

Westlake Chemical Partners LP  
Form 8-K  
March 27, 2019

**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 Earliest Event Reported: March 26, 2019**

**WESTLAKE CHEMICAL PARTNERS LP**  
**(Exact name of registrant as specified in its charter)**

**Delaware**  
**(State or Other Jurisdiction**  
  
**of Incorporation)**

**001-36567**  
**(Commission**  
  
**File Number)**  
**2801 Post Oak Boulevard, Suite 600**

**32-0436529**  
**(IRS Employer**  
  
**Identification No.)**

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**Houston, Texas 77056**

**(Address of principal executive offices)**

**Registrant's telephone number, including area code (713) 585-2900**

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:

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))  
Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

On March 26, 2019, Westlake Chemicals Partner LP (the Partnership) agreed to purchase an additional 4.50% limited partner interest in Westlake Chemical OpCo LP (OpCo) on a fully diluted basis for approximately \$201.4 million, which will result in the Partnership owning an approximately 22.8% limited partner interest in OpCo on a fully diluted basis (such transaction, the OpCo Equity Purchase), pursuant to an Equity Purchase Agreement (the Equity Purchase Agreement) by and among the Partnership, OpCo and WPT LLC, which is a subsidiary of Westlake Chemical Corporation (Westlake). The Partnership expects to fund the consideration for the OpCo Equity Purchase with the proceeds from the Private Placement (as described in Item 3.02 of this Current Report on Form 8-K) and borrowings under its senior unsecured revolving credit agreement with Westlake Chemical Finance Corporation, an affiliate of Westlake (the MLP Revolver). OpCo intends to use the proceeds from the OpCo Equity Purchase to repay borrowings under its intercompany debt agreements with Westlake.

Each of the Partnership, OpCo, Westlake Chemical Partners GP LLC, which is the general partner of the Partnership (the General Partner), WPT LLC and Westlake Chemical Finance Corporation is a direct or indirect subsidiary of Westlake. As a result, certain individuals, including certain officers and directors of Westlake and the General Partner, serve as officers and/or directors of more than one of such other entities. In particular, Messrs. James Chao and Albert Chao serve as officers and directors of Westlake and the General Partner as well as certain of the other entities.

As more fully described in the Certain Relationships and Related Transactions, and Director Independence section of the Partnership's Annual Report on Form 10-K for the year ended December 31, 2018, which is incorporated herein by reference, Westlake owns and controls the General Partner and owns through its wholly-owned subsidiaries 14,122,230 common units representing limited partner interests in the Partnership (Common Units) and the Partnership's incentive distribution rights. In addition, the General Partner owns a non-economic general partner interest in the Partnership.

The terms of the OpCo Equity Purchase and the Affiliated Entity's (as defined in Item 3.02 of this Current Report on Form 8-K) participation in the Private Placement were approved by the conflicts committee (the Conflicts Committee) of the board of directors (the Board) of the General Partner. The Conflicts Committee, which consists entirely of independent directors, engaged an independent financial advisor and independent legal counsel in its review of such transactions.

A full description of the MLP Revolver can be found in the Partnership's Annual Report on Form 10-K for the year ended December 31, 2018 under Management's Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources, which is incorporated herein by reference.

**Item 3.02. Sale of Unregistered Units.**

On March 26, 2019, the Partnership agreed to issue and sell an aggregate of 2,940,818 Common Units in a private placement (the Private Placement) exempt from registration under Section 4(a)(2) of the Securities Act of 1933, as amended (the Securities Act). The purchasers in the Private Placement consist of certain unrelated institutional investors and an entity for the benefit of certain family members (the Affiliated Entity) and, together with the unaffiliated institutional investors, the Investors) of Messrs. Albert Chao and James Chao, each of whom serves on the Board. The Common Units will be sold to the Investors in the Private Placement at \$21.40 per Common Unit and are expected to result in net proceeds to the Partnership of approximately \$62.0 million. The description in Item 2.01 of this Current Report on Form 8-K with respect to the Conflict Committee's approval of the Affiliated Entity's participation in the Private Placement is incorporated herein by reference.

The Partnership also agreed to enter into a Registration Rights Agreement with the Investors in connection with the closing of the Private Placement, pursuant to which, among other things, the Partnership will give the Investors certain rights to require the Partnership to file and maintain a registration statement with respect to the resale of the Common Units purchased in the Private Placement.

**Item 7.01. Regulation FD Disclosure.**

On March 27, 2019, the Partnership issued a press release announcing the OpCo Equity Purchase and the Private Placement. A copy of the press release is furnished with this Current Report as Exhibit 99.1.

The information furnished pursuant to Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be filed for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act ), and will not be incorporated by reference into any filing by the Partnership under the Securities Act or the Exchange Act unless specifically identified as being incorporated therein.

**Item 9.01. Financial Statements and Exhibits.**

(d) **Exhibits:**

**Exhibit**

No.	Document
2.1	<u>Equity Purchase Agreement by and among Westlake Chemical Partners LP, Westlake Chemical OpCo LP and WPT LLC, dated as of March 26, 2019.</u>
99.1	<u>Press release, dated March 27, 2019, issued by Westlake Chemical Partners LP.</u>

**SIGNATURE**

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.

Dated: March 27, 2019

**WESTLAKE CHEMICAL PARTNERS LP**

By: Westlake Chemical Partners GP LLC, its  
general partner

By: /s/ Albert Chao  
Albert Chao  
President and Chief Executive Officer