

InfraREIT, Inc.
Form SC 13D/A
May 24, 2018

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No. 8)

InfraREIT, Inc.

(Name of Issuer)

Common Stock, \$0.01 par value

(Title of Class of Securities)

45685L 100

(CUSIP Number)

Nathan J. Christensen

c/o Hunt Consolidated, Inc.

1900 N. Akard Street

Dallas, TX 75201

Tel: (214) 978-8000

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

May 24, 2018

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box:

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1 Name of reporting person

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS

Hunt Consolidated, Inc.

2 Check the appropriate box if a member of a group

(a) (b)

3 SEC use only

4 Source of funds

OO (see Item 3)

5 Check box if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)

6 Citizenship or place of organization

Delaware, United States

7 Sole voting power

Number of

shares

15,176,776*

beneficially

8 Shared voting power

owned by

each

454,102§

9 Sole dispositive power

reporting

person

15,176,776*

with

10 Shared dispositive power

532,044+

11 Aggregate amount beneficially owned by each reporting person

15,708,820°

12 Check box if the aggregate amount in Row (11) excludes certain shares

13 Percent of class represented by amount in Row (11)

26.3%±

14 Type of reporting person

CO corporation

- * Consists of (i) 6,334 shares of common stock, par value \$0.01 per share (Common Stock), of InfraREIT, Inc., a Maryland corporation (InfraREIT Inc.), held by Hunt Transmission Services, L.L.C. (HTS), a subsidiary of Hunt Consolidated, Inc. (Hunt Consolidated), and (ii) 15,170,442 common units (common units) representing limited partnership interests in InfraREIT Partners, LP (the Operating Partnership) held by HTS. Common units are redeemable for cash or, at InfraREIT Inc.'s election, shares of Common Stock on a one-for-one basis.
- § Consists of 454,102 common units held by Electricity Participant Partnership, LLC (EPP), which is a subsidiary of Hunt Consolidated, for the benefit of current and former employees and service providers to Hunt Consolidated (EPP Units). Hunt Consolidated shares voting and dispositive power with respect to the EPP Units.
- + Consists of the EPP Units described above. Also includes (i) 9,252 shares of Common Stock and (ii) 68,690 common units granted as incentive compensation to and held by current Hunt Consolidated employees, which are subject to vesting (the Compensation Securities). Hunt Consolidated shares dispositive power with respect to the Compensation Securities.
- ° Consists of (i) the shares of Common Stock and common units held by HTS described above, (ii) the EPP Units and (iii) the Compensation Securities.
- ± In computing the percentage ownership, the reporting person has assumed that (i) there are 43,960,884 shares of Common Stock outstanding, as reported by InfraREIT Inc. in its Annual Report on Form 10-Q for the period ended March 31, 2018 and (ii) the common units beneficially owned by the reporting person have been exchanged for shares of Common Stock on a one-for-one basis and that those shares are outstanding but that no common units held by other persons have been exchanged for shares of Common Stock.

1 Name of reporting person

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS

Hunter L. Hunt

2 Check the appropriate box if a member of a group

(a) (b)

3 SEC use only

4 Source of funds

OO (see Item 3)

5 Check box if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)

6 Citizenship or place of organization

United States Citizen

7 Sole voting power

Number of

shares

0

beneficially

8 Shared voting power

owned by

each

15,630,878*

9 Sole dispositive power

reporting

person

0

with

10 Shared dispositive power

15,708,820§

11 Aggregate amount beneficially owned by each reporting person

15,708,820§

12 Check box if the aggregate amount in Row (11) excludes certain shares

13 Percent of class represented by amount in Row (11)

26.3%+

14 Type of reporting person

IN individual

* Consists of (i) 6,334 shares of Common Stock held by HTS, (ii) 15,170,442 common units held by HTS and (iii) the EPP Units (collectively, the Subject Securities). The EPP Units are held by EPP for the benefit of current and former employees and service providers to Hunt Consolidated. Hunt Consolidated shares voting and dispositive power with respect to the EPP Units. Mr. Hunt is Co-CEO and Co-President of Hunt Consolidated and controls Hunt Consolidated through one or more intermediaries. Common units are redeemable for cash or, at InfraREIT Inc. s election, shares of Common Stock on a one-for-one basis.

