

Clancey Gerald L.
Form 4
June 05, 2018

FORM 4

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

OMB APPROVAL

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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 *
Clancey Gerald L.

2. Issuer Name and Ticker or Trading Symbol
FAIRMOUNT SANTROL HOLDINGS INC. [FMSA]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
8834 MAYFIELD ROAD
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
03/01/2018

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
EVP & Chief Commercial Officer

CHESTERLAND, OH 44026

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

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

(City) (State) (Zip)

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	03/01/2018		A		82,700 <u>(1)</u>	D	\$ 0 493,779
Common Stock	06/01/2018		D ⁽²⁾		325,368	D	\$ 0 <u>(2)</u> 168,411
Common Stock	06/01/2018		D ⁽³⁾		168,411	D	\$ 0 <u>(3)</u> 0
Common Stock	06/01/2018		D ⁽⁴⁾		36,000	D	\$ 0 <u>(4)</u> 0
Common Stock	06/01/2018		D ⁽⁵⁾		17,822	D	\$ 0 <u>(5)</u> 0

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Common Stock	06/01/2018		D ⁽²⁾	2,242,468	D	\$ 0 (2)	0	I	Gerald L. Clancey Trust No. 1
Common Stock	06/01/2018		D ⁽²⁾	100,436	D	\$ 0 (2)	0	I	Gerald L. Clancey Grantor Retained Annuity Trust No. 1
Common Stock	06/01/2018		D ⁽²⁾	442,000	D	\$ 0 (2)	0	I	Gerald L. Clancey Irrevocable Trust dated December 13, 2012
Common Stock	06/01/2018		D ⁽²⁾	442,000	D	\$ 0 (2)	0	I	The Connie J. Clancey Irrevocable Trust for the benefit of Gerald L. Clancey
Common Stock	06/01/2018		D ⁽²⁾	326,429	D	\$ 0 (2)	0	I	By 401(k) Plan

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

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(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 (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Employee Stock Option (Right to Buy)	\$ 1.43	06/01/2018		D	374,000	(6)	10/01/2019	Common Stock	374,000

Employee Stock Option (Right to Buy)	\$ 3.57	06/01/2018	D	255,000	<u>(8)</u>	12/07/2020	Common Stock	255,000
Employee Stock Option (Right to Buy)	\$ 10.46	06/01/2018	D	85,000	<u>(9)</u>	12/10/2023	Common Stock	85,000
Employee Stock Option (Right to Buy)	\$ 16	06/01/2018	D	35,700	<u>(10)</u>	10/02/2024	Common Stock	37,500
Stock Option (Right to Buy)	\$ 8.83	06/01/2018	D	44,000	<u>(11)</u>	05/15/2025	Common Stock	44,000
Employee Stock Option (Right to Buy)	\$ 2.04	06/01/2018	D	72,000	<u>(12)</u>	03/01/2016	Common Stock	72,000
Stock Option (Right to Buy)	\$ 10.03	06/01/2018	D	22,400	<u>(13)</u>	03/01/2027	Common Stock	22,400

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Clancey Gerald L. 8834 MAYFIELD ROAD CHESTERLAND, OH 44026			EVP & Chief Commercial Officer	

Signatures

/s/ Gerald L. Clancey, by David J. Crandall, his attorney-in-fact pursuant to Power of Attorney dated September 25, 2014, on file with the Commission 06/05/2018

__Signature of Reporting Person Date

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).

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- (1) The reporting person was granted 82,700 restricted stock units. The restricted stock units vest in 1/4 increments commencing one year after the date of grant.

Reflects disposition in connection with the consummation of the transactions contemplated by the Agreement and Plan of Merger, dated as of December 11, 2017 (the "Merger Agreement"), among the Issuer, SCR-Sibelco NV, Unimin Corporation, nka Covia Holdings Corporation ("Covia"), Bison Merger Sub, Inc. ("Merger Sub") and Bison Merger Sub I, LLC ("Merger Sub LLC"), pursuant to which
- (2) Merger Sub merged with and into the Issuer with the Issuer as the surviving corporation and for the subsequent merger of Issuer with and into Merger Sub LLC with Merger Sub LLC as the surviving corporation and a wholly owned subsidiary of Covia. In the Merger, each share of Issuer Common Stock, par value \$0.01 per share, was exchanged for (i) cash consideration equal to \$0.73 per fully diluted share (the "Cash Consideration") and (ii) 0.20 shares (the "Exchange Ratio") of voting common stock, par value \$1.00 per share, of Covia ("Covia Common Stock").

