

VECTREN CORP
Form 4
January 05, 2016

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2015
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
SADLIER R DANIEL

(Last) (First) (Middle)

**ONE VECTREN SQUARE, P. O.
BOX 209**

(Street)

EVANSVILLE, IN 47708

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
VECTREN CORP [VVC]

3. Date of Earliest Transaction
(Month/Day/Year)
01/01/2016

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Beneficial Ownership (Instr. 4)
				(A) or (D)			
			Code	V Amount (D) Price			

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Underlying Securities
---------------------------------	---------------------------	--------------------------------------	-----------------------------------	---------------------	------------------------------------	--	---	-----------------------------------

Edgar Filing: VECTREN CORP - Form 4

(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Instr.)						
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Phantom Stock	\$ 0	01/01/2016	A		2,144		(1)	(1)	Common Stock	2,144	\$

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SADLIER R DANIEL ONE VECTREN SQUARE P. O. BOX 209 EVANSVILLE, IN 47708				

Signatures

/s/Ronald E.
Christian
01/05/2016
Date

**Signature of
Reporting Person

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The stock unit award was granted pursuant to the Vectren Corporation At Risk Compensation Plan (Plan) and is subject to all of the terms, provisions and conditions of the Plan. The lifting of restrictions and forfeiture provisions are dependent upon continued service by the grantee until January 1, 2017. Upon the lifting of restrictions, grantee shall be paid for each stock unit award, in cash, the fair market value of one share of common stock on the date restrictions lapse, provided grantee is in compliance with the share ownership guidelines established by the board of directors. If grantee is not in compliance with the share ownership guidelines, the value of each stock unit award shall be paid in unrestricted Vectren common stock. If the service of the grantee ends at or before the annual shareholder meeting, the award will vest at that time and will be prorated based upon the number of days served. The board of directors approved the acquisition in accordance with Rule 16b-3.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. nbsp; (682,270) (3,660,591)

Net increase (decrease) in net assets available for benefits
5,181,018 (170,369) (590,695) (93,086) (6,931) 4,319,937

Net assets available for benefits at beginning of year
41,155,161 5,491,480 591,671 11,011,960 81,229 58,331,501

Edgar Filing: VECTREN CORP - Form 4

Net assets available for benefits at end of year

\$46,336,179 \$5,321,111 \$976 \$10,918,874 \$74,298 \$62,651,438

See accompanying notes.

Table of Contents

Valley National Bank

Savings and Investment Plan

Notes to Financial Statements

For the Years Ended December 31, 2006 and 2005

1. Summary of Significant Accounting Policies

General

The accompanying financial statements of the Valley National Bank (the *Bank*) Savings and Investment Plan (the *Plan*) are prepared in accordance with accounting principles generally accepted in the United States. Certain prior period amounts have been reclassified to conform to the current presentation.

Effective January 1, 2006, each 401k participant of Shrewsbury State Bank Retirement Savings Plan, which was acquired on March 31, 2005, became a participant in the *Bank's* Plan. Shrewsbury State Bank Retirement Savings Plan assets totaling \$1,612,320 were transferred at fair market value to the *Bank's* Plan during 2006. On October 16, 1998, Valley acquired Wayne Bancorp, Inc., parent of Wayne Savings Bank F.S.B. On January 3, 2005, Wayne Savings Bank, F.S.B. 401(k) Profit Sharing Plan assets totaling \$282,165 were transferred at fair market value to the *Bank's* Plan. Effective July 1, 2005, each 401k participant of NorCrown Bank acquired on June 3, 2005, became a participant in the *Bank's* Plan. No plan assets were transferred to the *Bank's* Plan from the NorCrown Bank 401k Plan.

Management of Trust Assets

Mutual funds of the Plan are managed by Fidelity Investments, Inc. (*Fidelity*). Effective June 2, 2003, Fidelity assumed the administration function as the custodian and investment manager of the Valley Common Stock Fund and the Valley common stock held in the Unallocated and Allocated Employee Stock Ownership Fund.

Costs of management services rendered on behalf of the Plan were paid by the Bank and totaled \$58,537 and \$43,238 for the years ended December 31, 2006 and 2005, respectively.

Investments

Mutual funds, the Employee Stock Ownership Fund and the Valley Common Stock Fund are stated at fair market value with related changes in unrealized appreciation and depreciation reflected in net investment gain (loss) on the statement of changes in net assets available for benefits. The fair market value of these investments is based on current market quotations.

