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): August 11, 2022

The Dixie Group, Inc.

(Exact name of Registrant as specified in its charter)

Tennessee	0-2585	62-0183370
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

475 Reed Road	Dalton	GA	30720
(Address of principal executive offices)			(zip code)

706	876-5800
(Registrant's telephone number, including area code)	

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))

Item 1.01 Entry Into a Material Definitive Agreement.

On August 11, 2022, TruCor LLC, a Georgia limited liability company ("TruCor"), a wholly-owned subsidiary of TDG Operations, LLC, a Delaware limited liability company, which is a wholly-owned subsidiary of the Registrant, entered into a Joint Venture Agreement (the "JVA") with Alabama Manufacturing Investment LLC, a Delaware limited liability company ("AMI"), pursuant to which the two companies agreed to form and become the two members of Rigid Core Manufacturing LLC, a Delaware limited liability company (the "JV"), for the purpose of manufacturing luxury vinyl tile. Each of TruCor and AMI have agreed to contribute to the JV initial capital in the amount of $6,000,000, respectively. The JV will be governed by a board of managers. Each member will appoint two (2) managers of the LLC for a total of four (4) managers. Certain significant actions will be subject to unanimous approval of the managers. Upon an unresolved deadlock between the members, either member may trigger a buy-sell provision in the LLC Agreement (defined below). Registrant agreed to guarantee the obligations of TruCor provided under the JVA.

Pursuant to the JVA, the following ancillary agreements have been entered into by the parties: (1) TDG Operations, LLC, a Georgia limited liability company ("TDG Operations"), a wholly-owned subsidiary of Registrant, entered into that certain Administrative Services and Loaned Employee Agreement with the JV for the provision of certain administrative services at cost plus a minimum mark-up; (2) AMI entered into that certain Technical Services Agreement with the JV for the provision of technical services and the license of certain technical know-how to manufacture luxury vinyl tile products; (3) TDG Operations agreed to permit JV to use a certain amount of square footage in an existing facility in Alabama; and (4) TruCor and AMI entered into that certain Limited Liability Company Operating Agreement (the "LLC Agreement"). TruCor, on the one hand, and AMI, on the other hand, also each agreed to enter into supply agreements with the JV for the manufacture of certain luxury vinyl tile products, with no minimum obligation to purchase by either member.

The foregoing description of the JVA and its ancillary agreements does not purport to be a complete description of the rights and obligations of the parties thereunder and is qualified in its entirety by reference to the full text of the JVA and certain of its ancillary agreements attached as exhibits in Item 9.01.

Item 8.01 Other Events.

On August 3, 2022, the Company's Board of Directors approved the repurchase of up to $3.0 million of the Company's common stock. A portion of such purchases would be under a plan to be entered into pursuant to Rule 10b-5-1 of the Securities and Exchanges Act ("Plan"). It is intended that purchases under the Plan would be conducted to come within Rule 10b-18 and would be managed by Raymond James & Associates.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	**Description of Document**
10.01	Form of Joint Venture Agreement by and among TruCor, LLC, Alabama Manufacturing Investment LLC, and The Dixie Group, Inc. dated August 11, 2022 (the "JVA")
10.02	Form of Exhibit B to the JVA - Limited Liability Company Operating Agreement of Rigid Core Manufacturing LLC dated August 11, 2022
10.03	Form of Exhibit C to the JVA - Technical Services Agreement by and between Rigid Core Manufacturing LLC and Alabama Manufacturing Investment LLC dated August 11, 2022
10.04	Form of Administrative Services and Loaned Employee Agreement by and between Rigid Core Manufacturing LLC, TDG Operations, LLC, and Alabama Manufacturing Investment LLC dated August 11, 2022

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.

Date: August 15, 2022

THE DIXIE GROUP, INC.

/s/ Allen L. Danzey

Allen L. Danzey
Chief Financial Officer

Execution Version

JOINT VENTURE AGREEMENT

This Joint Venture Agreement (this "**Agreement**"), dated as of August 11, 2022, is entered into between *TruCor, LLC*, a Georgia limited liability company ("**TruCor**"), and *Alabama Manufacturing Investment LLC*, a Delaware limited liability company ("**AMI**") and, solely with respect to Sections 4.06-4.10 and Articles VI, X and XI, *The Dixie Group, Inc.*, a Tennessee corporation ("**Dixie Group**") (TruCor and AMI are the "**Parties**" and individually, a "**Party**" for all purposes of this Agreement, and, for purposes of Articles VI, X and XI, Dixie Group is also a "**Party**").

RECITALS

WHEREAS, TruCor is an indirect, wholly owned subsidiary of Dixie Group and is principally in the business of marketing, manufacturing and selling floor covering products to high end residential customers through its sales force and brands;

WHEREAS, AMI is a luxury vinyl tile ("**LVT**") manufacturer whose brands service a diverse cross-section of the construction marketplace;

WHEREAS, TruCor and AMI desire to form a new limited liability company under the laws of the State of Delaware (hereafter, the "**JVCO**") for the purpose of combining certain expertise and resources of the Parties to establish a for-profit manufacturing concern which will source raw materials and produce rigid core LVT finished products for TruCor and AMI, and/or their respective Affiliates, pursuant to specifications determined by the JVCO, as well as other products as the JVCO may determine from time to time (the "**JVCO Business**"); and

WHEREAS, the Parties desire to enter into this Agreement setting forth the terms and conditions governing their agreement to enter into the transactions contemplated hereby.

NOW, THEREFORE, in consideration 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 agree as follows:

ARTICLE I . DEFINITIONS

Section 1.01 Definitions. Capitalized terms used herein and not otherwise defined in the context of this Agreement shall have the meanings set forth in **Annex I**:

ARTICLE II . ESTABLISHMENT OF JOINT VENTURE

Section 1.02 JVCO Entity Formation. Subject to the terms and conditions of this Agreement, on or prior to the Closing Date, the Parties shall form the JVCO as a Delaware limited liability company by filing a Certificate of Formation in the form attached as Exhibit A hereto (the "**Certificate of Formation**") with the Office of the Secretary of State of Delaware.

Section 1.03 LLC Operating Agreement. Subject to the terms and conditions of this Agreement, on the Closing Date, the Parties shall execute and deliver a limited liability company operating agreement of the JVCO in the form attached as Exhibit B hereto (the "**LLC Operating Agreement**").

Section 1.04 Name. The JVCO shall operate under the name Rigid Core Manufacturing LLC or such other name as the Board approves.

Section 1.05 Purpose of the JVCO. The purpose of the JVCO shall be to operate as a for-profit manufacturing concern engaged in the JVCO Business which will manufacture and produce rigid core LVT finished products pursuant to the specifications of the JVCO, and such other products as the JVCO may determine from time to time (the "**JVCO Products**"), and JVCO will sell the JVCO Products exclusively to AMI and TruCor, and/or their respective Affiliates. Each of AMI and TruCor will have the right to purchase, or cause their respective Affiliates to purchase, up to fifty percent (50%) of the JVCO Products produced by the JVCO.

Section 1.06 Funding and Ownership. The initial funding and start-up costs of the JVCO shall be funded by TruCor and AMI as further described herein and in the LLC Operating Agreement. TruCor hereby commits and agrees to provide the JVCO an equity contribution of $6,000,000, and AMI hereby commits and agrees to provide the JVCO an equity contribution of $6,000,000 (each, an "**Equity Contribution**"), of which each Party shall provide an initial amount within five (5) Business Days from Closing (the "**Initial Capital Contribution**"), and the remaining amounts in installments, in each case, as specified in the LLC Operating Agreement. TruCor shall receive 50% of the membership interests of the JVCO in exchange for TruCor's Initial Capital Contribution, and AMI shall receive 50% of the membership interests of the JVCO in exchange for AMI's Initial Capital Contribution. The Parties may provide additional capital to execute the JVCO's Business Plan as needed and upon the unanimous approval of the Board.

Section 1.07 Governance. The JVCO shall be governed in accordance with the LLC Operating Agreement. The LLC provides that each Party shall appoint two (2) directors to the JVCO's board of the directors (the "**Board**"), and each Party shall participate in the governance and management of the JVCO through such Party's appointed directors on the JVCO's Board. The LLC shall list "Major Decisions" which shall require the unanimous consent of the Board. Neither Party shall have any fiduciary duty to the JVCO or to the other Party, but each Party shall be obligated to comply with the terms of this Agreement, the LLC Operating Agreement and the Ancillary Agreements to which each is a party.

Section 1.08 Term. It is the intention of the Parties that the JVCO shall operate perpetually unless terminated pursuant to the terms of the LLC Operating Agreement.

ARTICLE III. JVCO OBJECTIVES

Section 1.09 Objectives of the JVCO Business. Subject to the terms and conditions of this Agreement and the LLC Operating Agreement, the Parties shall use commercially reasonable efforts, including the use of their expertise and resources, to support the JVCO to achieve the key objectives described below (the "**Key Objectives**"), and shall direct their respective Board appointees to take such commercially reasonable actions as are necessary or appropriate to achieve the following Key Objectives:

(a) Within sixty (60) days after the Closing Date, the Board shall adopt a two year business plan for the JVCO (the "**Business Plan**"). The Business Plan shall include the JVCO's development and operating plans for the two year period beginning on the Closing Date, including the JVCO's budget and capital expenditure plan, a list of major equipment and machinery the JVCO will acquire, initial plans, anticipated buildout costs and a project timeline associated with the JVCO's production facility, target milestone and completion dates, and related items as approved by the Board. Beginning at the end of the initial two year period of the Business Plan, the Board will meet and adopt an

updated version of the Business Plan for each coming year, which must be unanimously approved by the Board. If the Board is unable to agree on an updated annual Business Plans, the JVCO will operate under the then current version of the Business Plan to the extent reasonably possible.

(b) The JVCO's production facility shall operate within a space as further described in the Administrative Services and Loaned Employee Agreement (the "**JVCO Plant**") within the existing facility of TDG Operations, LLC, a Georgia limited liability company and parent company of TruCor ("**TDG Operations**"), in Atmore, Alabama (the "**Atmore Facility**"). Upon the Closing, TDG Operations shall use its commercially reasonable best efforts to obtain the consent of the Atmore Lenders to the use by the JVCO of the JVCO Plant, pursuant to a lease agreement as further described in the Administrative Services and Loaned Employee Agreement, as contemplated by this Agreement, in the form attached hereto as Exhibit 3.01(b) hereto (the "**Atmore Consent Instruments**").

(c) The Board shall adopt a procurement plan consistent with the Business Plan (the "**Procurement Plan**") which shall include a list of machinery and equipment necessary to produce the JVCO Products as described and in accordance with the Business Plan. Thereafter, the JVCO shall acquire such machinery and equipment in accordance with the Procurement Plan.

(d) The JVCO shall hire a president, who shall manage the JVCO (the "**JVCO President**"), and the JVCO President shall hire a plant manager (the "**Plant Manager**") and a controller (the "**Controller**"), both of which shall report to the JVCO President. The President shall be one of the directors serving on the board, and shall alternate on an annual basis, with the first President being designated by TruCor.

