

**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): September 27, 2021**

**LSB INDUSTRIES, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**1-7677**  
(Commission  
File Number)

**73-1015226**  
(IRS Employer Identification No.)

**3503 NW 63<sup>rd</sup> Street, Suite 500, Oklahoma City, Oklahoma**  
(Address of principal executive offices)

**73116**  
(Zip Code)

**Registrant's telephone number, including area code (405) 235-4546**

**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 (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))

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).

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
<b>Common Stock, Par Value \$.10</b>	<b>LXU</b>	<b>New York Stock Exchange</b>
<b>Preferred Stock Purchase Rights</b>	<b>N/A</b>	<b>New York Stock Exchange</b>

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 September 27, 2021 (the “Closing Date”), in connection with the closing under the Securities Exchange Agreement dated as of July 19, 2021 (the “Securities Exchange Agreement”) by and between LSB Industries, Inc. (the “Company”) and LSB Funding LLC (the “Holder”), an affiliate of Eldridge Industries, LLC, of the previously announced transaction (the “Exchange Transaction”), whereby the Holder exchanged all of the outstanding Series E-1 and Series F-1 Redeemable Preferred Stock (“Series E-1 Preferred” and “Series F-1 Preferred”) held by the Holder for shares of the Company’s common stock, par value \$0.10 (the “Common Stock”), the Company, the Holder and the other parties to that certain Board Representation and Standstill Agreement dated as of December 4, 2015, as amended on October 26, 2017 and October 18, 2018, entered into an Amendment and Waiver to Board Representation and Standstill Agreement dated September 27, 2021, to (a) eliminate certain prohibited activities thereunder, including, among other things, (i) the ability of the Holder to call a special meeting of the Company’s stockholders and (ii) the ability of the Holder to propose to remove, or vote to remove, any director of the Company, and (b) shorten the term of the standstill provisions included therein and applicable to the Holder and its affiliates specified therein so that they will terminate no later than the second anniversary of the Closing Date. The foregoing description of the Amendment and Waiver to Board Representation and Standstill Agreement is a summary only and is qualified in its entirety by reference to the text of the Amendment and Waiver to Board Representation and Standstill Agreement, a copy of which is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

In addition, as previously disclosed, pursuant to the terms of the Securities Exchange Agreement, effective as of the closing thereunder, the Registration Rights Agreement dated as of December 4, 2015 by and between the Company and the Holder (the “Registration Rights Agreement”) was amended to include within the definition of Registrable Securities (as defined therein) for certain purposes thereunder the shares of Common Stock issued to the Holder in the Exchange Transaction. The foregoing description of the amendment to the Registration Rights Agreement is a summary only and is qualified in its entirety by reference to the text of the amendment included in Section 7.12 of the Securities Exchange Agreement, a copy of which is attached as Exhibit 10.1 to the Company’s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 20, 2021 and is incorporated herein by reference.

**Item 1.02 Termination of a Material Definitive Agreement***Securities Exchange Agreement*

In connection with the closing of the Exchange Transaction, the Company and the Holder entered into a termination agreement dated September 27, 2021 with respect to the Securities Exchange Agreement, dated as of October 18, 2018 (the “2018 Securities Exchange Agreement”), pursuant to which the Company and the Holder terminated the 2018 Securities Exchange Agreement and any amendment, annexes or exhibits thereto in all respects as of the Closing Date and agreed that no party thereto shall have any surviving obligations, rights or duties thereunder. The 2018 Securities Exchange Agreement is attached as Exhibit 10.1 to the Company’s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 19, 2018 and is incorporated herein by reference.

## *Securities Purchase Agreement*

In connection with the closing of the Exchange Transaction, the Company and the Holder entered into a termination agreement dated September 27, 2021 with respect to the Securities Purchase Agreement, dated as of December 4, 2015 (the "Securities Purchase Agreement"), pursuant to which the Company and the Holder terminated the Securities Purchase Agreement and any amendment, annexes or exhibits thereto in all respects as of the Closing Date and agreed that no party thereto shall have any surviving obligations, rights or duties thereunder. The Securities Purchase Agreement is attached as Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 8, 2015 and is incorporated herein by reference.

