

Celanese Corp
Form 11-K
June 26, 2018
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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended: December 31, 2017

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-32410

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

Celanese Americas Retirement Savings Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Celanese Corporation
222 West Las Colinas Blvd., Suite 900N
Irving, TX 75039

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CELANESE AMERICAS RETIREMENT SAVINGS PLAN

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Other schedules required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under *the Employee Retirement Income Security Act of 1974 ("ERISA") have been omitted because they are not applicable.

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REPORT OF INDEPENDENT REGISTERED ACCOUNTING FIRM

To the Plan Administrator, Benefits Committee and Investment Committee of the
Celanese Americas Retirement Savings Plan

Opinion on the Financial Statements

We have audited the accompanying statements of net assets available for benefits of the Celanese Americas Retirement Savings Plan (the “Plan”) as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2017, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2017 and 2016, and the changes in net assets available for benefits for the year ended December 31, 2017, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Plan’s management. Our responsibility is to express an opinion on the Plan’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Plan in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits include performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Supplemental Information

The supplemental information in the accompanying schedule of Form 5500, Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2017, has been subjected to audit procedures performed in conjunction with the audit of the Plan’s financial statements. The supplemental information is the responsibility of the Plan’s management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Whitley Penn LLP

We have served as the Plan's auditor since 2011.

Dallas, Texas

June 26, 2018

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CELANESE AMERICAS RETIREMENT SAVINGS PLAN
 STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

As of
 December 31,
 2017 2016
 (In \$ thousands)

ASSETS

Investments		
At fair value	693,449	618,704
Receivables		
Contributions - employer	13,704	18,216
Notes receivable from Participants	11,264	10,034
Accrued interest and dividends	47	35
Total receivables	25,015	28,285
Total assets	718,464	646,989

LIABILITIES

Administrative expenses payable	324	419
Total liabilities	324	419
Net assets available for benefits	718,140	646,570

See the accompanying notes to the financial statements.

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CELANESE AMERICAS RETIREMENT SAVINGS PLAN
 STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Year Ended December 31, 2017 (In \$ thousands)
Investment income (loss)	
Net appreciation (depreciation) of investments	92,410
Interest, investments at fair value	1
Dividends	1,003
Other income (loss)	(33)
Total investment income (loss)	93,381
Interest, notes receivable from Participants	429
Contributions	
Employer, net of forfeitures - 2017: \$690	28,075
Participants	24,013
Rollovers	4,218
Total contributions	56,306
Administrative expenses	(970)
Withdrawals and distributions	(77,576)
Net increase (decrease)	71,570
Net assets available for benefits	
Beginning of year	646,570
End of year	718,140

See the accompanying notes to the financial statements.

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CELANESE AMERICAS RETIREMENT SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS

1. Description of the Plan

The Celanese Americas Retirement Savings Plan (the "Plan") is a participant-directed, defined contribution plan sponsored by Celanese Americas LLC, a member-managed Delaware limited liability company (the "Company"), an indirect, wholly-owned subsidiary of Celanese Corporation. The Plan covers certain employees of the Company and its participating affiliates ("Participants"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Participants in the Plan should refer to the Plan document for more complete details of the Plan's provisions.

Under resolutions passed by Celanese US Holdings LLC, the sole member of the Company (the "Member"), the Benefits Committee and Investment Committee have been assigned governance for the guidance, control and administration of the Plan assets. Each committee and its members is a named fiduciary of the Plan in accordance with Section 402(a) of ERISA.

The Investment Committee is responsible for the guidance, control and administration of the Plan assets. These responsibilities include, but are not limited to, the following:

- The adoption of an investment policy statement;
- The selection and monitoring of the Plan's third party service providers such as trustee/custodial bank, investment managers and consultants;
- The routine review and evaluation of each of the Plan's investment options relative to investment guidelines, performance benchmarks and other relevant criteria; and
- The routine review and control of Plan investment costs.