(e) The JVCO President shall work with the Plant Manager and Controller to obtain the services of certain employees of TDG pursuant to the Administrative Services and Loaned Employee Agreement set forth in Section 3.01(g) hereof. The Parties anticipate that TDG will loan to JVCO approximately 150 to 200 employees to operate the JVCO Business pursuant to such agreement.

(f) The JVCO will source raw materials directly with suppliers, and to the extent necessary or appropriate as determined by JVCO President, the JVCO will enter supply agreements with such suppliers as appropriate and as approved by the Board.

(g) TDG Operations shall provide, or cause to be provided by one of its Affiliates, loaned employees for the operation of the JVCO, administrative, insurance and risk management, information technology, cybersecurity, data protection, human resources services and use of space within its existing facility in Atmore, Alabama (the "**Administrative Services and Loaned Employees**") to the JVCO pursuant to the terms of an administrative services and loaned employee agreement approved by the Board (the "**Administrative Services and Loaned Employee Agreement**"). The Administrative Services and Loaned Employees provided by TDG Operations under the Administrative Services and Loaned Employee Agreement shall billed to and paid by the JVCO, which shall include service fees for the Administrative Services and Loaned Employees provided under the Administrative Services and Loaned Employee Agreement along with compensation for expenses incurred by TDG Operations and/or such Affiliates in providing Administrative Services and Loaned Employees to the JVCO under the Administrative Services and Loaned Employee Agreement, in each case as provided in the Administrative Services and Loaned Employee Agreement.

(h) AMI shall provide, or cause to be provided by one of its Affiliates, to the JVCO, technical services, assistance and counsel, including, without limitation, manufacturing methods, process and know-how of a highly technical nature for the manufacture of the JVCO Products (the "**Technical Services**"), pursuant to the terms of a technical services agreement in the form of Exhibit C attached hereto (the "**Technical Services Agreement**"). The Technical Services provided by AMI under the Technical Services Agreement shall billed to and paid by the JVCO, which shall include service fees for the Technical Services provided under the Technical Services Agreement along with compensation for expenses incurred by AMI and/or such Affiliates in providing Technical Services to the JVCO under the Technical Services Agreement, in each case as unanimously agreed by the Board.

(i) Each of TruCor and AMI shall enter into a supply agreement with the JVCO in the form of Exhibit D attached hereto ("**Supply Agreement**") providing for the purchase by such Party of up to 50% of the production capacity/production of the JVCO. Each such Supply Agreement shall include a limited warranty for the JVCO Products which shall provide that the JVCO Products will be manufactured according to the specifications provided by TruCor and AMI and accepted by the JVCO; provided that each Party may sell such Party's own products with additional warranties provided such Party is solely responsible for such additional warranties. The Supply Agreements shall contain mutual indemnification obligations between each Party and JVCO.

(j) The Parties' goal is for the JVCO to begin production of the JVCO Products in accordance with the timeline set forth in the Business Plan.

(k) It is the Parties' present intention that the JVCO Products will be priced at a rate that should enable the JVCO to achieve ten percent (10%) EBITDA margin on a normalized full production basis.

(l) Profits or free cash flow produced by the JVCO will distributed or reinvested in accordance with the LLC Operating Agreement or as directed by the Board.

ARTICLE IV.
REPRESENTATIONS AND WARRANTIES OF TRUCOR AND DIXIE GROUP

TruCor represents and warrants to AMI that the statements contained in Sections 4.01-4.05 of this Article IV are true and correct as of the date hereof, and Dixie Group represents and warrants to AMI that the statements contained in Sections 4.06-4.10 of this Article IV are true and correct as of the date hereof.

Section 1.01 Organization and Qualification of TruCor and TDG Operations. TruCor is a limited liability company duly organized, validly existing, and in good standing under the laws of the state of Georgia and has full limited liability company power and authority to own, operate, or lease the assets now owned, operated, or leased by it, and to carry on its business as currently conducted. TDG Operations is a limited liability company duly organized, validly existing, and in good standing under the laws of the state of Georgia and has full limited liability company power and authority to own, operate, or lease the assets now owned, operated, or leased by it, and to carry on its business as currently conducted.

Section 1.02 Authority; Enforceability. TruCor has full limited liability company power and authority to enter into this Agreement, the LLC Operating Agreement and each of the Ancillary Agreements to which TruCor is a party (the "**TruCor Agreements**") and to carry out its obligations hereunder, and to consummate the transactions contemplated hereby and thereby.

TDG Operations has full limited liability company power and authority to enter into the Administrative Services and Loaned Employee Agreement and to carry out its obligations under such agreement. The execution, delivery, and performance by TruCor of this Agreement and each of the other TruCor Agreements and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite limited liability company action on the part of TruCor. Each of the TruCor Agreements has been duly executed and delivered by TruCor, and (assuming due authorization, execution, and delivery by the other Parties) constitutes a legal, valid, and binding obligation of TruCor, enforceable against it in accordance with its terms, except as may be limited by any bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other similar Laws affecting the enforcement of creditors' rights generally or by general principles of equity. The execution, delivery, and performance by TDG Operations of the Administrative Services and Loaned Employee Agreement and the consummation of the transactions contemplated under such agreement have been duly authorized by all requisite limited liability company action on the part of TDG Operations. The Administrative Services and Loaned Employee Agreement has been duly executed and delivered by TDG Operations, and (assuming due authorization, execution, and delivery by the other Parties) constitutes a legal, valid, and binding obligation of TDG Operations, enforceable against it in accordance with its terms, except as may be limited by any bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other similar Laws affecting the enforcement of creditors' rights generally or by general principles of equity.

Section 1.03 No Conflicts; Consents.

(a) The execution, delivery, and performance by TruCor of this Agreement and each of the other TruCor Agreements and the consummation of the transactions contemplated hereby and thereby, including without limitation the funding of the entirety of the Initial Capital Commitment (as defined in the LLC Operating Agreement), do not and will not: (a) violate or conflict with the organizational documents of TruCor; (b) violate or conflict with any Governmental Order or Law applicable to TruCor; (c) conflict with, or result in (with or without notice or lapse of time or both) any violation of, or default under, or give rise to a right of termination, acceleration, or modification of any obligation or loss of any benefit under any contract or instrument or any debt or obligation to which TruCor, or any of its Affiliates, is a party or otherwise bound or to or by which TruCor or any of TruCor's assets are subject or bound; or (d) result in the creation or imposition of any Lien upon any of the assets of TruCor; or (e) require the giving, filing or obtaining of any notice, filing, authorization, approval, order or consent of any Governmental Authority. No consent, approval, waiver, or authorization is required to be obtained by TruCor, or any of its Affiliates, from any Person in connection with the execution, delivery, and performance by TruCor of this Agreement and each of the other TruCor Agreements or the consummation of the transactions contemplated hereby and thereby. The execution, delivery, and performance by TDG Operations of the Administrative Services and Loaned Employee Agreement and the consummation of the transactions contemplated under such agreement do not and will not: (a) violate or conflict with the organizational documents of TDG Operations; (b) violate or conflict with any Governmental Order or Law applicable to TDG Operations; (c) conflict with, or result in (with or without notice or lapse of time or both) any violation of, or default under, or give rise to a right of termination, acceleration, or modification of any obligation or loss of any benefit under any contract or instrument or any debt or obligation to which TDG Operations, or any of its Affiliates, is a party or otherwise bound or to or by which TDG Operations or any of TDG Operations's assets are subject or bound; or (d) result in the creation or imposition of any Lien upon any of the assets of TDG Operations; or (e) require the giving, filing or obtaining of any notice, filing, authorization, approval, order or consent of any Governmental Authority.

(b) No consent, approval, waiver, or authorization is required to be obtained by TDG Operations, or any of its Affiliates, from any Person in connection with the execution, delivery, and performance by TDG Operations of the Administrative Services and Loaned Employee Agreement, or the consummation of the transactions contemplated under such agreement.

Section 1.01 Legal Proceedings. There is no Action of any nature pending or, to TruCor's knowledge, threatened against or by TruCor that challenges or seeks to prevent, enjoin, or otherwise delay the transactions contemplated by this Agreement or any of the other TruCor Agreements. To TruCor's knowledge, no event has occurred or circumstances exist that could reasonably be expected to give rise to, or serve as a basis for, any such Action. There is no Action of any nature pending or, to TruCor's knowledge, threatened against or by TDG Operations that challenges or seeks to prevent, enjoin, or otherwise delay the transactions contemplated by the Administrative Services and Loaned Employee Agreement, and to TruCor's knowledge, no event has occurred or circumstances exist that could reasonably be expected to give rise to, or serve as a basis for, any such Action.

Section 1.02 Solvency. The present fair saleable value of the assets of TruCor exceeds the amount that will be required to be paid on or in respect of its existing debts and other liabilities (including contingent liabilities) of TruCor, as they mature. After giving effect to the transactions contemplated hereby, including the payment to the JVCO in full of the Equity Contribution, TruCor will have sufficient capital for it to carry on its business as now conducted and as proposed to be conducted, including its capital needs, and shall not be rendered insolvent.

Section 1.03 Organization and Qualification of Dixie Group. Dixie Group is a corporation duly organized, validly existing, and in good standing under the laws of the state of Tennessee and has full corporate power and authority to own, operate, or lease the assets now owned, operated, or leased by it, and to carry on its business as currently conducted.

Section 1.04 Authority of Dixie Group; Enforceability. Dixie Group has full corporate power and authority to enter into this Agreement, and to carry out its obligations hereunder, and to consummate the transactions contemplated hereby. The execution, delivery, and performance by Dixie Group of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all requisite corporate action on the part of Dixie Group. This Agreement has been duly executed and delivered by Dixie Group, and (assuming due authorization, execution, and delivery by the other Parties) constitutes a legal, valid, and binding obligation of Dixie Group, enforceable against it in accordance with its terms, except as may be limited by any bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other similar Laws affecting the enforcement of creditors' rights generally or by general principles of equity.

Section 1.05 No Conflicts; Consents. The execution, delivery, and performance by Dixie Group of this Agreement and the consummation of the transactions contemplated hereby, do not and will not: (a) violate or conflict with the organizational documents of Dixie Group; (b) violate or conflict with any Governmental Order or Law applicable to Dixie Group; (c) conflict with, or result in (with or without notice or lapse of time or both) any violation of, or default under, or give rise to a right of termination, acceleration, or modification of any obligation or loss of any benefit under any contract or instrument or any debt or obligation to which Dixie Group, or any of its Affiliates, is a party or otherwise bound or to or by which Dixie Group or any of Dixie Group's assets are subject or bound; or (d) result in the creation or imposition of any Lien upon any of the assets of Dixie Group; or (e) require the giving, filing or obtaining of any notice, filing, authorization, approval, order or consent of any Governmental Authority. No consent, approval, waiver, or authorization is required to be obtained by Dixie Group, or any of

its Affiliates, from any Person in connection with the execution, delivery, and performance by Dixie Group of this Agreement or the consummation of the transactions contemplated hereby.