§ Consists of (i) the Subject Securities and (ii) the Compensation Securities held by Hunt Consolidated employees but which remain subject to vesting and consist of (x) 9,252 shares of Common Stock and (y) 68,690 common units. Hunt Consolidated shares dispositive power with respect to the Compensation Securities. Mr. Hunt is Co-CEO and Co-President of Hunt Consolidated and controls Hunt Consolidated through one or more intermediaries.

+ In computing the percentage ownership, the reporting person has assumed that (i) there are 43,960,884 shares of Common Stock outstanding, as reported by InfraREIT Inc. in its Annual Report on Form 10-Q for the period ended March 31, 2018 and (ii) the common units beneficially owned by the reporting person have been exchanged for shares of Common Stock on a one-for-one basis and that those shares are outstanding but that no common units held by other persons have been exchanged for shares of Common Stock.

SCHEDULE 13D

Explanatory Note

This Amendment No. 8 to Schedule 13D (this Amendment No. 8) is being jointly filed by Hunt Consolidated, Inc., a Delaware corporation (together with its subsidiaries, Hunt Consolidated), and Hunter L. Hunt, a citizen of the United States and member of the board of directors (the Board) of InfraREIT, Inc., a Maryland corporation (InfraREIT Inc. and, together with its subsidiaries, the Company). Mr. Hunt is Co-Chairman, Co-CEO and Co-President of Hunt Consolidated and controls Hunt Consolidated through one or more intermediaries. Hunt Consolidated and Mr. Hunt are collectively referred to as the Reporting Persons. This Amendment No. 8 amends, solely to the extent set forth herein, the Schedule 13D originally filed by the Reporting Persons with the Securities and Exchange Commission (the Commission) on February 17, 2015, which was (i) amended and restated in its entirety by Amendment No. 4 to the Schedule 13D filed by the Reporting Persons with the Commission on July 11, 2016 and (ii) further amended and restated to the extent set forth in (a) Amendment No. 5 to the Schedule 13D filed by the Reporting Persons with the Commission on February 28, 2017 (Amendment No. 5), (b) Amendment No. 6 to the Schedule 13D filed by the Reporting Persons with the Commission on July 24, 2017 (Amendment No. 6) and (c) Amendment No. 7 to the Schedule 13D filed by the Reporting Persons with the Commission on January 16, 2018 (Amendment No. 7). This Amendment No. 8 relates to the common stock, par value \$0.01 per share, of InfraREIT Inc. (Common Stock), including common units (common units) and, together with the Common Stock, Securities) representing limited partnership interests in InfraREIT Partners, LP, a Delaware limited partnership (the Operating Partnership).

The Reporting Persons are filing this Amendment No. 8 to reflect certain updates described in Item 4 below regarding the ongoing evaluation by Hunt Consolidated of Alternative Arrangements (as defined in Amendment No. 5).

InfraREIT Inc. is a real estate investment trust (REIT) that owns rate-regulated electric transmission and distribution assets in the State of Texas. The Company is externally managed by Hunt Utility Services, LLC, a Delaware limited liability company (Hunt Manager), which is a subsidiary of Hunt Consolidated.

Item 2. Identity and Background

Item 2 is hereby supplemented and amended as follows:

(d) and (e). During the last five years, neither of the Reporting Persons nor, to the knowledge of the Reporting Persons, any person named on Appendix A attached hereto has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or has been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which he was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or a finding of any violation with respect to such laws.

Item 4. Purpose of Transaction

Item 4 is hereby supplemented and amended as follows:

Consideration of Alternative Arrangements

As previously disclosed in Item 4 of Amendment Nos. 5, 6 and 7, Hunt Consolidated has been engaged in developing and evaluating various Alternative Arrangements to the current business structures in place between InfraREIT Inc. and its subsidiaries, including the Operating Partnership and SDTS, on the one hand, and Hunt Consolidated and its

subsidiaries and affiliates, on the other hand. The Alternative Arrangements identified in these prior amendments include, among others, (a) a de-REIT transaction in which InfraREIT Inc. would elect to no longer be treated as a REIT for federal income tax purposes, (b) a sale by InfraREIT Inc. of all or certain of its assets or operations to a third party, (c) a business combination between InfraREIT Inc. and a third party, (d) a business combination between InfraREIT Inc. or SDTS and Sharyland, (e) an acquisition of InfraREIT Inc. by or involving Hunt Consolidated and (f) other transactions that would significantly alter the organizational structure, business or ownership of InfraREIT Inc.