### **Item 3.02 Unregistered Sales of Equity Securities**

Pursuant to the Securities Exchange Agreement, on the Closing Date, the Company issued 49,066,005 shares of Common Stock to the Holder in exchange for all of the outstanding Series E-1 Preferred and Series F-1 Preferred held by the Holder. The Company relied upon the exemption provided by Section 4(a)(2) of the Securities Act of 1933, as amended, for the issuance of the Common Stock in the Exchange Transaction described above.

### **Item 5.01 Changes in Control of Registrant**

On the Closing Date, pursuant to the Exchange Transaction, the Holder acquired 49,066,005 shares of the Company's Common Stock in exchange for all of the shares of Series E-1 Preferred and Series F-1 Preferred held by the Holder, which resulted in the Holder beneficially owning 53,135,329 shares of the Company's Common Stock, or approximately 67% of the issued and outstanding Common Stock of the Company as of such date. The foregoing does not include the approximately 1,220,797 shares of Common Stock that are expected to be issued to the Holder on October 8, 2021 in connection with the Company's previously announced special dividend of 0.3 shares of Common Stock for every one share outstanding on the record date of September 24, 2021 (the "Special Dividend"). The Holder maintains certain rights to, among other things, designate nominees for election as directors of the Company and set forth in the Board Representation and Standstill Agreement dated as of December 4, 2015, as amended on October 26, 2017 and October 18, 2018 and as further amended by the Amendment and Waiver to Board Representation and Standstill Agreement dated September 27, 2018. The Board Representation and Standstill Agreement is attached as Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 8, 2015, the amendment thereto dated October 26, 2017 is attached as Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on October 26, 2017, the additional amendment thereto dated October 18, 2018 is attached as Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on October 19, 2018, and the Amendment and Waiver to Board Representation and Standstill Agreement dated September 27, 2021 is attached hereto as Exhibit 10.1, and in each case is incorporated herein by reference.

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**Item 9.01 Exhibits.**

(d) Exhibits.

<b>Exhibit Number</b>	<b>Description</b>
10.1	<a href="#"><u>Amendment and Waiver to Board Representation and Standstill Agreement, dated as of September 27, 2021, by and among the Company, the Holder and the other parties thereto.</u></a>
104	Cover Page Interactive Data File (embedded within the XBRL document)

SIGNATURES

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

Dated: September 29, 2021

LSB INDUSTRIES, INC.

By: /s/ Michael J. Foster

Name: Michael J. Foster

Title: Executive Vice President and General Counsel

**AMENDMENT AND WAIVER  
TO  
BOARD REPRESENTATION AND STANDSTILL AGREEMENT**

This Amendment and Waiver (this "Amendment") to the Board Representation and Standstill Agreement, dated as of December 4, 2015 (as previously amended on October 26, 2017 and October 18, 2018, the "Agreement"), by and among LSB Industries, Inc., a Delaware corporation (the "Company"), LSB Funding LLC, a Delaware limited liability company (the "Purchaser"), Security Benefit Corporation, a Kansas corporation ("Security Benefit"), Todd Boehly, an individual ("Boehly"), Jack E. Golsen, an individual ("J. Golsen"), Steven J. Golsen, an individual ("S. Golsen"), Barry H. Golsen, an individual ("B. Golsen"), Linda Golsen Rappaport, an individual ("L. Rappaport"), Golsen Family LLC, an Oklahoma limited liability company ("Family LLC"), SBL LLC, an Oklahoma limited liability company ("SBL LLC"), and Golsen Petroleum Corp., an Oklahoma corporation (together with J. Golsen, S. Golsen, B. Golsen, L. Rappaport, Family LLC and SBL LLC, each a "Golsen Holder" and, collectively, the "Golsen Holders"), is made and entered into as of September 27, 2021, by and among the Company, the Purchaser, Security Benefit, Boehly and each of the Golsen Holders. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