Section 1.06 Legal Proceedings. There is no Action of any nature pending or, to Dixie Group's knowledge, threatened against or by Dixie Group that challenges or seeks to prevent, enjoin, or otherwise delay the transactions contemplated by this Agreement. To Dixie Group's knowledge, no event has occurred or circumstances exist that could reasonably be expected to give rise to, or serve as a basis for, any such Action.

Section 1.10 Solvency. The present fair saleable value of the assets of Dixie Group exceeds the amount that will be required to be paid on or in respect of its existing debts and other liabilities (including contingent liabilities) of Dixie Group, as they mature. After giving effect to the transactions contemplated hereby, including the payment to the JVCO in full of the Equity Contribution, Dixie Group will have sufficient capital for it to carry on its business as now conducted and as proposed to be conducted, including its capital needs, and shall not be rendered insolvent.

ARTICLE V .
REPRESENTATIONS AND WARRANTIES OF AMI

AMI represents and warrants to TruCor that the statements contained in this Article V are true and correct as of the date hereof.

Section 1.04 Organization and Qualification of AMI. AMI is a limited liability company duly organized, validly existing, and in good standing under the laws of the state of Delaware and has full limited liability company power and authority to own, operate, or lease the assets now owned, operated, or leased by it, and to carry on its business as currently conducted.

Section 1.05 Authority of AMI; Enforceability. AMI has full limited liability company power and authority to enter into this Agreement, the LLC Operating Agreement and each of the Ancillary Agreement to which AMI is a party (the "**AMI Agreements**") and to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution, delivery, and performance by AMI of this Agreement and each of the other AMI Agreements and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite limited liability company action on the part of AMI. Each of the AMI Agreements has been duly executed and delivered by AMI, and (assuming due authorization, execution, and delivery by the other Parties) constitutes a legal, valid, and binding obligation of AMI, enforceable against it in accordance with its terms, except as may be limited by any bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other similar Laws affecting the enforcement of creditors' rights generally or by general principles of equity.

Section 1.06 No Conflicts; Consents. The execution, delivery, and performance by AMI of this Agreement and each of the other AMI Agreements and the consummation of the transactions contemplated hereby and thereby including without limitation the funding of the entirety of the Initial Capital Commitment, do not and will not: (a) violate or conflict with the organizational documents of AMI; (b) violate or conflict with any Governmental Order or Law applicable to AMI; (c) conflict with, or result in (with or without notice or lapse of time or both) any violation of, or default under, or give rise to a right of termination, acceleration, or modification of any obligation or loss of any benefit under any contract or instrument or any debt or obligation to which AMI, or any of its Affiliates, is a party or otherwise bound or to or by which AMI or any of AMI's assets are subject or bound; or (d) result in the creation or imposition of any Lien upon any of the assets of AMI; or (e) require the giving, filing or

obtaining of any notice, filing, authorization, approval, order or consent of any Governmental Authority. No consent, approval, waiver, or authorization is required to be obtained by AMI, or any of its Affiliates, from any Person in connection with the execution, delivery, and performance by AMI of this Agreement and each of the other AMI Agreements or the consummation of the transactions contemplated hereby and thereby.

Section 1.07 Legal Proceedings. There is no Action of any nature pending or, to AMI's knowledge, threatened against or by AMI that challenges or seeks to prevent, enjoin, or otherwise delay the transactions contemplated by this Agreement or any of the other AMI Agreements. To AMI's knowledge, no event has occurred or circumstances exist that could reasonably be expected to give rise to, or serve as a basis for, any such Action.

Section 1.08 Solvency. The present fair saleable value of the assets of AMI exceeds the amount that will be required to be paid on or in respect of its existing debts and other liabilities (including contingent liabilities) of AMI, as they mature. After giving effect to the transactions contemplated hereby, including the payment to the JVCO in full of the Equity Contribution, AMI will have sufficient capital for it to carry on its business as now conducted and as proposed to be conducted, including its capital needs, and shall not be rendered insolvent.

ARTICLE VI. COVENANTS

Section 1.07 Public Announcements; Disclosure Restrictions.

(a) The Parties acknowledge that TruCor is an indirect subsidiary of Dixie Group, which is a publicly traded company, and Dixie Group, any Party that is a publicly traded company, and the direct or indirect parent of any entity which is a Party which direct or indirect parent is a publicly traded company (each such publicly traded company, a "**PTC Entity**") is required to make certain public disclosures and filings as required by applicable securities Laws and the rules and regulations of the securities exchange on which the securities of such PTC Entity are traded (a "**Required Disclosure**"). Immediately following the full execution and delivery of this Agreement (or at such other time as required for the Required Disclosure), a PTC Entity shall issue an initial press release and make initial Required Disclosures, forms of which shall have been previously provided to the other Party for its review, and, to the extent not prohibited by applicable law, consented to by such other Party. The Parties acknowledge that the execution and terms of this Agreement will be a Required Disclosure of TruCor (through Dixie Group, as a PTC Entity), and the form of the related Required Disclosure shall have been provided for the review and, to the extent not prohibited by applicable law, consent by AMI. Except for any Required Disclosure, neither Party nor any of its Affiliates or representatives shall (orally or in writing) publicly disclose, issue any press release or make any other public statement, or otherwise communicate with the media, concerning the existence of this Agreement or the subject matter hereof, without the prior written approval of the other Party. Except to the extent prohibited by Applicable Law, each PTC Entity shall provide the Parties notice in advance of any Required Disclosure and an opportunity to review such Required Disclosure. Each Party shall be liable for any failure of its Affiliates or representatives to comply with the restrictions set forth under this Section 6.01.

(b) The Parties further acknowledge and agree that because a PTC Entity is a reporting company under Securities Exchange Act of 1934, the Parties, including their respective officers, directors, and employees (collectively, the "**Restricted Persons**"), are subjected to certain restrictions under federal and state securities laws and regulations with respect to trading the securities of such PTC Entity while in possession of material,

non-public information concerning such PTC Entity and its direct or indirect subsidiary which may be a Party. In addition, federal and state securities laws and regulations require that a PTC Entity restrict the use and disclosure of material, non-public information, which will include information relating to financial performance of the JVCO. Each Party hereby agrees that it shall not publicly disclose material, non-public information relating to financial performance of the JVCO in accordance with applicable state and federal securities laws and regulations until such time as such information is required to be made public by a PTC Entity, and each Party shall notify all Restricted Persons employed by such Party of all such confidentiality obligations.

Section 1.09 Cooperation. Subject to the terms and conditions of this Agreement and each of the Ancillary Agreements, each Party hereto agrees to cooperate with the other Party in good faith to establish the JVCO and operate the JVCO Business in accordance with the initial Business Plan. Each Party agrees to comply with its obligations as set forth in this Agreement, including, without limitation, to provide the JVCO with the capital commitment as set forth herein, and to use commercially reasonable efforts to fulfill such Party's obligations as set forth in the initial Business Plan.

Section 1.010 Non-Solicitation.

(c) From the date hereof until one year after such Party no longer owns any membership interest in JVCO (the "**Restricted Period**"), neither Party shall, and neither Party shall cause or permit any of its controlled Affiliates to, directly or indirectly, hire or solicit any person who is or was employed by the JVCO or the other Party as a manager or executive during the Restricted Period, or encourage any such employee to leave such employment or hire any such employee who has left such employment, except pursuant to a general solicitation which is not directed specifically to any such employees; *provided, that* nothing in this Section 6.03(a) shall prevent a Party or its Affiliate from hiring (i) any such employee whose employment has been terminated by the other Party or the JVCO, as applicable, or (ii) after one hundred eighty (180) days from the date of termination of employment, any such employee whose employment has been terminated by the employee.

(d) Each Party acknowledges that the restrictions contained in Section 6.03(a) are reasonable and necessary to protect the legitimate interests of the other Party and constitute a material inducement to the other Party to enter into this Agreement and consummate the transactions contemplated hereby. In the event that any covenant contained in Section 6.03(a) should ever be adjudicated to exceed the time, geographic, product, service, or other limitations permitted by applicable Law in any jurisdiction, then any court is expressly empowered to reform such covenant, and such covenant shall be deemed reformed, in such jurisdiction to the maximum time, geographic, or other limitations permitted by applicable Law. The covenants contained in Section 6.03(a) and each provision thereof are severable and distinct covenants and provisions. The invalidity or unenforceability of any such covenant or provision as written shall not invalidate or render unenforceable the remaining covenants or provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such covenant or provision in any other jurisdiction.

Section 1.01 Survival. Subject to the limitations and other provisions of this Agreement: (a) the representations and warranties of the Parties contained herein shall survive any investigation made by a Party and the Closing for a period of twelve months from the Closing Date, except that the representations and warranties set forth in Section 4.03(b) shall survive the closing indefinitely; and (b) the covenants and other agreements of the Parties contained herein shall survive the Closing indefinitely following the Closing Date.

Section 1.02 Further Assurances. Following the Closing, each Party shall, and shall cause its Affiliates to, use its reasonable best efforts to execute and deliver such additional documents, instruments, conveyances, and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

ARTICLE VII . CLOSING

Section 1.011 Closing. Subject to the terms and conditions of this Agreement, the closing of the transactions contemplated by this Agreement (the "**Closing**") shall take place remotely by exchange of documents and signatures (or their electronic counterparts), simultaneously with the execution of this Agreement. The date on which the Closing is to occur is herein referred to as the "**Closing Date**".

Section 1.012 Closing Deliveries. At the Closing:

(a) TruCor shall deliver the following:

(i) [reserved],

(ii) To JVCO and to AMI, an executed counterpart signature page of TruCor to the LLC Operating Agreement,

(iii) To JVCO, an executed counterpart signature page of TDG Operations to the Administrative Services and Loaned Employee Agreement with JVCO,

(iv) To AMI, copies of resolutions of TruCor authorizing the execution, delivery and performance of this Agreement, certified by a duly authorized officer thereof,

(v) To AMI, evidence in form reasonably satisfactory to AMI that TDG Operations has delivered the Atmore Consent Instruments to each of the Atmore Lenders,

(vi) Certificates of good standing with respect to TruCor, as of a then recent date, issued by the Secretary of State of the State of Tennessee, and

(vii) All other documents required by the terms of this Agreement to be delivered to AMI at the Closing.

(b) AMI shall deliver, or cause to be delivered, the following:

(i) [reserved],

(ii) To JVCO and TruCor, an executed counterpart signature page of AMI to the LLC Operating Agreement,

(iii) To JVCO, an executed counterpart signature page of AMI to the Technical Services Agreement,

(iv) To TruCor, copies of resolutions of AMI authorizing the execution, delivery and performance of this Agreement, certified by a duly authorized officer thereof,

(v) Certificates of good standing with respect to AMI, as of a then recent date, issued by the Secretary of State of the State of Delaware, and

(vi) All other documents required by the terms of this Agreement to be delivered to TruCor at the Closing.