As previously disclosed in Item 4 of Amendment No. 7, one of the Alternative Arrangements on which Hunt Consolidated has been focused is a going private transaction (a Going Private Transaction) that would result both in InfraREIT Inc. no longer being a publicly traded entity and Hunt Consolidated maintaining a substantial equity stake in, and a substantial degree of influence over the business and affairs of, InfraREIT Inc. (or any successors). Hunt Consolidated engaged a financial advisor and has been holding discussions with, and evaluating indications of interest from, various parties who might have an interest in providing funding for, and otherwise participating in, a Going Private Transaction (Interested Parties). Based on such indications of interest and discussions with Interested Parties, at the present time Hunt Consolidated does not believe that such a Going Private Transaction is likely to be viable. However, Hunt Consolidated may elect to continue to consider and pursue such a transaction in the future.

In the course of Hunt Consolidated's discussions with Interested Parties, certain of such parties have expressed an interest in a possible direct acquisition of InfraREIT Inc. by such party (a Third-Party Acquiror) as an alternative to a Going Private Transaction. Any such acquisition would be effected by a Third-Party Acquiror making a direct offer to purchase InfraREIT Inc. in a transaction that would result in Hunt Consolidated and its affiliates not retaining any direct or indirect equity interest in, or any role in the management of the ongoing operations of, InfraREIT Inc. or its subsidiaries (or any successors) (such acquisition, a Third-Party Acquisition). Hunt Consolidated is engaged in discussions with potential Third-Party Acquirors regarding certain transactions and arrangements involving Hunt Consolidated and its subsidiaries and affiliates, including Sharyland, that would be implemented prior to, concurrently with or immediately after any such Third-Party Acquisition. For example, such transactions and arrangements may include (a) the sale of certain assets of Sharyland to SDTS or the exchange of certain assets held by Sharyland for assets of approximately equal value held by SDTS, (b) an investment by the Third-Party Acquiror or one of its affiliates in Sharyland, (c) the termination of the existing leases between Sharyland and SDTS so that, after a Third-Party Acquisition, the assets currently leased to Sharyland would be owned and operated directly by SDTS (or any successors) and (d) the termination of the management and development agreements between InfraREIT Inc. and affiliates of Hunt Consolidated.

Hunt Consolidated currently expects that at least one Third Party Acquiror will make an offer with respect to a Third-Party Acquisition to InfraREIT Inc. There can be no assurance, however, that any potential Third-Party Acquiror will decide to propose a Third-Party Acquisition, that such a transaction, if proposed, would be approved by the board of directors of InfraREIT Inc. or, if applicable, its stockholders, or that any such transaction would be successfully implemented. Moreover, there can be no assurance that Hunt Consolidated and any potential Third-Party Acquiror will reach agreement on transactions and arrangements that may be necessary to facilitate a Third-Party Acquisition, such as those described in the immediately preceding paragraph.

In addition to the possible transactions and arrangements described above, Hunt Consolidated is continuing to evaluate other possible Alternative Arrangements of the type described in Amendments Nos. 5, 6 and 7. Hunt Consolidated has not determined a target date or timeline for the completion of its evaluation of Alternative Arrangements.

Review of REIT Election

In January 2018, InfraREIT Inc. disclosed that, in light of the legislation commonly referred to as the Tax Cuts and Jobs Act, InfraREIT Inc. was reviewing its REIT election and the existing lessor-lessee relationship with Sharyland, including consideration of whether it should pursue a de-REIT transaction. In a Quarterly Report on Form 10-Q filed with the SEC on May 3, 2018, InfraREIT Inc. disclosed that InfraREIT Inc.'s Board of Directors completed its initial review of InfraREIT Inc.'s REIT status and directed management to pursue a de-REIT transaction that would involve, among other things, InfraREIT Inc. terminating its REIT status and opting for a traditional C-corporation structure. In light of the existing contractual arrangements between InfraREIT Inc. and its subsidiaries, including the Operating Partnership and SDTS, on the one hand, and Hunt Consolidated and its subsidiaries and affiliates, including Sharyland, on the other hand, Hunt Consolidated expects to continue to engage in discussions with representatives of

InfraREIT Inc. regarding steps that may be taken by either Hunt Consolidated, Sharyland or InfraREIT Inc. in light of the intention expressed by InfraREIT Inc. to pursue a de-REIT transaction, whether in connection with a potential Third-Party Acquisition or otherwise.