Investment transactions, with the exception of the Valley Common Stock Fund, are recorded on trade date. At December 31, 2006 and 2005, there was no effect on the financial statements related to recording transactions in the Valley Common Stock Fund on a settlement date basis. The Plan accrues interest and dividend income as earned. Realized gains or losses are calculated on a specific identification basis.

Table of Contents

Valley National Bank

Savings and Investment Plan

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

The assets of the Plan are primarily financial instruments which are monetary in nature. As a result, interest rates have a more significant impact on the Plan's performance than do the effects of general levels of inflation. Interest rates do not necessarily move in the same direction or in the same magnitude as the prices of goods and services as measured by the consumer price index. Investments in funds are subject to risk conditions of the individual fund objectives, the stock market, interest rates, economic conditions and world affairs.

Administrative Expenses

The Plan is not charged for administrative costs. These services are supplied by Valley National Bank without charge. In 2006 and 2005, the cost of these services which include accounting, tax, legal, audit and other administrative support are estimated to be approximately \$56,100 and \$52,360, respectively.

Use of Estimates

A number of estimates and assumptions have been made relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements in conformity with accounting principles generally accepted in the United States. Actual results could differ from those estimates.

2. Plan Description

The following brief description of the Plan is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

The Plan is primarily a participant-directed, defined contribution plan and generally covers all employees of Valley National Bank and its subsidiaries provided such employee has completed 1,000 hours of service over a continuous 12-month period, as defined, with the Bank. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Table of Contents

Valley National Bank

Savings and Investment Plan

Notes to Financial Statements (continued)

2. Plan Description (continued)

Participants may direct contributions made by or for them to be applied to all or any investment funds in $\frac{1}{2}\%$ increments from 1% to 100% of compensation as defined or such amount permissible under the Internal Revenue Code (the Code). The employer's contributions are credited to participant accounts in shares of Valley National Bancorp common stock. A participant is 100% vested at all times for his/her tax deferred contributions. The employer's contributions and earnings or losses on employer contributions made to a participant's account are vested 20% after two years of service, 50% after three years of service, 75% after four years of service, and 100% after five years of service.

The Bank has agreed to match the employees' contributions to the Plan in an amount equal to 100% of 2% of each participant's salary deferred contributions as established by the Bank. All contributions are paid to the investment manager, Fidelity, by the Bank. Each participant's account is credited with the participant's contribution and an allocation of the Bank's contribution and plan earnings or losses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is equal to the vested balance in their account.

After a participant's separation from service with the Bank for any reason (retirement, termination, etc.), distributions are made in accordance with the terms of the Plan.

If the Plan were terminated all participants of the Plan would automatically become 100% vested in their fund balances. Although the Bank has not expressed an intent to terminate the Plan, it may do so at any time by action of its Board of Directors.

Effective January 1, 2007, the Bank prospectively amended the Plan such that all employer contributions are credited to participant accounts in cash rather than shares of Valley National Bancorp common stock.

Table of Contents**Valley National Bank****Savings and Investment Plan**

Notes to Financial Statements (continued)

3. Forfeitures and Withdrawals

Forfeitures arising from the termination of participants who were not fully vested shall be used by the Bank to reduce its contributions. Total forfeitures for 2006 and 2005 were \$66,623 and \$22,799, respectively.

Withdrawals are recorded when paid. The total amount of claimed but unpaid withdrawals at December 31, 2006 and 2005 was \$130,667 and \$61, respectively.

4. Federal Income Tax

The Plan has received a determination letter from the Internal Revenue Service dated May 16, 2003 stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and, therefore, the related trust is exempt from taxation. The Plan has been amended since receiving the determination letter. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan Administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan is qualified and the related trust is tax exempt.