ARTICLE VIII . TERMINATION

Section 1.03 Termination. This Agreement may be terminated at any time prior to or following the Closing:

(a) by the mutual written consent of the Parties;

(b) by either Party by written notice to the other Party in the event that (i) there shall be any Law that makes the transactions contemplated by this Agreement illegal or otherwise prohibited; (ii) any Governmental Authority shall have issued a Governmental Order restraining or enjoining the transactions contemplated by this Agreement and such Governmental Order shall have become final and non-appealable; (iii) JVCO is dissolved in accordance with the terms of the LLC Operating Agreement; or (iv) one Party acquires all of the membership interests in the JVCO owned by the other Party in accordance with the terms of this Agreement or the LLC Operating Agreement.

Section 1.013 Effect of Termination. In the event of the termination of this Agreement in accordance with this Article, this Agreement shall forthwith become void and there shall be no liability on the part of any Party except as set forth in this Section 8.02, Section 6.01, Section 6.02, Section 6.03, Section 9.01, and Section 9.02 hereof.

ARTICLE IX. INDEMNIFICATION

Section 1.08 Indemnification Obligations. Each Party (in such capacity, the "**Indemnitor**") shall indemnify, defend, and hold harmless the JVCO and the other Party and each of their respective officers, directors, employees, agents, successors, and assigns (in such capacity, each, an "**Indemnitee**") against all Losses arising out of or resulting from any Action brought by a person or entity who is not a Party related to or arising out of or resulting from the Indemnitor's breach of any representation, warranty, or covenant under this Agreement (a "**Third Party Claim**").

Section 1.09 Third Party Claim. The Indemnitee shall promptly notify Indemnitor in writing of any Third Party Claim within twenty (20) days after acquiring knowledge thereof and shall furnish the Indemnitor with all information and documents relating thereto (including copies of any summons, complaint or other written communications) within twenty (20) days after the Indemnitee's receipt thereof (or, in each case, by any such earlier date as shall be necessary or appropriate for such notification or furnishing to be made to enable the Indemnitor to timely respond thereto and defend the same if it elects to do so). The Indemnitor shall be entitled to defend the Claim with counsel selected by it and reasonably acceptable to the Indemnitee, at the Indemnitor's sole cost and expense. The Indemnitee shall have the right to employ its own counsel to participate in, but not control, any such case, but the fees and expenses of such counsel shall be at the Indemnitee's sole cost and expense. The Indemnitee shall make available to the Indemnitor and its attorneys and accountants all books and records of

the Indemnitee or any of its Affiliates relating to such Third Party Claim and shall render such assistance (including making available management and other employees) as is reasonably requested in order to ensure the proper and adequate defense of any Third Party Claim. In the event the Indemnitor shall be actively defending any Third Party Claim, the Indemnitee shall not file any papers, consent to the entry of any judgment or make any settlement in respect of such Third Party Claim without the prior written consent of the Indemnitor and shall accept any settlement thereof recommended by the Indemnitor so long as the amount thereof is paid or provided for in full by the Indemnitor. The Indemnitee's failure to perform any obligations under this Section 9.02 shall not relieve the Indemnitor of its obligation under this Article IX except to the extent that the Indemnitor can demonstrate that it has been prejudiced as a result of the failure. The Indemnitee may participate in and observe the proceedings at its own cost and expense with counsel of its own choosing. In the event of a Third Party Claim covered by this Section 9.02 which (i) does not seek only monetary damages, but seeks injunctive relief against any Indemnitee, or (ii) the Indemnitor elects not to compromise, and also elects not to defend, then in any such case under preceding clause (i) or (ii), the Indemnitee may pay, compromise or defend such Third Party Claim on such reasonable and prudent terms and with such counsel as the Indemnitee reasonably deems appropriate. Without limiting the rights of any Indemnitor and the obligations of any Indemnitee (including without limitation under this Section 9.02), the Indemnitee shall use commercially reasonable efforts to minimize any Losses resulting from or in respect of any Third Party Claim covered by this Agreement and will act reasonably and prudently in responding to, defending against, settling and otherwise dealing with each Third Party Claim. Notwithstanding the foregoing provisions of the Section 9.02, in the event of a Third Party Claim covered by this Section 9.02 for which any applicable Indemnitee reasonably concludes that it and the Indemnitor have conflicting interests with respect to such Third Party Claim, then in any such case the fees and expenses of one counsel retained collectively by the Indemnitees in connection with the defense of such Third Party Claim, but only to the extent required by such conflict, shall constitute Losses for purposes of this Agreement.

Section 1.010 Payments. Once a Loss is agreed to by the Indemnitor or finally adjudicated to be payable pursuant to this ARTICLE IX, the Indemnitor shall satisfy its obligations within ten (10) Business Days of such final, non-appealable adjudication by wire transfer of immediately available funds.

Section 1.011 Exclusive Remedies. Subject to Section 8.02, the Parties acknowledge and agree that their sole and exclusive remedy with respect to any and all Third Party Claims (other than claims arising from fraud, criminal activity or willful misconduct on the part of a Party hereto in connection with the transactions contemplated by this Agreement) shall be pursuant to the indemnification provisions set forth in this ARTICLE IX. Nothing in this Section 9.04 shall limit any Party's right to seek and obtain any equitable relief to which any Party shall be entitled or to seek any remedy on account of any Party's fraud, criminal activity or willful misconduct. With respect to any Action or claim between the Parties arising from this Agreement, in no event shall either Party be liable to the other Party (whether in tort, including negligence or breach of statutory duty, breach of contract, misrepresentation or otherwise) for any indirect, consequential, exemplary, special, or punitive damages or any damages for lost profits, lost opportunity costs, business interruption or loss of business reputation, for diminution in value or based on any type of multiple, whether or not a Party has been advised of the possibility of such damages.

ARTICLE X . DISPUTE RESOLUTION

Section 1.014 Disputes. The Parties recognize that disagreements or disputes between the Parties may arise from time to time concerning this Agreement, the LLC Operating Agreement, the other Ancillary Agreements, or other agreements delivered in connection

herewith or therewith (hereafter, "**Disputes**"). It is the Parties' objective to establish procedures to facilitate the resolution of all Disputes in an expedient manner by mutual cooperation and only thereafter, in the event any such Dispute has not been so resolved, by resort to litigation. The Parties have set forth comprehensive Dispute resolution procedures in the LLC Operating Agreement, which will govern Disputes specific to the LLC Operating Agreement, and all other Disputes between the Parties shall be subject to this Article X, unless expressly stated to the contrary in the relevant agreement. Either Party may initiate the dispute resolution procedure of this Article X by giving the other Party written notice of any Dispute in accordance with the terms of Section 11.02 ("**Notice of Dispute**").

Section 1.015 Negotiation and Mediation. The Parties shall attempt in good faith to initially resolve any Dispute promptly by negotiation between at least one of the Board members appointed by each Party. Within ten (10) Business Days of written notice provided to a Party, a representative Board member from each of TruCor and AMI shall confer regarding the appointment of a mediator. The Mediation shall be conducted in person before a single mediator to be agreed upon by the Members (the "**Mediation**"). If the Members cannot agree on the mediator, each Member shall select a mediator and such mediators shall together unanimously select a neutral mediator who will conduct the mediation. The Mediation shall take place in Atlanta, Georgia. Each Member shall bear the fees and expenses of its mediator and all the Members shall equally bear the fees and expenses of the final mediator. All negotiations pursuant to this Section 10.02 are confidential and are deemed compromise and settlement negotiations for the purposes of applicable rules of evidence. In the event that negotiation and the Mediation fail to resolve a Dispute, then each Party may resort to litigation through the chosen courts specified in Section 11.12 of this Agreement.

ARTICLE XI. MISCELLANEOUS

Section 1.01 Expenses. Except as otherwise provided in this Agreement, all costs and expenses incurred in connection with the preparation and execution of this Agreement and the other transactions contemplated hereby shall be paid by the Party incurring such costs and expenses.

Section 1.02 Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or email of a .pdf document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective Party at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 11.02):

(a) If to TruCor:

TruCor, LLC
475 Reed Road
Dalton, GA 30720-6307
Attn: Kennedy Frierson, Manager
Email: kennedy.frierson@dixiegroup.com

with a copy (which shall not constitute notice) to:

Miller & Martin, PLLC
832 Georgia Avenue, Suite 1200
Chattanooga, Tennessee 37402
Attn: John F. Henry, Esq.
Email: john.henry@millermartin.com

(b) If to Dixie Group:

The Dixie Group, Inc.
475 Reed Road
Dalton, GA 30720-6307
Attn: Kennedy Frierson, Vice President and COO
Email: kennedy.frierson@dixiegroup.com

with a copy (which shall not constitute notice) to:

Miller & Martin, PLLC
832 Georgia Avenue, Suite 1200
Chattanooga, Tennessee 37402
Attn: John F. Henry, Esq.
Email: john.henry@millermartin.com

(c) If to AMI:

[address to be provided]

with a copy (which shall not constitute notice) to:

Golenbock Eiseman Assor Bell & Peskoe LLP
711 Third Avenue, 17th Floor
New York, NY 10017
Attn: Richard S. Kaplan, Esq.
Email: rkaplan@golenbock.com

Section 1.016 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 1.017 Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

Section 1.018 Entire Agreement. This Agreement, the agreements contemplated hereby, and the LLC Operating Agreement constitute the sole and entire agreement of the Parties with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter.

Section 1.019 Interpretation. For purposes of this Agreement: (a) the words “include,” “includes,” and “including” shall be deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; and (c) the words “herein,” “hereof,” “hereby,” “hereto,” and “hereunder” refer to this Agreement as a whole. The definitions given for any defined terms in

this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine, and neuter forms. Unless the context otherwise requires, references herein: (x) to Articles, Sections, Annexes and Exhibits mean the Articles, Sections, Annexes of, and Exhibits attached to, this Agreement; (y) to an agreement, instrument, or other document means such agreement, instrument, or other document as amended, supplemented, or modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

Section 1.020 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns. This Agreement and the rights and obligations hereunder may not be assigned by a Party without the written consent of the other Party. Any purported assignment not expressly permitted by this Agreement shall be void and of no effect.

Section 1.021 No Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties and their respective successors and permitted assigns and, except with respect to Indemnitees as contemplated in Article IX hereof, nothing herein, express, or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit, or remedy of any nature whatsoever.

Section 1.022 Amendment and Modification. This Agreement, including any Annex or Exhibit, may only be amended, modified, or supplemented by an agreement in writing signed by each Party.