WHEREAS, pursuant to a Securities Exchange Agreement, dated as of July 19, 2021 between the Company and the Purchaser (the "Exchange Agreement"), the Company and the Purchaser have agreed that the Company will issue to the Purchaser shares of the Company's Common Stock in exchange for the Purchaser surrendering for exchange all of its shares of Series E-1 Cumulative Redeemable Class C Preferred Stock ("Series E-1 Preferred") and the Company's Series F-1 Redeemable Class C Preferred Stock ("Series F-1 Preferred");

WHEREAS, Section 4(f)(ii) of the Agreement provides, in relevant part, that the Agreement may be amended only in a writing signed by each of the Parties; and

WHEREAS, in furtherance of the foregoing transactions and as contemplated by the Securities Exchange Agreement, each of the Parties desires to amend the Agreement as set forth herein.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Amendment. Each of the Parties hereby agrees that the Agreement is amended by replacing Section 3 of the Agreement in its entirety with the following:

"Section 3. Standstill.

(a) During the period commencing on the Closing and ending on the Standstill Termination Date, as defined below, provided that the Company is not in breach of its obligations under this Agreement (including Section 1 hereof), each of the Purchaser Parties (so long as such Purchaser Party is an Affiliate of the beneficial owner of the Company securities issued under the Purchase Agreement or the Exchange Agreement) shall not, and shall cause its controlled Affiliates not to, directly or indirectly:

(i) engage in any hostile or takeover activities with respect to the Company (including by means of a tender offer or soliciting proxies or written consents, other than as recommended by the Board);

(ii) acquire or propose to acquire beneficial ownership of additional Common Stock (other than the Common Stock issuable upon the closing of the transactions contemplated by the Exchange Agreement) or other Company equity securities; or

(iii) acquire or propose to acquire any other equity securities of the Company or any equity securities of any Affiliates of the Company.

(b) Specifically, but without limiting Section 3(a), during the period commencing on the Closing and ending on the Standstill Termination Date, without the prior written consent of the Company, each of the Purchaser Parties shall not, and shall cause its controlled Affiliates not to, directly or indirectly:

(i) propose to enter into, directly or indirectly, any merger, consolidation, recapitalization, business combination, partnership, joint venture, acquisition or similar transaction involving the Company or any of its Affiliates or their properties, except as expressly permitted hereby;

(ii) form, join or participate in a “group” (within the meaning of Section 13(d) of the Exchange Act) with respect to any voting securities of the Company or any of its Affiliates with anyone other than the Purchaser Parties or the Purchaser’s Affiliates;

(iii) publicly disclose any intent, plan or arrangement inconsistent with this Agreement; or

(iv) advise, assist or encourage others in connection with the above.

(c) Notwithstanding the foregoing provisions of this Section 3, the foregoing provisions shall not, and are not intended to:

(i) prohibit any Purchaser Party or its controlled Affiliates from privately communicating with, including making any offer or proposal to, the Board;

(ii) restrict in any manner how any Purchaser Party or its controlled Affiliates vote their Common Stock or other Company securities, except as provided in Section 2;

(iii) restrict the manner in which any Purchaser Designated Director may (A) vote on any matter submitted to the Board or the Stockholders, (B) participate in deliberations or discussions of the Board (including making suggestions or raising issues to the Board) in his or her capacity as a member of the Board, or (C) take actions required by his or her exercise of legal duties and obligations as a member of the Board or refrain from taking any action prohibited by his or her legal duties and obligations as a member of the Board;

(iv) restrict any Purchaser Party or any of its Permitted Transferees from selling or transferring any of their Company securities to any other Purchaser Party or its Permitted Transferees or any successor of such Purchaser Party that, in any such case, agrees to be bound by the provisions contained in this Agreement; or

(v) restrict the preemptive rights provided to the Purchaser pursuant to Section 4.13 of the Exchange Agreement, the exercise thereof by the Purchaser or the purchase or acquisition of any Company securities by the Purchaser pursuant thereto.