The Benefits Committee is responsible for the administration and operations of the Plan. These responsibilities include, but are not limited to, the following:

- The determination of eligibility for participation or benefits and to construe the terms of the Plan;
- To enact rules and regulations to carry out the provisions of the Plan;
- The evaluation of the Plan's administrative procedures; and
- To decide Plan claims or appeals.

Under the authority of the Member, either committee may delegate any part of its authority to one or more individuals. The delegation or sub-delegation to other individuals does not relieve either committee of its fiduciary responsibility with respect to the Plan. The Investment Committee meets at least four times a year to report on the Plan's investment performance and other matters relevant to the Plan. The Benefits Committee meets on an as-needed basis.

The Plan uses third party providers to administer the Plan and its assets. These services include, but are not limited to, the following:

Trustee - a requirement under ERISA that Plan assets be held separate with a trustee institution, typically a bank. The trustee has certain defined responsibilities under ERISA. State Street Bank & Trust Company is the Trustee, as defined by the Plan.

Investment management - as a matter of policy, the Plan has elected to employ external investment advisors to manage all of the Plan's assets. Varying investment options with different risk and reward characteristics are included in the Plan.

Record keeping - each Participant account balance must be accurately maintained.

Education and communication - a program of reports and educational materials designed for the Participants.

Performance measurement - performance of each investment manager, including performance versus relevant benchmarks, individual portfolio characteristics and risk analytics.

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Consultants - the Plan may use consultants on a full-time retainer basis or on a project basis to provide a variety of specialized services, including plan design, investment manager searches and investment manager monitoring. The Investment Committee, Benefits Committee or any third party provider shall discharge their respective responsibilities with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use. These actions are to be consistent with Plan provisions and investment policies, objectives and guidelines.

Eligibility

Employees are eligible to participate in the Plan as soon as administratively practicable following their date of hire. Participants are automatically enrolled in the Plan at a before-tax contribution rate of 6% unless the Participant chooses to opt out of the Plan. After automatic enrollment, Participant contributions are invested in one of the Plan's default target-date retirement portfolio funds based on the Participant's date of birth and an assumed retirement age of 65, unless the Participant selects other investment fund options.

Participant Contributions

Participants may contribute from 2% to 50% of their eligible compensation, as defined by the Plan document, through payroll deductions. Participant contributions are subject to certain Internal Revenue Code ("IRC") limitations.

Participants may designate contributions as either "before-tax", "after-tax" or a combination of both. Participants' before-tax contributions and Company contributions are deferred compensation pursuant to Section 401(k) of the IRC.

Company Contributions

Under the provisions of the Plan document, the Company matches Participant contributions of each individual Participant's eligible compensation. The Company matches 6% of each individual Participant's eligible compensation and also provides Participants with an annual retirement contribution of 5% of each individual Participant's eligible compensation. Unlike the Company's matching contribution, employees are eligible for an annual retirement contribution regardless of whether the employee contributes to the Plan.

To be eligible for the annual retirement contribution, Participants must be employed on December 31 of the preceding year (or have died during that year). The annual retirement contribution is made by the Company during the year following the year in which it is earned and is recorded as a contribution receivable from the employer in the statement of net assets available for benefits.

Vesting

All Participant contributions, including any investment income, appreciation or depreciation, are fully vested at all times. Company match contributions to active Participants, including any investment income, appreciation or depreciation, are also vested at all times. Prior to January 1, 2008, Participants vested in employer match contributions after completing three years of vesting service. Participants hired before January 1, 2008 with unvested Company match contributions, and not actively employed on January 1, 2008, retain employer match contributions in their account and forfeit unvested Company match contributions upon request for distribution.

Active Participants vest in the annual retirement contribution, including any investment income, appreciation or depreciation, after completing three years of vesting service beginning with date of hire. Participants with unvested annual retirement contributions, and not actively employed by the Company, retain the annual retirement contributions in their account and forfeit unvested annual retirement contributions upon request for distribution.

