

Section 1: 8-K (8-K)

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 12, 2018

Cooper Tire & Rubber Company

(Exact name of registrant as specified in its charter)

<u>Delaware</u> (State or other jurisdiction of incorporation)	<u>001-04329</u> (Commission File Number)	<u>344297750</u> (I.R.S Employer Identification No.)
<u>701 Lima Avenue, Findlay, Ohio</u> (Address of principal executive offices)		<u>45840</u> (Zip Code)

Registrant's telephone number, including area code: 419-423-1321

Not Applicable

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:

- 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 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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 1.01. Entry into a Material Definitive Agreement.

On December 12, 2018, Cooper Tire & Rubber Company Vietnam Holding, LLC (“*Cooper Vietnam*”), a wholly owned subsidiary of Cooper Tire & Rubber Company (“*CTB*”), and Sailun (Vietnam) Co., Ltd. (“*Sailun*”) entered into an equity joint venture contract (the “*Equity Joint Venture Contract*”), to establish a joint venture (the “*Company*”), which will produce and sell truck and bus radial (“*TBR*”) tires. In connection with the Equity Joint Venture Contract, each of CTB and Sailun, or an affiliated party of them, will also enter into an offtake agreement, governing certain obligations between the parties and the Company, including, among other things, the obligation of each party to purchase certain volumes of TBR tires from the Company.

The Equity Joint Venture Contract governs the joint venture relationship between Sailun and Cooper Vietnam, including the parties’ respective governance rights and certain transfer restrictions. Once established, the Company will invest in, design, develop, construct, own and operate a TBR production facility in the Phuoc Dong Industrial Park, Tay Ninh Province, Vietnam. The establishment of the Company and construction of the TBR production facility is subject to customary conditions and regulatory approvals.

The Equity Joint Venture Contract contains customary representations, warranties, covenants, and minority equity holder protection, including a mutual right of first refusal and certain ‘tag-along’ rights if either party wishes to sell its ownership interest in the Company. The Equity Joint Venture Contract may be terminated by either Sailun or Cooper Vietnam if, among other things, (i) there is a failure by the other party to perform any of its material obligations under the Equity Joint Venture Contract and such breach is not cured within 60 days, (ii) the Company or either party becomes bankrupt or otherwise unable to pay its debts, (iii) any material business license is revoked, suspended or amended, or in any other situation such that the Company is unable to carry out its business, and which is not cured within six months, or (iv) the Company has failed to comply with its obligations with respect to anti-corruption, anti-bribery or other applicable laws. The Equity Joint Venture Contract may be terminated by Cooper Vietnam if, among other things, Sailun or certain of its representatives have taken or failed to take certain actions relating to anti-corruption, anti-bribery or other applicable laws. Cooper Vietnam will own 35 percent of the Company.

Item 8.01. Other Events.

On December 12, 2018, CTB announced the entry into the Equity Joint Venture Contract. The full text of the press release is included as Exhibit 99.1 to this Current Report on Form 8-K and incorporated into this Item 8.01 by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

[99.1](#) Cooper Tire & Rubber Company’s Press Release dated December 12, 2018.

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.

Dated:

Cooper Tire & Rubber Company

December 12, 2018

*By: /s/ Jack Jay
McCracken*

Name: Jack Jay McCracken

*Title: Vice President, Assistant General Counsel &
Assistant Secretary*

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Section 2: EX-99.1 (EXHIBIT 99.1)



Cooper Tire and Sailun Announce Joint Venture for New TBR Tire Plant in Vietnam

FINDLAY, Ohio, Dec. 12, 2018 - Cooper Tire & Rubber Company (NYSE: CTB) today announced that it has agreed to form a joint venture with Sailun Vietnam Co., Ltd. to build a manufacturing plant with the capacity to produce more than 2 million truck and bus radial (TBR) tires annually. Subject to closing and government approvals, the facility will be located near Ho Chi Minh City, Vietnam, at the site of Sailun Vietnam's existing operations. Cooper will own 35 percent of the new venture. Total investment in facility and equipment in the joint venture is expected to be in the range of \$220 to \$240 million USD, funded through capital contributions and debt, with Cooper being responsible for its pro rata share. Construction of the facility is expected to begin early next year with tire production commencing in the first half of 2020.

"The JV announced today is another step forward in Cooper's strategy to expand and diversify our TBR tire production globally, giving us additional capacity to help serve our growing original equipment and replacement TBR business around the world," said Brad Hughes, Cooper President & Chief Executive Officer. "We are very pleased to build on the great relationship we have with Sailun to help us address opportunities in the global TBR market."

Yuan Zhongxue, Chairman & President of Sailun Group Co. Ltd., said, "This is positive for both parties. Our work with Cooper has been extremely productive. We are happy to expand our partnership with Cooper through this new TBR tire production facility in Vietnam that will help both companies meet our customers' needs for quality, cost-competitive products around the globe."

Forward Looking Statements

This release contains what the company believes are "forward-looking statements," as that term is defined under the Private Securities Litigation Reform Act of 1995, regarding projections, expectations or matters that the company anticipates may happen with respect to the future performance of the industries in which the company operates, the economies of the U.S. and other countries, or the performance of the company itself, which involve uncertainty and risk. Such "forward-looking statements" are generally, though not always, preceded by words such as "anticipates," "expects," "will," "should," "believes," "projects," "intends," "plans," "estimates," and similar terms that connote a view to the future and are not merely recitations of historical fact. Such statements are made solely on the basis of the company's current views and perceptions of future events, and there can be no assurance that such statements will prove to be true.

These forward-looking statements include, among others, statements regarding the company's planned investments in the joint venture, the expected timing of the completion of the transaction, permits and regulatory approvals, expected synergies and benefits of the transaction and expectations about future business plans and prospective performance and opportunities. There is no assurance that the potential transaction will be consummated, and there are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements made herein, including the timing to consummate the potential transaction, the ability and timing to obtain required permits and regulatory approvals and satisfy other closing conditions, the company's ability to finance planned investments in the joint venture, and the company's ability to realize the benefits contemplated by the potential transaction.

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It is not possible to foresee or identify all such factors. Any forward-looking statements in this release are based on certain assumptions and analyses made by the company in light of its experience and perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate in the circumstances. Prospective investors are cautioned that any such statements are not a guarantee of future performance and actual results or developments may differ materially from those projected.

The company makes no commitment to update any forward-looking statement included herein or to disclose any facts, events or circumstances that may affect the accuracy of any forward-looking statement. Further information covering issues that could materially affect financial performance is contained in the company's filings with the U.S. Securities and Exchange Commission ("SEC").

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About Cooper Tire & Rubber Company

Cooper Tire & Rubber Company (NYSE: CTB) is the parent company of a global family of companies that specializes in the design, manufacture, marketing and sale of passenger car, light truck, medium truck, motorcycle and racing tires. Cooper's headquarters is in Findlay, Ohio, with manufacturing, sales, distribution, technical and design operations within its family of companies located in more than one dozen countries around the world. For more information on Cooper, visit www.coopertire.com, www.facebook.com/coopertire or www.twitter.com/coopertire.

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