

FAIRMOUNT SANTROL HOLDINGS INC.
Form 8-K
December 01, 2016

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) December 1, 2016

FAIRMOUNT SANTROL HOLDINGS INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction

of incorporation)

001-36670
(Commission

File Number)

34-1831554
(IRS Employer

Identification No.)

8834 Mayfield Road, Chesterland, Ohio
(Address of principal executive offices)

44026
(Zip Code)

Registrant's telephone number, including area code: (800) 255-7263

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events.

On December 1, 2016, Fairmount Santrol Holdings Inc. (the Company) announced that its principal stockholder, ASP FML Holdings, LLC (the Selling Stockholder), an affiliate of American Securities LLC, a leading U.S. private equity firm, is selling 15,000,000 shares of the Company s common stock that it currently owns in an underwritten public offering. The Company will not receive any proceeds from the sale of shares in the offering.

The Selling Stockholder also intends to grant the underwriter a 30-day option to purchase up to an additional 2,250,000 shares of the Company s common stock. Prior to this offering, the Selling Stockholder beneficially owned approximately 31.9% of the Company s outstanding common stock. Upon completion of the offering, the Selling Stockholder will own approximately 25.2% of the Company s outstanding common stock (or approximately 24.2% if the underwriter exercises its option in full).

The underwriter may offer the shares from time to time in one or more transactions on the New York Stock Exchange, in the over-the-counter market, through negotiated transactions or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices. The offering is expected to close on December 7, 2016, subject to customary closing conditions.

Morgan Stanley & Co. LLC is acting as the sole underwriter for the offering. This offering is being made pursuant to an effective shelf registration statement filed by the Company with the Securities and Exchange Commission. A prospectus supplement relating to the common stock offering will be filed with the Securities and Exchange Commission. When available, a copy of the prospectus for the offering may be obtained by sending a request to: Morgan Stanley & Co. LLC, Attention: Prospectus Department, 180 Varick Street, 2nd floor, New York, NY 10014.

The foregoing shall not constitute an offer to sell or the solicitation of an offer to buy the Company s common stock or any other securities, and there shall not be any offer, solicitation or sale of securities mentioned herein in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Forward-Looking Statements

Certain statements contained herein constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements represent the Company s expectations or beliefs concerning future events, and it is possible that the results described in this press release will not be achieved. These forward-looking statements are subject to risks, uncertainties and other factors, many of which are outside of the Company s control that could cause actual results to differ materially from the results discussed in the forward-looking statements. These factors include: changes in prevailing economic conditions, including continuing pressure on and fluctuations in demand for, and pricing of, our products; loss of, or reduction in business from the Company s largest customers or their failure to pay the Company; possible adverse effects of being leveraged, including interest rate, event of default or refinancing risks, as well as potentially limiting the Company s

ability to invest in certain market opportunities; the level of cash flows generated to provide adequate liquidity; our ability to successfully develop and market new products, including Propel SSP ; our rights and ability to mine our property and our renewal or receipt of the required permits and approvals from government authorities and other third parties; our ability to implement and realize efficiencies from capacity expansion plans and cost reduction initiatives within our time and budgetary parameters; increasing costs or a lack of dependability or availability of transportation services or infrastructure and geographic shifts in demand; changing legislative and regulatory initiatives relating to our business, including environmental, mining, health and safety, licensing, reclamation and other regulation relating to hydraulic fracturing (and changes in their enforcement and interpretation); silica-related health issues and corresponding litigation; seasonal and severe weather conditions; and other operating risks that are beyond our control.

Any forward-looking statement speaks only as of the date on which it is made, and, except as required by law, the Company does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. New factors emerge from time to time, and it is not possible for the Company to predict all such factors. When considering these forward-looking statements, you should keep in mind the risk factors and other cautionary statements in Fairmount Santrol Holdings Inc.'s filings with the Securities and Exchange Commission (SEC). The risk factors and other factors noted in our filings with the SEC could cause our actual results to differ materially from those contained in any forward-looking statement.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press Release issued by the Company on December 1, 2016.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Fairmount Santrol Holdings Inc.
(Registrant)

Date: December 1, 2016

/s/ Michael F. Biehl
Michael F. Biehl
Executive Vice President and Chief Financial Officer

Exhibit Index

| Exhibit Number | Description |
|---------------------------|--|
| 99.1 | Press Release issued by the Company on December 1, 2016. |