Forfeitures

Forfeitures are limited to:

Unvested company match contributions, including any investment appreciation or depreciation, retained by Participants hired before January 1, 2008 and not actively employed on January 1, 2008.

Unvested annual retirement contributions, including any investment appreciation or depreciation, retained by Participants not actively employed by the Company.

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Forfeited Company contributions of \$70,116 as of December 31, 2017 were available for reducing future employer contributions or to restore prior forfeitures under certain conditions.

Distributions and Withdrawals

A Participant's entire vested account balance is eligible for distribution upon termination of employment, retirement, disability or death. Participants who suffer a financial hardship, as defined in the Plan document, may withdraw all or part of their vested account balance before tax contributions subject to certain provisions, as described in the Plan document. Company contributions to the Plan shall not be payable on withdrawals made before the Participant reaches the age of 59 1/2. Distributions and withdrawals under the Plan are made in cash in the form of a lump sum. Payments are made as soon as administratively practicable within the provisions of the Plan. The Plan allows for in-service withdrawals of vested contributions under certain circumstances, as defined in the Plan document.

Participant Accounts

Each Participant's account is credited with the Participant's contributions, the appropriate amount of Company contributions and an allocation of the Plan's earnings or losses and the investment management fees in accordance with the allocation provisions contained in the Plan document. The benefit to which a Participant is entitled is the benefit that can be provided from the Participant's vested account balance.

Notes Receivable from Participants

Active Participants with a vested account balance of at least \$2,000 may borrow up to the lesser of 50% of the vested account balance or \$50,000, less the highest outstanding loan balance in the previous 12 months. The minimum loan available is \$1,000 and shall not exceed \$50,000. Loans are generally for periods of up to five years with certain exceptions. Loans are repaid in bi-weekly installments and include interest charges. The interest rate on new loans, fixed on the first business day of the month in which the loan was requested, is based on the Prime Lending Rate (per the Wall Street Journal) plus 1%. The range of interest rates for outstanding Participant loans as of December 31, 2017 was 4.3% to 11.5% with maturities ranging from 2018 to 2047.

Each loan is adequately secured through the balance in the Participant's plan account. If a Participant defaults on his or her loan by failing to make timely repayments, the outstanding principal and interest due on the loan is treated as a deemed distribution and reported as a taxable distribution to the Participant in the year of default. If the Participant has an outstanding loan and takes a distribution of his or her plan benefit, the outstanding principal and interest due on the loan is included in the amount distributed to the Participant.

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Investments

As of December 31, 2017, Plan Participants may direct the investment of their account in 1% increments among any of the following investment options:

Investment Option	Investment Manager
In Retirement Fund	BlackRock Institutional Trust Co.
2020 Retirement Fund	BlackRock Institutional Trust Co.
2025 Retirement Fund	BlackRock Institutional Trust Co.
2030 Retirement Fund	BlackRock Institutional Trust Co.
2035 Retirement Fund	BlackRock Institutional Trust Co.
2040 Retirement Fund	BlackRock Institutional Trust Co.
2045 Retirement Fund	BlackRock Institutional Trust Co.
2050 Retirement Fund	BlackRock Institutional Trust Co.
2055 Retirement Fund	BlackRock Institutional Trust Co.
S&P 500 Index Fund	BlackRock Institutional Trust Co.
International Stock Fund	BlackRock Institutional Trust Co.
Small-Cap Core Fund	BlackRock Institutional Trust Co.
1-3 Year Government/Credit Bond Index Fund	BlackRock Institutional Trust Co.
Money Market Fund	BlackRock Institutional Trust Co.
Core Bond Fund	Fidelity Institutional Asset Management
Large-Cap Value Fund	BlackRock Institutional Trust Co.
Large-Cap Growth Fund	BlackRock Institutional Trust Co.
Celanese Stock Fund	State Street Global Advisors

A Participant may transfer all or a portion of his or her interest, in 1% increments, from one investment fund to another, subject to trading restrictions. Each of the Plan's investment options is managed for the Plan by independent investment managers who employ a specific set of investment criteria endorsed and monitored by the Investment Committee.