Section 1.10 Waiver. No waiver by a Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. No waiver by a Party shall operate or be construed as a waiver in respect of any failure, breach, or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

Section 1.11 Governing Law. This Agreement (and any claims, causes of action, or disputes that may be based upon, arise out of, or relate to the transactions contemplated hereby, to the negotiation, execution, or performance hereof, or to the inducement of any Party to enter herein, whether for breach of contract, tortious conduct, or otherwise and whether predicated on common law, statute, or otherwise) shall in all respects be governed by and construed in accordance with the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction).

Section 1.12 Submission to Jurisdiction. Any legal suit, action, or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby shall be instituted in the federal courts of the United States of America or the courts of the State of Georgia in each case located in the City of Atlanta, and each Party irrevocably submits to the non-exclusive jurisdiction of such courts in any such suit, action, or proceeding.

Section 1.13 Relationship of Parties. The relationship of the Parties established by this Agreement is that of independent contractors, and nothing herein shall be construed to constitute the Parties as partners, joint venturers, co-owners, or otherwise as participants in a joint or common undertaking, except as specifically set forth in this Agreement. Neither Party has any authority to either obligate the other or any of its Affiliates in any respect or hold itself out as having any such authority unless specifically agreed upon by the Parties in advance and in writing.

Section 1.14 Attorneys' Fees. In the event that a Party institutes any legal suit, action, or proceeding against the other Party in respect of a matter arising out of or relating to this Agreement, the prevailing Party in the suit, action, or proceeding shall be entitled to receive, in addition to all other damages to which it may be entitled, the costs incurred by such Party in conducting the suit, action, or proceeding, including reasonable attorneys' fees and expenses and court costs.

Section 1.15 Guaranty by and Reimbursement Obligation of Dixie Group.

(d) Dixie Group hereby unconditionally and irrevocably guarantees to AMI the punctual payment of all payment obligations and punctual performance of all of (i) TruCor's covenants and agreements under this Agreement, the LLC Operating Agreement and each Ancillary Agreement to which TruCor is a party, and (ii) TDG Operations' covenants and agreements under the Administrative Services and Loaned Employee Agreement and each other Ancillary Agreement to which TDG Operations is a party, in each case when and if such payment obligations, covenants, and agreements shall become due and performable according to the terms of this Agreement, the LLC Operating Agreement, the Administrative Services and Loaned Employee Agreement or any such other Ancillary Agreement, including without limitation the obligation to pay the Initial Capital Commitment (the "**TruCor/TDG Guaranteed Obligations**"). If TruCor and/or TDG Operations fails to perform or pay when due any TruCor/TDG Guaranteed Obligation, after any applicable cure periods, as and when provided for in this Agreement, the LLC Operating Agreement, the Administrative Services and Loaned Employee Agreement or any such other Ancillary Agreement, then, without the necessity or the requirement for AMI to pursue or exhaust its recourse against TruCor or TDG Operations, Dixie Group will perform or pay or cause to be performed or paid such TruCor/TDG Guaranteed Obligation promptly upon written demand. Dixie Group shall cause TruCor and TDG Operations to comply with its obligations this Agreement, the LLC Operating Agreement, each Ancillary Agreement to which it is a party and the Administrative Services and Loaned Employee Agreement, as applicable.

(e) The liability and obligations of Dixie Group under this Section 11.15 will not be released, discharged, limited or otherwise affected by: (i) any assignment of this Agreement, the LLC Operating Agreement, the Administrative Services and Loaned Employee Agreement or any other applicable Ancillary Agreement; (ii) any renewal, extension, substitution or other change in, or discontinuance of, the terms relating to the TruCor/TDG Guaranteed Obligations, or by any agreement to grant any extensions of time or any other indulgences or concessions to TruCor or TDG Operations; (iii) any limitation of status or power, incapacity or other circumstance relating to TruCor or TDG Operations, including any bankruptcy, insolvency, winding-up, dissolution, liquidation, arrangement, restructuring or other creditors' proceedings involving or affecting TruCor or TDG Operations; or (iv) any reorganization, amalgamation or other change in the existence of TruCor or TDG Operations; *provided, however*, upon the termination of this Agreement, the Administrative Services and Loaned Employee Agreement or any other applicable Ancillary Agreement, Dixie Group shall have no further obligations with respect to the TruCor/TDG Guaranteed Obligations under such terminated Agreement,

Ancillary Agreement and/or Administrative Services and Loaned Employee Agreement, as applicable, except to the extent such TruCor/TDG Guaranteed Obligations existed prior to such termination(s) and/or relate to any liabilities (contingent or otherwise), obligations (including payment obligations), conduct, state of facts or circumstances in existence prior to such termination(s) or any provisions of such terminated Agreement, Administrative Services and Loaned Employee Agreement and/or other Ancillary Agreement which survive such termination; *provided further*, that Dixie Group's TruCor/TDG Guaranteed Obligations with respect to the LLC Operating Agreement shall terminate (y) in the event the JVCO is dissolved in accordance with the terms of the LLC Operating Agreement; or (z) if AMI or TruCor acquires all of the membership interests in the JVCO owned by the other Party in accordance with the terms of this Agreement or the LLC Operating Agreement; in each case of the foregoing clauses (y) and (z) except to the extent such TruCor/TDG Guaranteed Obligations existed prior to such dissolution or membership interest transfer and/or relate to any liabilities (contingent or otherwise), obligations (including payment obligations), conduct, state of facts or circumstances in existence prior to such dissolution or membership interest transfer or any provisions of such Agreement, Administrative Services and Loaned Employee Agreement and/or other Ancillary Agreement which survive such dissolution or membership interest transfer.

Section 1.1 Guaranty by an Affiliate of AMI. AMI shall cause an affiliate to enter into a guaranty of its obligations under this Agreement, the LLC Operating Agreement and each Ancillary Agreement to which AMI is a party, when and if such payment obligations, covenants, and agreements shall become due and performable according to the terms of this Agreement, the LLC Operating Agreement or any such Ancillary Agreement, including without limitation the obligation to pay the Initial Capital Commitment.

Section 1.2 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

TRUCOR: TRUCOR, LLC

By: _____
Kennedy Frierson, Manager

AMI: ALABAMA MANUFACTURING INVESTMENT LLC

By: _____

Name: _____

Title: _____

Agreed and accepted, solely with respect to Sections 4.06-4.10 and Articles VI, X and XI:

DIXIE: THE DIXIE GROUP, INC.

By: _____
Kennedy Frierson, Vice President and COO

ANNEX I

Defined Terms

Capitalized terms used in the Agreement and not otherwise defined in the context of this Agreement shall have the meanings set forth in this **Annex I:**

"**Action**" means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena, or investigation of any nature, civil, criminal, administrative, regulatory, or otherwise, whether at law or in equity.

"**Affiliate**" of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term "**control**" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise. The term "Affiliate" does not, when used with respect to TruCor, Dixie Group, or AMI, include the JVCO.

"**Agreement**" has the meaning set forth in the preamble.

"**AMI**" has the meaning set forth in the preamble.

"Ancillary Agreements" means the Administrative Services and Loaned Employee Agreement, Technical Services Agreement, Supply Agreements, and the other agreements, instruments, and documents required to be delivered by TruCor or AMI in connection with this Agreement or at the Closing.

"Atmore Consent Instruments" has the meaning set forth in Section 3.01(b).

"Atmore Lenders" means each of (i) Greater Nevada Credit Union, a Nevada non-profit cooperative corporation ("**GNCU**"), as Lender under the Loan Agreement, dated October 29, 2020, by and among GNCU, Dixie Group and TDG Operations and (ii) AmeriState Bank, an Oklahoma state banking corporation ("**Ameristate**"), as Bank under the Loan Agreement, dated October 26, 2020, by and among Ameristate, Dixie Group and TDG Operations; and each of their respective successors and assigns.

"**Business Day**" means any day except Saturday, Sunday, or any other day on which commercial banks located in Atlanta, Georgia are authorized or required by Law to be closed for business.

"**Certificate of Formation**" has the meaning set forth in Section 2.01.

"**Closing**" has the meaning set forth in Section 7.01.

"**Closing Date**" has the meaning set forth in Section 7.01.

"**Dixie Group**" has the meaning set forth in the preamble.

"**Governmental Authority**" means any federal, state, local, or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations, or orders of such

organization or authority have the force of Law), or any arbitrator, court, or tribunal of competent jurisdiction.

"**Governmental Order**" means any order, writ, judgment, injunction, decree, stipulation, determination, penalty, or award entered by or with any Governmental Authority.

"Indemnitee" has the meaning set forth in Section 9.01.

"Indemnitor" has the meaning set forth in Section 9.01.

"**JVCO Business**" has the meaning set forth in the Recitals.

"**JVCO**" has the meaning set forth in the Recitals.

"**Law**" means any statute, law, ordinance, regulation, rule, code, constitution, treaty, common law, judgment, decree, other requirement, or rule of law of any Governmental Authority.

"**Lien**" means any lien, pledge, charge, mortgage, security interest, restriction, claim, encumbrance, right of first refusal, preference or similar rights of others of every kind and description.

"**Losses**" means all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys' fees and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers; provided, however, "Losses" shall exclude (a) indirect, consequential, exemplary, special, or punitive damages, except to the extent awarded or paid to a third party in connection with a Third Party Claim; and (b) damages for lost profits, lost opportunity costs, business interruption or loss of business reputation, for diminution in value or based on any type of multiple, whether or not a Party has been advised of the possibility of such damages.

"**LLC Operating Agreement**" has the meaning set forth in Section 2.02.

"**Parties**" has the meaning set forth in the preamble.

"**Person**" means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association, or other entity.

"**TruCor**" has the meaning set forth in the preamble.

"**TruCor/TDG Guaranteed Obligations**" has the meaning set forth in Section 11.15.

"**TDG Operations**" has the meaning set forth in Section 3.01(g).

EXHIBIT A
CERTIFICATE OF FORMATION

See attached.

EXHIBIT B
LLC OPERATING AGREEMENT

See attached.

EXHIBIT C
TECHNICAL SERVICES AGREEMENT

See attached.

3899561.18

3899561.22

EXHIBIT D
SUPPLY AGREEMENT

See attached.

3899561.18

Execution Version

LIMITED LIABILITY COMPANY OPERATING AGREEMENT

Among

RIGID CORE MANUFACTURING LLC

and

THE MEMBERS NAMED HEREIN

dated as of

August 11, 2022

LIMITED LIABILITY COMPANY OPERATING AGREEMENT

THIS LIMITED LIABILITY COMPANY OPERATING AGREEMENT of RIGID CORE MANUFACTURING LLC, a Delaware limited liability company (the "**Company**"), is entered into as of August 11, 2022 (the "**Effective Date**") by and among the Company, TRUCOR, LLC a Georgia limited liability company ("**TruCor**"), and ALABAMA MANUFACTURING INVESTMENT LLC, a Delaware limited liability company ("**AMI**").

RECITALS

WHEREAS, the Company was formed under the laws of the State of Delaware by the filing of the Certificate of Formation with the Secretary of State of Delaware (the "**Secretary of State**") on February 3, 2022 (the "**Certificate**") for the purposes set forth in Section 2.05 of this Agreement;

WHEREAS, the Members wish to enter into this Agreement setting forth the terms and conditions governing the operation and management of the Company.