Item 5. Interest in Securities of the Issuer

Item 5 is hereby amended solely as follows:

(a), (b) The information set forth in Rows 7 through 13 of the cover page of this Amendment No. 8 for each Reporting Person is incorporated herein by reference. Amounts include (i) 6,334 shares of Common Stock and 15,624,544 common units owned directly by Hunt Consolidated or one of its subsidiaries and (ii) the Compensation Securities described in (d) below. Mr. Hunt is Co-Chairman, Co-CEO and Co-President of Hunt Consolidated and controls Hunt Consolidated through one or more intermediaries and, therefore, may be deemed the beneficial owner of such Securities. Mr. Hunt disclaims beneficial ownership of the Securities, except to the extent of his pecuniary interest therein. The percentage amount set forth in Row 13 on the cover page for each Reporting Person is calculated, as discussed in Item 4 above, based upon 59,654,118 shares of Common Stock outstanding, which assumes that the common units beneficially held by the Reporting Persons have been exchanged, one-for-one, for shares of Common Stock, but that no units held by other persons have been exchanged for shares.

(d) An aggregate of 454,102 of the common units beneficially owned by the Reporting Persons are held by EPP for the benefit of current and former employees and service providers to Hunt Consolidated. Additionally, Hunt Consolidated shares dispositive power with respect to an aggregate of (i) 9,252 shares of Common Stock and (ii) 68,690 common units granted as incentive compensation to, and currently held by, Hunt Consolidated employees, but remain subject to vesting (the Compensation Securities). The beneficiaries of the Securities described in the preceding two sentences have the right to receive distributions from such Securities.

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Amendment No. 8 is true, complete and correct.

May 24, 2018

HUNT CONSOLIDATED, INC.

By: /s/ Nathan J. Christensen

Name: Nathan J. Christensen

Title: Senior Vice President & General Counsel

/s/ Nathan J. Christensen as Attorney-In-Fact for Hunter L.
Hunt

APPENDIX A

DIRECTORS AND EXECUTIVE OFFICERS OF HUNT CONSOLIDATED, INC.

The following tables set forth the names, positions and present principal occupations or employment and business addresses of the members, directors and executive officers of Hunt Consolidated, Inc. All the individuals listed below are citizens of the United States.

Name	Position at Hunt Consolidated, Inc.	Present Principal Occupation or Employment and Business Address
Ray L. Hunt	Executive Chairman, Director	1900 N. Akard Street Dallas, Texas 75201
Hunter L. Hunt	Co-CEO, Co-President, Director	1900 N. Akard Street Dallas, Texas 75201
Christopher W. Kleinert	Co-CEO, Co-President, Director	1900 N. Akard Street Dallas, Texas 75201
David C. Hernandez	Executive Vice President, Chief Strategy Officer, Director	1900 N. Akard Street Dallas, Texas 75201
Jamie A. Beggs	Senior Vice President, Chief Financial Officer	1900 N. Akard Street Dallas, Texas 75201
Nathan J. Christensen	Senior Vice President, General Counsel	1900 N. Akard Street Dallas, Texas 75201
Bruce E. Cope	Senior Vice President, Chief Accounting Officer	1900 N. Akard Street Dallas, Texas 75201
Paul E. Hoffman	Senior Vice President	1900 N. Akard Street Dallas, Texas 75201
Jill D. Meyer	Senior Vice President	1900 N. Akard Street Dallas, Texas 75201
Jeanne L. Phillips	Senior Vice President	1900 N. Akard Street Dallas, Texas 75201

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Dan G. Ray	Senior Vice President	1900 N. Akard Street Dallas, Texas 75201
James A. Savage, Jr.	Senior Vice President	1900 N. Akard Street Dallas, Texas 75201
Brian R. Swinford	Senior Vice President, Treasurer	1900 N. Akard Street Dallas, Texas 75201