Celanese Stock Fund

The Celanese Stock Fund is a "stock bonus plan" (as defined by U.S. Treasury Regulation §1.401-1 (b)(i)(iii)) with a primary investment in common shares of Celanese Corporation. Participant holdings of Celanese Corporation common shares are limited to 20% of the Participants' total account balance under the Plan. There is a 30-day restriction on reentry into the Celanese Stock Fund after a sale of stock. State Street Global Advisors is the named fiduciary of the Celanese Stock Fund. The Trustee shall vote shares of Celanese Corporation stock in accordance with the instructions of the Participants in whose accounts the shares are held.

Trustee purchases and sales of Celanese Corporation stock for the fund are as follows:

	Year
	Ended
	December
	31, 2017
Number of shares purchased	52,900
Average price of shares purchased	\$ 93.34
Number of shares sold	75,437
Average price of shares sold	\$ 95.55

2. Summary of Significant Accounting Policies**Basis of Presentation**

The accompanying financial statements have been prepared in accordance with the accounting principles generally accepted in the United States of America ("US GAAP") for all periods presented.

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Fair Value Measurement

The Company determines fair value based on the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required to be recorded at fair value, the Company considers assumptions that market participants would use when pricing the asset or liability. Market participant assumptions are categorized by a three-tiered fair value hierarchy which prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. If a financial instrument uses inputs that fall in different levels of the hierarchy, the instrument will be categorized based upon the lowest level of input that is significant to the fair value calculation. Valuations for fund investments, such as common/collective trusts, which do not have readily determinable fair values, are typically estimated using a net asset value ("NAV") provided by a third party as a practical expedient.

The levels of inputs used to measure fair value are as follows:

Level 1 - unadjusted quoted prices for identical assets or liabilities in active markets accessible by the Company

Level 2 - inputs that are observable in the marketplace other than those inputs classified as Level 1

Level 3 - inputs that are unobservable in the marketplace and significant to the valuation

Valuation of Investments and Income Recognition

The Plan's investments are stated at fair value. All purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded when earned. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) in the fair value of investments includes realized gains and losses on investments sold during the year as well as net appreciation (depreciation) of the investments held at the end of the year.

Risks and Uncertainties

The assets of the Plan consist primarily of investments held at fair value. These investments are subject to market risks and are influenced by such factors as investment objectives, interest rates, stock market performance, economic conditions and world affairs. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect Participant account balances and the amounts reported in the financial statements.

Use of Estimates

The preparation of financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

Notes Receivable from Participants

Notes receivable from Participants are measured at their unpaid principal balance. Defaulted notes receivable from Participants are reclassified as taxable distributions based on the terms of the Plan document; thus, no allowance for doubtful accounts has been recorded as of December 31, 2017 and 2016.

Payment of Benefits

Benefits are recorded when paid.

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3. Fair Value

The Plan's investments are measured at fair value on a recurring basis and include the following items:

Common/collective trusts: Composed of various funds whose diversified portfolio is comprised of foreign and domestic equities, fixed income securities and short-term investments. Investments are valued at the NAV of units held by the Plan at year-end. There are currently no redemption restrictions or other significant restrictions preventing the sale of these investments. In the normal course of business these funds may enter into contracts that contain a variety of representations which provide general indemnifications. The maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the funds that have not yet occurred. However, the risk of loss is expected to be remote.

Corporate stock: Valued at the closing price reported on the active market in which the individual securities are traded. Automated quotes are provided by multiple pricing services and validated by the Plan custodian. These securities are traded on exchanges as well as in the over-the-counter market.

Short-term investment funds: Composed of various funds whose portfolio is comprised of foreign and domestic currencies as well as short-term securities. Investments are valued at the NAV of units held by the Plan at year-end. There are currently no redemption restrictions or other significant restrictions preventing the sale of these investments. In the normal course of business these funds may enter into contracts that contain