(d) “Standstill Termination Date” means the earliest of (i) 90 days after the Board Designation Termination Date, (ii) the later of (A) the first anniversary of the date of this Agreement and (B) 90 days after the date on which all Purchaser Designated Directors have resigned or been removed from the Board and the Purchaser has permanently waived and renounced its Board designation rights under Section 1 and (iii) the two (2) year anniversary of the Closing Date (as defined in the Exchange Agreement).

(e) Each Purchaser Party hereby represents and warrants to the Company that such Purchaser Party is an Affiliate of the Purchaser as of the date hereof.

2. Limited Waiver. Each of the parties hereto hereby irrevocably and unconditionally waives Section 3 of the Agreement solely to the extent necessary to permit the Exchange (as defined in the Exchange Agreement) and the other transactions expressly contemplated to occur pursuant to the Closing Date (as defined in the Exchange Agreement).

3. No Other Amendments. Except for the changes expressly made by this Amendment, the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

4. Governing Law. This Amendment, and all claims or causes of action (whether in contract or tort) that may be based upon, arise out of or relate to this Amendment, will be construed in accordance with and governed by the laws of the State of Delaware without regard to principles of conflicts of laws.

5. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different Parties hereto in separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute one and the same agreement.

6. Effectiveness; Further Assurances. Subject to the execution and delivery of a counterpart signature page to this Amendment by each of the Parties hereto, this Amendment shall be deemed effective as of the time that is immediately after the Closing Date (as defined in the Exchange Agreement), except that Section 2 hereof shall be deemed effective as of the time that is immediately prior to the Closing Date (as defined in the Exchange Agreement). Each party hereto agrees to execute, acknowledge, deliver, file and record such further certificates, amendments, instruments and documents, and to do all such other acts and things, as may be required by law or as, in the reasonable judgment of the parties hereto, may be necessary or advisable to carry out the intent and purposes of this Amendment.

*[Signature Pages Follow]*



IN WITNESS WHEREOF, the Parties hereto execute this Amendment and Waiver to the Board Representation and Standstill Agreement, effective as of the date first above written.

**COMPANY:**

LSB INDUSTRIES, INC.

By: /s/ Cheryl Maguire

Name: Cheryl Maguire

Title: Chief Financial Officer

[Signature Page to Amendment and Waiver to Board Representation and Standstill Agreement]

**PURCHASER PARTIES:**

LSB FUNDING LLC

By: /s/ Todd Boehly

Name: Todd Boehly

Title: Manager

SECURITY BENEFIT CORPORATION

By: /s/ Blaine Hirsch

Name: Blaine Hirsch

Title: Authorized Signatory

/s/ Todd Boehly

Todd Boehly

[Signature Page to Amendment and Waiver to Board Representation and Standstill Agreement]

**GOLSEN HOLDERS:**

/s/ Jack E. Golsen

Jack E. Golsen

/s/ Barry H. Golsen

Barry H. Golsen

/s/ Steven J. Golsen

Steven J. Golsen

/s/ Linda Golsen Rappaport

Linda Golsen Rappaport

**GOLSEN FAMILY LLC**

By: /s/ Steven J. Golsen

Name: Steven J. Golsen

Title: President

**SBL LLC**

By: /s/ Steven J. Golsen

Name: Steven J. Golsen

Title: President

**GOLSEN PETROLEUM CORP.**

By: /s/ Steven J. Golsen

Name: Steven J. Golsen

Title: President

[Signature Page to Amendment and Waiver to Board Representation and Standstill Agreement]