they will contain important information. Holders of Debentures may obtain copies of the documents we file with the Securities and Exchange Commission, including the Schedule TO and related exhibits, free from the Securities and Exchange Commission’s website, which may be accessed at [www.sec.gov](http://www.sec.gov), and the investor relations section of our website, which may be accessed at [investor.conseco.com](http://investor.conseco.com).

**Item 12. Exhibits.**

Exhibits filed as a part of this Schedule TO are listed below.

<b>Exhibit Number</b>	<b>Description</b>
(a)(5)	Press Release, dated October 14, 2009.

**CONSECO ANNOUNCES PRICING OF UP TO \$293.0 MILLION OF  
7.0% CONVERTIBLE SENIOR DEBENTURES DUE 2016**

CARMEL, Ind., Oct. 14 /PRNewswire-FirstCall/ — Consecoco, Inc. (NYSE: CNO) announced today that it has entered into an agreement to sell up to \$293.0 million aggregate principal amount of its 7.0% Convertible Senior Debentures due 2016 in a private offering that is exempt from the registration requirements of the Securities Act of 1933, as amended.

Consecoco has been advised that the initial purchaser in the private offering has offered to resell the new convertible debentures to a number of qualified institutional buyers. Consecoco has been informed by the initial purchaser that Paulson & Co. Inc., on behalf of the several investment funds and accounts managed by it (“Paulson”), has entered into an agreement with the initial purchaser to purchase up to \$200.0 million aggregate principal amount of the new convertible debentures.

Interest on the convertible debentures will be payable semi-annually on June 30 and December 30 at a rate of 7.0% per year, and the convertible debentures will mature on December 30, 2016. The convertible debentures will not be convertible prior to June 30, 2013, except under limited circumstances. Commencing on June 30, 2013, the convertible debentures will be convertible into common stock at the option of the holder at any time, subject to certain exceptions, based on an initial conversion rate of 182.1494 shares of common stock per \$1,000 principal amount of convertible debentures, which is equivalent to an initial conversion price of approximately \$5.49 per share of common stock, which represents approximately a 10% premium to the closing sale price of the common stock on the New York Stock Exchange on October 13, 2009. In addition holders of the convertible debentures will under certain

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circumstances have the right to convert the convertible debentures at an increased conversion rate.

Conseco will issue the convertible debentures in an aggregate principal amount equal to the sum of (1) the aggregate principal amount of Conseco's existing 3.50% Convertible Debentures due September 30, 2035 tendered in the cash tender offer for such existing convertible debentures that it intends to commence in the near future for its existing convertible debentures (and any subsequent tender offers that expire on or prior to October 5, 2010), (2) the aggregate principal amount of existing convertible debentures that Conseco is required to repurchase on September 30, 2010, if any, and (3) the aggregate principal amount of existing convertible debentures that Conseco redeems on October 5, 2010, if any, in each case to finance the repurchase or redemption, as applicable, of the existing convertible debentures.

Conseco expects the closing of the private convertible debenture offering, which is subject to satisfaction of certain conditions, to occur on one or more dates, with the earliest to occur at the time of settlement of the intended cash tender offer for its existing convertible debentures and the latest to occur on October 5, 2010, the date on which the Company may redeem any existing convertible debentures that remain outstanding. The net proceeds from the private convertible debenture offering will be used to fund a substantial portion of (1) the purchase price of the existing convertible debentures in the intended tender offer, (2) the repurchase price of any of Conseco's existing convertible debentures on September 30, 2010 that Conseco is required by the holders thereof to repurchase, if any, and (3) the redemption price of any of Conseco's existing convertible debentures on October 5, 2010, if any existing convertible debentures remain outstanding at that time and Conseco elects to redeem such existing convertible debentures.

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As previously announced, Consecos has entered into a stock and warrant purchase agreement with Paulson to sell to Paulson 16.4 million shares of common stock and warrants to purchase 5.0 million shares of common stock for an aggregate purchase price of \$77.9 million. The closing of the common stock and warrant sale is subject to satisfaction of certain conditions and is expected to occur on the earliest closing date of the private offering of new convertible debentures.

This press release does not constitute an offer to sell, or the solicitation of an offer to buy, any securities. The convertible debentures and common stock issuable upon conversion of the new convertible debentures have not been registered under the Securities Act or the securities laws of any other jurisdiction and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. The convertible debentures were offered for resale only to qualified institutional buyers in a manner exempt from the registration requirements of the Securities Act. In addition, the common stock and warrants being sold to Paulson have not been registered under the Securities Act or the securities laws of any other jurisdiction and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

Details of the intended tender offer for Consecos's existing convertible debentures will be provided in an offer to purchase and related documents, which will be filed with the Securities and Exchange Commission as exhibits to a Schedule TO. Holders of the existing convertible debentures are advised to read the Schedule TO and the exhibits thereto because they will contain important information. Holders of the existing convertible debentures may obtain copies of the documents Consecos files with the Securities and Exchange Commission, including the Schedule TO and related exhibits, free from the Securities and Exchange Commission's

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website, which may be accessed at [www.sec.gov](http://www.sec.gov) , and the investor relations section of Conseco's website, which may be accessed at <http://investor.conseco.com> .

### **About Conseco**

Conseco, Inc.'s insurance companies help protect working American families and seniors from financial adversity: Medicare supplement, long-term care, cancer, critical illness and accident policies protect people against major unplanned expenses; annuities and life insurance products help people plan for their financial futures.

### **Cautionary Statement Regarding Forward-Looking Statements**

The statements, trend analyses and other information contained in this press release and elsewhere (such as in filings by Conseco with the SEC, presentations by Conseco or its management or oral statements) relative to markets for Conseco's products and trends in the Conseco's operations or financial results, as well as other statements, contain forward-looking statements within the meaning of the federal securities laws and the Private Securities Litigation Reform Act of 1995. Forward-looking statements typically are identified by the use of terms such as "anticipate," "believe," "plan," "estimate," "expect," "project," "intend," "may," "will," "would," "contemplate," "possible," "attempt," "seek," "should," "could," "goal," "target," "on track," "comfortable with," "optimistic" and similar words, although some forward-looking statements are expressed differently. Statements that contain these words should be considered carefully because they describe the Conseco's expectations, plans, strategies and goals and the Conseco's beliefs concerning future business conditions, the Conseco's results of operations, financial position, and the Conseco's business outlook or they state other "forward-looking" information based on currently available information. The "Risk Factors" section of Conseco's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q provides

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examples of risks, uncertainties and events that could cause the Conseco's actual results to differ materially from the expectations expressed in forward-looking statements.

All written or oral forward-looking statements attributable to Conseco are expressly qualified in their entirety by the foregoing cautionary statement. The forward-looking statements speak only as of the date made. Conseco assumes no obligation to update or to publicly announce the results of any revisions to any of the forward-looking statements to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward-looking statements.