NOW, THEREFORE, in consideration 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 agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in this Section 1.01:

"**Act**" means the Delaware Limited Liability Company Act, Del. Law Title 6. Chapter 18.

"**Additional Capital Contributions**" has the meaning set forth in Section 3.02.

"**Adjusted Capital Account Deficit**" means, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments:

(a) crediting to such Capital Account any amount that such Member is obligated to restore or is deemed to be obligated to restore pursuant to Treasury Regulations Sections 1.704-1(b)(2)(ii)(c), 1.704-2(g)(1) and 1.704-2(i); and

(b) debiting to such Capital Account the items described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

"**Administrative Services and Loaned Employee Agreement**" means the Administrative Services and Loaned Employee Agreement, dated as of even date herewith, by and between the Company, TDG Operations, LLC, a Georgia limited liability company, and AMI, as amended from time to time.

"**Affiliate**" means, with respect to any Person, any other Person who, directly or indirectly (including through one or more intermediaries), controls, is controlled by, or is under common control with, such Person. For purposes of this definition, "**control**," when used with respect to any specified Person, shall mean the power, direct or indirect, to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities or partnership or other ownership interests, by contract or otherwise; and the terms

"**controlling**" and "**controlled**" shall have correlative meanings; *provided, however*, that the term "Affiliate" does not, when used with respect to a Member, include the Company.

"**Agreement**" means this Limited Liability Company Operating Agreement, as executed and as it may be amended, modified, supplemented or restated from time to time, as provided herein.

"**AMI**" has the meaning set forth in the preamble.

"**AMI Manager**" has the meaning set forth in Section 7.02(a)(ii).

"**Ancillary Agreement**" has the meaning specified in the JV Agreement.

"**Applicable Law**" means all applicable provisions of (a) constitutions, treaties, statutes, laws (including the common law), rules, regulations, decrees, ordinances, codes, proclamations, declarations or orders of any Governmental Authority; (b) any consents or approvals of any Governmental Authority; and (c) any orders, decisions, advisory or interpretative opinions, injunctions, judgments, awards, decrees of, or agreements with, any Governmental Authority.

"**Available Cash Flow**" means, with respect to any period, all cash received by the Company from all sources (other than Capital Contributions or indebtedness for borrowed money) during such period, less the portion thereof to be used to pay (or to establish reasonable reserves for) working capital needs, expenses and fees, principal and interest on Company debt, investments, acquisitions, liabilities, and contingencies, all as determined by the Board in its reasonable discretion.

"**Bankruptcy**" means, with respect to a Member, the occurrence of any of the following: (a) the filing of an application by such Member for, or a consent to, the appointment of a trustee of such Member's assets; (b) the filing by such Member of a voluntary petition in bankruptcy or the filing by such Member of a pleading in any court of record admitting in writing such Member's inability to pay its debts as they come due; (c) the making by such Member of a general assignment for the benefit of such Member's creditors; (d) the filing by such Member of an answer admitting the material allegations of, or such Member's consenting to, or defaulting in answering a bankruptcy petition filed against such Member in any bankruptcy proceeding; or (e) the expiration of sixty (60) days following the entry of an order, judgment or decree by any court of competent jurisdiction adjudicating such Member bankrupt or appointing a trustee of such Member's assets.

"**BBA**" means the Bipartisan Budget Act of 2015.

"**Board**" has the meaning set forth in Section 7.01.

"**Book Depreciation**" means, with respect to any Company asset for each Fiscal Year, the Company's depreciation, amortization or other cost recovery deductions determined for federal income tax purposes, except that if the Book Value of an asset differs from its adjusted tax basis at the beginning of such Fiscal Year, Book Depreciation shall be an amount which bears the same ratio to such beginning Book Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Fiscal Year bears to such beginning adjusted tax basis; *provided*, that if the adjusted basis for federal income tax purposes of an asset at the beginning of such Fiscal Year is zero and the Book Value of the asset is positive, Book Depreciation shall be determined with reference to such beginning Book Value using any permitted method selected by unanimous vote of the Board in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(g)(3).

"**Book Value**" means, with respect to any Company asset, the adjusted basis of such asset for federal income tax purposes, except as follows: (a) the Book Values of all items of Company Property shall be adjusted to equal their respective Fair Market Values (taking Code Section 7701(g) into account) as of the following times: (A) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution, (B) the distribution by the Company to a Member of more than a de minimis amount as consideration for an interest in the Company, and (C) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g); (D) in connection with the grant of an interest in the Company (other than a de minimis interest) as consideration for the provision of services to or for the benefit of the Company by an existing Member acting in a partner capacity, or by a new Member acting in a partner capacity in anticipation of being a Member; and (E) the acquisition of an interest in the Company upon the exercise of a noncompensatory option in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(s); provided that an adjustment described in clause (A), (B), (D), or (E) of this clause (a) shall be made only if the Tax Matters Representative reasonably determines that such adjustment is necessary to reflect the relative economic interests of the Members in the Company and provided, further, if any noncompensatory option is outstanding, the Book Values shall be adjusted in accordance with Treasury Regulations Sections 1.704-1(b)(2)(iv)(f)(1) and 1.704-1(b)(2)(iv)(h)(2); (b) the Book Value of each Company asset shall be increased or decreased, as the case may be, to reflect any adjustments to the adjusted tax basis of such Company asset pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Account balances pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m); provided, however, that Book Values shall not be adjusted pursuant to this clause (b) to the extent that an adjustment pursuant to clause (a) is required in connection with a transaction that would otherwise result in an adjustment pursuant to this clause (b); and (c) if the Book Value of a Company asset has been adjusted pursuant to clauses (a) or (b) above, such Book Value shall thereafter be adjusted to reflect the Book Depreciation taken into account with respect to such Company asset for purposes of computing Net Income and Net Losses.

"**Budget**" has the meaning set forth in Section 7.12(a).

"**Business**" has the meaning set forth in Section 2.05.

"**Business Day**" means a day other than a Saturday, Sunday or other day on which commercial banks in the City of Atlanta are authorized or required to close.

"**Buy-Out Price**" has the meaning set forth in Section 9.03(b).

"**Buy-Sell Closing**" has the meaning set forth in Section 9.03(d).

"**Buy-Sell Election Date**" has the meaning set forth in Section 9.03(c).

"**Buy-Sell Offer Notice**" has the meaning set forth in Section 9.03(b).

"**Buy-Sell Purchase Price**" has the meaning set forth in Section 9.03(e).

"**Buy-Sell Purchasing Member**" has the meaning set forth in Section 9.03(d).

"**Buy-Sell Selling Member**" has the meaning set forth in Section 9.03(d).

"**Capital Account**" has the meaning set forth in Section 3.04.

"**Capital Contribution**" means, for any Member, the sum of the amounts of money plus the agreed value of any property (determined as of the date of contribution and net of any liabilities secured by such property that are assumed by the Company or to which the assets are taken subject) which such Member (and/or its direct or indirect predecessor(s) in interest) shall have contributed to the capital of the Company as provided in Sections 3.01 and 3.02 hereof.

"**Certificate**" has the meaning set forth in the Recitals.

"**Chairperson**" has the meaning set forth in Section 7.09.

"**Code**" means the Internal Revenue Code of 1986, as amended from time to time.

"**Company**" has the meaning set forth in the Preamble.

"**Company Interest Rate**" has the meaning set forth in Section 6.02(c).

"**Company Minimum Gain**" means "partnership minimum gain" as defined in Treasury Regulations Section 1.704-2(b)(2), substituting the term "Company" for the term "partnership" as the context requires.

"**Contributing Member**" has the meaning set forth in Section 3.02.

"**Covered Person**" has the meaning set forth in Section 8.01(a).

"**Deadlock**" has the meaning set forth in Section 9.03(a).

"**Cure Period**" has the meaning set forth in Section 10.02.

"**Default Amount**" has the meaning set forth in Section 3.02.

"**Default Loan**" has the meaning set forth in Section 3.02.

"**Default Rate**" has the meaning set forth in Section 3.02.

"**Defaulting Member**" means a Member that (i) has failed to make its Initial Capital Commitment pursuant to Section 3.01 or an Additional Capital Contribution pursuant to Section 3.02 for so long as it is a Non-Contributing Member and the Contributing Member has not extended a Member Loan; (ii) is subject to a Bankruptcy; (iii) has breached any material covenant, duty or obligation under this Agreement and either the breach cannot be cured or, if the breach can be cured, it is not cured by such Defaulting Member within the Cure Period; (iv) has breached any material covenant, representation or warranty under the JV Agreement and either the breach cannot be cured or, if the breach can be cured, it is not cured by such Defaulting Member within the Cure Period; (v) has breached any material covenant, representation or warranty under any Supply Agreement by and between the Company and such Member and either the breach cannot be cured or, if the breach can be cured, it is not cured by such Defaulting Member within the Cure Period; which breach, in the cases of the foregoing clauses (iii), (iv) and/or (v), if not cured within the Cure Period or is incapable of being cured, would reasonably be expected to have a material adverse effect on the condition (financial or otherwise), business, properties, assets, liabilities, prospects or results of the operations of the Company or a Member which is not itself a Defaulting Member.

"**Effective Date**" has the meaning set forth in the Preamble.

"**Electronic Transmission**" means any form of communication not directly involving the physical transmission of paper that creates a record that may be retained, retrieved and reviewed by a recipient thereof and that may be directly reproduced in paper form by such a recipient through an automated process.

"**Fair Market Value**" of any asset as of any date means the purchase price that a willing buyer having all relevant knowledge would pay a willing seller for such asset in an arm's length transaction. Unless otherwise provided herein, Fair Market Value shall be as determined unanimously by the Board; *provided*, that if the Board is unable to agree on the fair market value of such asset within a reasonable period of time (not to exceed ten (10) Business Days), such fair market value shall be determined by an investment banking, accounting or other valuation firm selected by unanimous agreement of the Board. If the Board cannot unanimously agree on a valuation firm, each Member shall select a valuation firm (a "Member Valuation Firm") and such Member Valuation Firms shall together unanimously select a neutral valuation firm who will conduct the valuation. Each Member shall bear the fees and expenses of its Member Valuation Firm, if any, and the Company shall bear the fees and expenses of the final valuation firm so selected. The determination of such valuation firm shall be final, conclusive and binding.

"**Fiscal Year**" means the calendar year ending on the last Saturday of each calendar year, unless the Company is required to have a taxable year other than the calendar year, in which case Fiscal Year shall be the period that conforms to its taxable year.

"**GAAP**" means United States generally accepted accounting principles in effect from time to time.

"**Governmental Authority**" means any federal, state, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of law), or any arbitrator, court or tribunal of competent jurisdiction.

"**Initial Budget**" has the meaning set forth in Section 7.12(a).

"**Initial Capital Commitment**" has the meaning set forth in Section 3.01.