5. Investments

The following is a summary of individual investments, at fair market value, that represent 5% or more of net assets available for benefits at December 31, 2006 and 2005:

Description	2006	2005
Fidelity cash reserve fund	\$ 5,864,870	\$ 5,046,859
Fidelity balanced fund	8,652,398	7,333,272
Spartan U.S. equity index fund	8,497,645	7,329,186
Fidelity growth company fund	13,171,304	11,698,673
Pimco total return fund	6,141,452	5,716,299
Valley common stock fund	6,651,650	5,321,111
Valley common stock	13,609,570	10,918,874
	\$ 62,588,889	\$ 53,364,274

Table of Contents

Valley National Bank

Savings and Investment Plan

Notes to Financial Statements (continued)

6. ESOP

On October 16, 1998, Valley acquired Wayne Bancorp, Inc., parent of Wayne Savings Bank F.S.B. On May 1, 1999, the Wayne Savings Bank Employee Stock Ownership Plan (the Wayne ESOP) was merged into the Plan. In June 1996, the Wayne ESOP entered into a \$1,785,110 borrowing agreement with Wayne Bancorp, Inc. Upon the merger, the underlying common shares held in the ESOP were exchanged for 1.1 shares of Valley common stock and the Plan assumed the borrowing as of May 1, 1999 with an outstanding balance of \$1,190,073. The term borrowing agreement was transferred to the Bank. The agreement provides for the borrowing to be repaid over ten years and was fully satisfied in 2005.

As the Bank makes each payment of principal, an appropriate percentage of common stock will be allocated to eligible employees' accounts in accordance with applicable regulations under the Code. Shares vest fully upon allocation. The borrowing was collateralized by the unallocated shares of the Bank's common stock. The Bank (the lender) has no rights against shares once they are allocated under the ESOP. Accordingly, the financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to:

the accounts of employees with vested rights in allocated stock (allocated); and

stock not yet allocated to employees (unallocated).

All share amounts have been restated to reflect the Bank's five percent stock dividend paid on May 25, 2007, and all prior stock dividends and splits.

7. Risk and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Table of Contents**Schedule 1****Valley National Bank****Savings and Investment Plan**

Schedule H, Line 4(i) Schedule of Assets Held

for Investment Purposes at End of Year

December 31, 2006

Description	Number of Shares or Units	Cost	Fair Market Value
Fidelity Mutual Funds:			
Fidelity Cash Reserves	5,864,870.340	\$ *	\$ 5,864,870
Fidelity Intermediate Bond Fund	0.004	*	
Spartan U.S. Equity Index Fund Investor Class	169,343.273	*	8,497,645
Fidelity Worldwide Fund	116,243.239	*	2,337,652
Fidelity Growth Company Fund	188,944.261	*	13,171,304
Fidelity Growth & Income Portfolio	23,549.335	*	733,562
Managed Income Portfolio	691,758.660	*	691,759
Fidelity Advisor Equity Income Fund Class I	43,029.627	*	1,376,087
Fidelity Balanced Fund	445,311.296	*	8,652,398
Fidelity Low-Priced Stock Fund	27,212.225	*	1,184,820
Fidelity Diversified International Fund	57,562.441	*	2,126,932
Fidelity Dividend Growth Fund	14,088.673	*	446,329
Fidelity Freedom Income Fund	3,366.439	*	38,849
Fidelity Freedom 2000 Fund	822.941	*	10,254
Fidelity Freedom 2010 Fund	26,669.399	*	389,907
Fidelity Freedom 2020 Fund	24,587.480	*	381,844
Fidelity Freedom 2030 Fund	7,620.079	*	122,150
Fidelity Institutional Short-Intermediate Government Fund	12,564.674	*	119,113
Fidelity Freedom 2040 Fund	10,992.635	*	104,210
PIMCO Total Return Fund Administrative Class	591,662.006	*	6,141,452
FPA Capital Fund, Inc	11,227.611	*	465,272
American Funds Growth Fund of America Class R4	56,255.220	*	1,837,296
Valley Common Stock Fund	618,073.661	*	6,651,650
Allocated:			
Valley Common Stock	539,043.705	9,525,628	13,609,570
Participant Loans			
(rates range from 6.00% to 9.50%)	85,908.000	*	85,908
			\$ 75,040,833

* Not required for participant-directed investments.

See accompanying notes.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Plan Administrators have duly caused this annual report to be signed on its behalf by the undersigned, thereunto duly authorized,

VALLEY NATIONAL BANK

SAVINGS AND INVESTMENT PLAN

By: /s/ Alan D. Eskow
Alan D. Eskow
Executive Vice President and

Chief Financial Officer

on behalf of the Plan Administrators

Date: June 28, 2007

Table of Contents

EXHIBIT INDEX

23.1 Consent of Independent Registered Public Accounting Firm