In accordance with the terms of the Merger Agreement, each restricted stock unit award of the Issuer outstanding immediately prior to the effective time of the Merger (whether vested or unvested) was converted into (i) cash in an amount equal to the Cash Consideration multiplied by the number of shares of Issuer Common Stock subject to such Issuer restricted stock award and (ii) a restricted share unit award of Covia with respect to the aggregate number of shares of Covia Common Stock equal to the product of the number of shares of Issuer Common Stock subject to such Issuer restricted stock unit award, multiplied by the Exchange Ratio, rounded up or down the nearest whole unit.
- (3) In accordance with the terms of the Merger Agreement, this performance restricted share unit award ("PSU Award") was converted into (A) a restricted share unit award of Covia with respect to the aggregate number of shares of Covia Common Stock equal to the product of (i) Issuer PSU Awards granted in 2016 ("2016 PSU Award") assuming achievement of 100% of target performance and (ii) the Exchange Ratio, rounded up or down to the nearest whole unit and (B) cash in an amount equal to the Cash Consideration multiplied by the number of shares of Issuer Common Stock subject to 2016 PSU Awards assuming achievement of 100% of target performance.
- (4) In accordance with the terms of the Merger Agreement, this PSU Award was converted into (A) a restricted share unit award of Covia with respect to the aggregate number of shares of Covia Common Stock equal to the product of (i) the Issuer PSU Awards granted in 2017 ("2017 PSU Award") assuming achievement of 133% of target performance, and (ii) the Exchange Ratio, rounded up or down to the nearest whole unit and (B) cash in an amount equal to the Cash Consideration multiplied by the number of shares of Issuer Common Stock subject to 2017 PSU Awards assuming achievement of 133% of target performance.
- (5) The option was converted into an option to purchase shares of Covia Common Stock equal to the product of the aggregate number of shares of the Issuer Common Stock for which the Issuer stock option was exercisable, multiplied by the Exchange Ratio, rounded down to the nearest whole share, at an exercise price of \$7.15. This option was fully vested and exercisable at the time of the Merger.

Under the terms of the Merger Agreement, each Issuer stock option outstanding immediately prior to the effective time of the Merger (whether vested or unvested) was converted into an option to purchase shares of Covia Common Stock equal to the product of the aggregate number of shares of the Issuer Common Stock for which the Issuer stock option was exercisable, multiplied by the Exchange Ratio, rounded down to the nearest whole share, with an exercise price equal to the exercise price of the Issuer stock option immediately prior to the closing of the Merger, divided by the Exchange Ratio, rounded up to the nearest cent. Holders of an In-the-Money Option (as defined in the Merger Agreement) that is outstanding immediately prior to the effective time of the Merger received a cash payment equal to the Cash Consideration, multiplied by the aggregate number of such the holder's Cash Consideration Fully Diluted Stock Option Shares (as defined in the Merger Agreement) less taxes.
- (7) The option was converted into an option to purchase shares of Covia Common Stock equal to the product of the aggregate number of shares of the Issuer Common Stock for which the Issuer stock option was exercisable, multiplied by the Exchange Ratio, rounded down to the nearest whole share, at an exercise price of \$17.85. The option was fully vested and exercisable at the time of the Merger.
- (8) The option was converted into an option to purchase shares of Covia Common Stock equal to the product of the aggregate number of shares of the Issuer Common Stock for which the Issuer stock option was exercisable, multiplied by the Exchange Ratio, rounded down to the nearest whole share, at an exercise price of \$52.30. One-fifth of this option was vested at the time of the Merger. The remaining four-fifths of this option will vest on December 10, 2020.
- (9) The option was converted into an option to purchase shares of Covia Common Stock equal to the product of the aggregate number of shares of the Issuer Common Stock for which the Issuer stock option was exercisable, multiplied by the Exchange Ratio, rounded down to the nearest whole share, at an exercise price of \$80.00. One-third of this option was vested at the time of the Merger. The remaining two-thirds of the option will vest on December 31, 2018.
- (10) This option, which would have vested on December 31, 2019, was converted into an option to purchase shares of Covia Common Stock equal to the product of the aggregate number of shares of the Issuer Common Stock for which the Issuer stock option was exercisable, multiplied by the Exchange Ratio, rounded down to the nearest whole share, with an exercise price of \$44.15.
- (11) The option was converted into an option to purchase shares of Covia Common Stock equal to the product of the aggregate number of shares of the Issuer Common Stock for which the Issuer stock option was exercisable, multiplied by the Exchange Ratio, rounded down to the nearest whole share, at an exercise price of \$10.20. Two-thirds of this option was vested at the time of the Merger. The remaining one-third of the option will vest on March 1, 2019.
- (12)

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- (13) The option was converted into an option to purchase shares of Covia Common Stock equal to the product of the aggregate number of shares of the Issuer Common Stock for which the Issuer stock option was exercisable, multiplied by the Exchange Ratio, rounded down to the nearest whole share, at an exercise price of \$50.15. One-third of this option was vested at the time of the Merger. The remaining two-thirds of the option will vest on March 1, 2019 and March 1, 2020 in equal increments.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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