"**Initial Members**" means TruCor and AMI.

"**Initiating Member**" has the meaning set forth in Section 9.03(b).

"**Joinder Agreement**" means the joinder agreement in form and substance attached hereto as Exhibit A.

"**JV Agreement**" means the Joint Venture Agreement by and among TruCor, AMI and the other signatories thereto, of even date herewith, along with any exhibits and schedules attached thereto, and any Ancillary Agreements contemplated therein.

"**Liquidator**" has the meaning set forth in Section 12.03(a).

"**Losses**" has the meaning set forth in Section 8.03(a).

"**Major Decisions**" has the meaning set forth in Section 7.06.

"**Manager**" has the meaning set forth in Section 7.01.

"**Managers Schedule**" has the meaning set forth in Section 7.03(d).

"**Member**" means (a) each Initial Member and (b) each Person who is hereafter admitted as a Member in accordance with the terms of this Agreement and the Act. The Members shall constitute the "members" (as that term is defined in the Act) of the Company.

"**Member Nonrecourse Debt**" means "partner nonrecourse debt" as defined in Treasury Regulations Section 1.704-2(b)(4), substituting the term "Company" for the term "partnership" and the term "Member" for the term "partner" as the context requires.

"**Member Nonrecourse Debt Minimum Gain**" means an amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if the Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Treasury Regulations Section 1.704-2(i)(3).

"**Member Nonrecourse Deduction**" means "partner nonrecourse deduction" as defined in Treasury Regulations Section 1.704-2(i), substituting the term "Member" for the term "partner" as the context requires.

"**Membership Interest**" means an interest in the Company owned by a Member, including such Member's right (a) to its distributive share of Net Income, Net Losses and other items of income, gain, loss and deduction of the Company; (b) to its distributive share of the assets of the Company; (c) to vote on, consent to or otherwise participate in any decision of the Members as provided in this Agreement; and (d) to any and all other benefits to which such Member may be entitled as provided in this Agreement or the Act. The Membership Interest of each Member shall be expressed as a Percentage Interest.

"**Net Income**" and "**Net Loss**" mean, for each Fiscal Year or other period specified in this Agreement, an amount equal to the Company's taxable income or taxable loss, or particular items thereof, determined in accordance with Code Section 703(a) (where, for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or taxable loss), but with the following adjustments:

(a) any income realized by the Company that is exempt from federal income taxation, as described in Code Section 705(a)(1)(B), shall be added to such taxable income or taxable loss, notwithstanding that such income is not includable in gross income;

(b) any expenditures of the Company described in Code Section 705(a)(2)(B), including any items treated under Treasury Regulations Section 1.704-1(b)(2)(iv)(i) as items described in Code Section 705(a)(2)(B), shall be subtracted from such taxable income or taxable loss, notwithstanding that such expenditures are not deductible for federal income tax purposes;

(c) any gain or loss resulting from any disposition of Company property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Book Value of the property so disposed, notwithstanding that the adjusted tax basis of such property differs from its Book Value;

(d) any items of depreciation, amortization and other cost recovery deductions with respect to Company property having a Book Value that differs from its adjusted tax basis shall be computed by reference to the property's Book Value (as adjusted for Book Depreciation) in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(g);

(e) if the Book Value of any Company property is adjusted as provided in the definition of Book Value, then the amount of such adjustment shall be treated as an item of gain or loss and included in the computation of such taxable income or taxable loss; and

(f) to the extent an adjustment to the adjusted tax basis of any Company property pursuant to Code Sections 732(d), 734(b) or 743(b) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis).

For the avoidance of doubt, notwithstanding any other provision of this definition, any items that are specially allocated pursuant to Section 5.02 shall not be taken into account in computing Net Income or Net Loss.

"**Non-Contributing Member**" has the meaning set forth in Section 3.02.

"**Nonrecourse Deductions**" has the meaning set forth in Treasury Regulations Section 1.704-2(b).

"**Nonrecourse Liability**" has the meaning set forth in Treasury Regulations Section 1.704-2(b)(3).

"**Officers**" has the meaning set forth in Section 7.10.

"**Percentage Interest**" means, with respect to a Member at any time, the percentage set forth opposite such Member's name on Schedule A attached hereto (such percentage being understood to be reflective of the economic interest in the Company represented by such Member's Membership Interest). The Percentage Interests shall at all times aggregate to one hundred percent (100%).

"**Permitted Transfer**" means a Transfer of a Membership Interest carried out pursuant to Section 9.02.

"**Permitted Transferee**" means a recipient of a Permitted Transfer.

"**Person**" means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association or other entity.

"**Qualified Replacement**" means a person with not less than ten (10) years of experience in the industry in which the Company, TruCor and/or AMI operates.

"**Regulatory Allocations**" has the meaning set forth in Section 5.02(e).

"**Related-Party Agreement**" means any agreement, transaction, arrangement or understanding between the Company and any Member or Manager, any Affiliate of a Member or Manager or any officer or employee thereof, including any sale, lease, transfer or other disposition of any property or assets, any service agreement or arrangement, any employment or other agreement involving compensation, or any loan, advance or guaranty to, with or for any of their benefit.

"**Representative**" means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

"**Responding Member**" has the meaning set forth in Section 9.03(b).

"**Response Notice**" has the meaning set forth in Section 9.03(c).

"**Revised Partnership Audit Rules**" means the partnership audit procedures set forth in Subchapter C of Chapter 63 of the Code as amended by the BBA.

"**Secretary of State**" has the meaning set forth in the Recitals.

"**Securities Act**" means the Securities Act of 1933.

"**Sell-Out Price**" has the meaning set forth in Section 9.03(b).

"**Subsidiary**" means, with respect to any Person, any other Person of which a majority of the outstanding shares or other equity interests having the power to vote for directors or comparable managers are owned, directly or indirectly, by the first Person.

"**Tax Matters Representative**" has the meaning set forth in Section 11.04(a).

"**Taxing Authority**" has the meaning set forth in Section 6.02(b).

"**Technical Services Agreement**" means the Technical Services Agreement, dated as of even date herewith, by and between the Company and AMI, as amended from time to time.

"**Term**" has the meaning set forth in Section 2.06.

"**Transfer**" means to, directly or indirectly, sell, transfer, assign, pledge, encumber, hypothecate or similarly dispose of, either voluntarily or involuntarily, by operation of law or otherwise, or to enter into any contract, option or other arrangement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation or similar disposition of, any Membership Interest owned by a Person or any interest (including a beneficial interest or any direct or indirect economic or voting interest) in any Membership Interest owned by a Person; *provided* that none of an issuance, disposition, redemption or repurchase of any interests in the ultimate parent entity of a Member, or the sale by such parent entity of all or substantially all of the assets of such parent entity, including without limitation the Membership Interests, shall be deemed to be a Transfer of a Membership Interest, including by means of a disposition of interests in a Member or in a Person that directly or indirectly holds any interests in a Member. "**Transfer**" when used as a noun shall have a correlative meaning. "**Transferor**" and "**Transferee**" mean a Person who makes or receives a Transfer, respectively.

"**Transferring Member**" has the meaning set forth in Section 9.02.

"**Treasury Regulations**" means the final or temporary regulations issued by the United States Department of Treasury pursuant to its authority under the Code, and any successor regulations.

"**TruCor**" has the meaning set forth in the preamble.

"**TruCor Manager**" has the meaning set forth in Section 7.02(a)(i).

"**Withholding Advances**" has the meaning set forth in Section 6.02(b).

Section 1.01 Interpretation. For purposes of this Agreement: (a) the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Agreement as a whole. The definitions given for any defined terms in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. Unless the context otherwise requires, references herein: (x) to Articles, Sections and Exhibits mean the Articles and Sections of, and Exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented or modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Exhibits and Schedules referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

ARTICLE II
ORGANIZATION

Section 1.01 Formation. The Company was formed on February 3, 2022, pursuant to the provisions of the Act, upon the filing of the Certificate with the Secretary of State. The rights, powers, duties, obligations and liabilities of the Members shall be determined pursuant to the Act and this Agreement. To the extent that the rights, powers, duties, obligations and liabilities of any Member are different by reason of any provision of this Agreement than they would be under the Act in the absence of such provision, this Agreement shall, to the extent permitted by the Act, control.

Section 1.02 Name. The name of the Company is "Rigid Core Manufacturing LLC".

Section 1.03 Principal Office. The principal office of the Company is located at 209 Carpet Drive, Atmore, AL 36502, or such other place as may from time to time be determined by the Board. The Board shall give prompt notice of any such change to each of the Members.

Section 1.04 Registered Office; Registered Agent. The registered office of the Company shall be the office of the initial registered agent named in the Certificate or such other office (which need not be a place of business of the Company) as the Board may designate from time to time in the manner provided by the Act and Applicable Law. The registered agent for service of process on the Company in the State of Delaware shall be the initial registered agent named in the Certificate or such other Person or Persons as the Board may designate from time to time in the manner provided by the Act and Applicable Law.

Section 1.05 Purpose; Powers. The purposes of the Company are to engage in (i) the manufacture and production of rigid-core luxury vinyl tile finished products (the "**Business**") and (ii) any and all activities necessary or incidental thereto. The Company shall have all the

powers necessary or convenient to carry out the purposes for which it is formed, including the powers granted by the Act.

Section 1.06 Term. The term of the Company ("**Term**") commenced on the date the Certificate was filed with the Secretary of State and shall continue in existence perpetually until the Company is dissolved in accordance with the provisions of this Agreement.

Section 1.07 No State-Law Partnership. The Members intend that the Company shall not be a partnership (including a limited partnership) or joint venture, and that no Member, Manager or Officer of the Company shall be a partner or joint venturer of any other Member, Manager or Officer of the Company, for any purposes other than income tax status as set forth in Section 11.03.

ARTICLE III
CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS

Section 1.02 Initial Capital Commitment. Each Initial Member hereby commits to make Capital Contributions to the Company in the amounts set forth on Schedule A, attached hereto, as follows: (a) TruCor shall contribute an amount equal to $1,000,000 within five (5) Business Days from the Effective Date; (b) AMI shall contribute an amount equal to $1,000,000 within five (5) Business Days from the Effective Date; and (c) the remaining amounts in equal installments, which, except as otherwise may be specified pursuant to the Business Plan (as defined in the JV Agreement) (in which case the Business Plan terms shall govern) or called by the Board, shall be paid in five equal increments each, on September 1, 2022, October 1, 2022, November 1, 2022, December 1, 2022, and January 1, 2023 (each, an "**Initial Capital Commitment**"), and in exchange for such Initial Capital Commitment, is deemed to own Membership Interests in the Company in the Percentage Interest amount set forth opposite such Member's name on Schedule A attached hereto.

Section 1.03 Additional Capital Contributions. In addition to their Initial Capital Commitments, the Members shall make additional Capital Contributions in cash, in proportion to their respective Percentage Interests, as unanimously determined by the Board from time to time to be reasonably necessary to pay any operating, capital or other expenses relating to the Business (such additional Capital Contributions, the "**Additional Capital Contributions**"). Upon the Board making such determination to call for Additional Capital Contributions, the Board shall deliver to the Members a written notice of the Company's need for Additional Capital Contributions, which notice shall specify in reasonable detail (i) the purpose for such Additional Capital Contributions, (ii) the aggregate amount of such Additional Capital Contributions, (iii) each Member's pro rata share of such aggregate amount of Additional Capital Contributions (based upon such Member's Percentage Interest) and (iv) the date (which date shall not be less than ten (10) Business Days following the date that such notice is given) on which such Additional Capital Contributions shall be required to be made by the Members.

Section 1.04 Failure to Make Additional Capital Contributions.

(a) If any Member shall fail to timely make, or notifies the other Member that it shall not make, all or any portion of any Additional Capital Contribution which such Member is obligated to make under Section 3.02, then such Member shall be deemed to be a "**Non-Contributing Member**." A Member that is not in default of its obligations under Section 3.01 or Section 3.02 (a "**Contributing Member**") shall be entitled, but not obligated, to loan to the Non-Contributing Member, by contributing to the Company on its behalf, all or any part of the amount (the "**Default Amount**") that the Non-Contributing Member failed to contribute to the Company (each such loan, a "**Default Loan**"); *provided*, that such Contributing Member shall

have contributed to the Company its pro rata share of the applicable Additional Capital Contribution. Such Default Loan shall be treated as an Additional Capital Contribution by the Non-Contributing Member. Each Default Loan shall bear interest (compounded monthly on the first day of each calendar month) on the unpaid principal amount thereof from time to time remaining from the date advanced until repaid, at the lesser of (i) 8% per annum and (ii) the maximum rate permitted at law (the "**Default Rate**") and shall be recourse debt of the Non-Contributing Member, secured by the Membership Interest of the Non-Contributing Member. Until such time as all Default Loans made to a Non-Contributing Member and all interest thereon have been repaid by such Non-Contributing Member, (x) distributions payable to the Non-Contributing Member pursuant to this Agreement shall be paid to the Contributing Member as and to the extent provided in Section 6.01(b)(i) and (y) any such amounts paid to the Contributing Member shall not be treated as a payment of any principal or interest on any Default Loan nor as an advance on any other distributions to which the Contributing Member may otherwise be entitled. So long as a Default Loan is outstanding, the Non-Contributing Member shall have the right to repay it (together with interest then due and owing) in whole or in part. Upon its repayment in full of a Default Loan made to such Non-Contributing Member, such Non-Contributing Member (so long as it is not otherwise a Non-Contributing Member with respect to any other Additional Capital Contributions) shall cease to be a Non-Contributing Member. Notwithstanding anything herein to the contrary, a Contributing Member may in its sole discretion demand payment of any outstanding Default Loan at any time by delivering a notice to the Non-Contributing Member, at which time such Default Loan and any accrued and unpaid interest thereon shall be immediately due and payable to the Contributing Member.

(b) Any Default Amount that is not funded pursuant to a Default Loan shall bear interest at the Default Rate from the date such Additional Capital Contribution was due until paid in full to the Company by the Non-Contributing Member.

(c) Except as set forth in this Section 3.03 or Section 3.06, neither Member shall be required to make additional Capital Contributions, and no Member shall be required to make loans to the Company.

Section 1.08 Maintenance of Capital Accounts. The Company shall establish and maintain for each Member a separate capital account (a "**Capital Account**") on its books and records in accordance with this Section 3.04. Each Capital Account shall be established and maintained in accordance with the following provisions:

(d) Each Member's Capital Account shall be increased by the amount of:

(i) such Member's Capital Contributions, including such Member's initial Capital Contribution and any Additional Capital Contributions;

(ii) any Net Income or other item of income or gain allocated to such Member pursuant to ARTICLE V; and

(iii) any liabilities of the Company that are assumed by such Member or secured by any property distributed to such Member.

(e) Each Member's Capital Account shall be decreased by:

(i) the cash amount or Book Value of any property distributed to such Member pursuant to ARTICLE VI and Section 12.03(c);

(ii) the amount of any Net Loss or other item of loss or deduction allocated to such Member pursuant to ARTICLE V; and

(iii) the amount of any liabilities of such Member assumed by the Company or that are secured by any property contributed by such Member to the Company.

Section 1.01 Succession Upon Transfer. In the event that any Membership Interest is Transferred in accordance with the terms of this Agreement, the Transferee shall succeed to the Capital Account of the Transferor to the extent it relates to the Transferred Membership Interest and, subject to Section 5.04, shall receive allocations and distributions pursuant to ARTICLE V, ARTICLE VI and ARTICLE XII in respect of such Membership Interest.

Section 1.02 Negative Capital Accounts. In the event that any Member shall have a deficit balance in its Capital Account, such Member shall have no obligation, including during the Term or upon dissolution or liquidation of the Company, to restore such negative balance or make any Capital Contributions to the Company by reason thereof, except as may be required by Applicable Law or in respect of any negative balance resulting from a withdrawal of capital or dissolution in contravention of this Agreement.

Section 1.03 No Withdrawals From Capital Accounts. No Member shall be entitled to withdraw any part of its Capital Account or to receive any distribution from the Company, except as otherwise provided in this Agreement. No Member shall receive any interest, salary, management or service fees, or drawing with respect to its Capital Contributions or its Capital Account, except as otherwise provided in this Agreement or the JV Agreement or any of the Ancillary Agreements. The Capital Accounts are maintained for the sole purpose of allocating items of income, gain, loss and deduction among the Members and shall have no effect on the amount of any distributions to any Members, in liquidation or otherwise.

Section 1.04 Loans From Members. Loans by any Member to the Company shall not be considered Capital Contributions and shall not affect the maintenance of such Member's Capital Account, other than to the extent provided in Section 3.04(a)(iii), if applicable.

Section 1.05 Modifications. The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such Treasury Regulations. If the Board determines that it is prudent to modify the manner in which the Capital Accounts, or any increases or decreases to the Capital Accounts, are computed in order to comply with such Treasury Regulations, the Board may authorize such modifications.

ARTICLE IV
MEMBERS

Section 1.06 Admission of New Members.

(a) New Members may be admitted from time to time in connection with a Transfer of Membership Interests in accordance with this Agreement, subject to compliance with the provisions of ARTICLE IX, and following compliance with the provisions of Section 4.01(b).

(b) In order for any Person not already a Member of the Company to be admitted as a Member, such Person shall have executed and delivered to the Company a written undertaking substantially in the form of the Joinder Agreement. Upon the satisfaction of any other applicable conditions deemed reasonably necessary or desirable by the other Member to effect such admission, such Person shall be admitted as a Member and deemed listed as such on the books and records of the Company. The Board shall also adjust the Capital Accounts of the Members as necessary in accordance with Section 3.05.

(c) Any Member who proposes to Transfer its Membership Interest (or any portion thereof) shall (i) be responsible for the payment of expenses incurred by such Member in connection with such Transfer, whether or not consummated, and (ii) except in connection with a Transfer pursuant to Section 9.03 or Section 10.02, reimburse the Company and the other Member for all reasonable expenses (including reasonable attorneys' fees and expenses) incurred by or on behalf of the Company or such other Member in connection with such proposed Transfer, whether or not consummated.

Section 1.07 No Personal Liability. Except as otherwise provided in the Act or by Applicable Law, no Member will be obligated personally for any debt, obligation or liability of the Company or other Member, whether arising in contract, tort or otherwise, solely by reason of being a Member.

Section 1.08 No Withdrawal. So long as a Member continues to hold any Membership Interest, such Member shall not have the ability to withdraw or resign as a Member prior to the dissolution and winding up of the Company and any such withdrawal or resignation or attempted withdrawal or resignation by a Member prior to the dissolution or winding up of the Company shall be null and void. As soon as any Person who is a Member ceases to hold any Membership Interests, such Person shall no longer be a Member. A Member shall not cease to be a Member solely as a result of the Bankruptcy of such Member or as a result of any other events specified in the Act.

Section 1.09 No Interest in Company Property. No real or personal property of the Company shall be deemed to be owned by any Member individually, but shall be owned by, and title shall be vested solely in, the Company. Without limiting the foregoing, each Member hereby irrevocably waives during the term of the Company any right that such Member may have to maintain any action for partition with respect to the property of the Company.

ARTICLE V
ALLOCATIONS

Section 1.010 Allocation of Net Income and Net Loss. For each Fiscal Year (or portion thereof), after giving effect to the special allocations set forth in Section 5.02, Net Income and Net Loss of the Company shall be allocated among the Members pro rata in accordance with their respective Percentage Interests.

Section 1.011 Regulatory and Special Allocations. Notwithstanding the provisions of Section 5.01:

(a) If there is a net decrease in Company Minimum Gain (determined according to Treasury Regulations Section 1.704-2(d)(1)) during any Fiscal Year, each Member shall be specially allocated Net Income for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Treasury Regulations Section 1.704-2(g). The items to be so allocated shall be determined in accordance with Treasury Regulations Sections 1.704-2(f)(6) and 1.704-2(j)(2). This Section 5.02 is intended to comply with the "minimum gain chargeback" requirement in Treasury Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

(b) Member Nonrecourse Deductions shall be allocated in the manner required by Treasury Regulations Section 1.704-2(i). Except as otherwise provided in Treasury Regulations Section 1.704-2(i)(4), if there is a net decrease in Member Nonrecourse Debt Minimum Gain during any Fiscal Year, each Member that has a share of such Member Nonrecourse Debt

Minimum Gain shall be specially allocated Net Income for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to that Member's share of the net decrease in Member Nonrecourse Debt Minimum Gain. Items to be allocated pursuant to this paragraph shall be determined in accordance with Treasury Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2). This Section 5.02(b) is intended to comply with the "minimum gain chargeback" requirements in Treasury Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(c) Nonrecourse Deductions shall be allocated to the Members in accordance with their Membership Interests.

(d) In the event any Member unexpectedly receives any adjustments, allocations or distributions described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), Net Income shall be specially allocated to such Member in an amount and manner sufficient to eliminate the Adjusted Capital Account Deficit created by such adjustments, allocations or distributions as quickly as possible. This Section 5.02(d) is intended to comply with the qualified income offset requirement in Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(e) The allocations set forth in paragraphs (a), (b), (c) and (d) above (the "**Regulatory Allocations**") are intended to comply with certain requirements of the Treasury Regulations under Code Section 704. Notwithstanding any other provisions of this ARTICLE V (other than the Regulatory Allocations), the Regulatory Allocations shall be taken into account in allocating Net Income and Net Losses among Members so that, to the extent possible, the net amount of such allocations of Net Income and Net Losses and other items and the Regulatory Allocations to each Member shall be equal to the net amount that would have been allocated to such Member if the Regulatory Allocations had not occurred.

Section 1.012 Tax Allocations.

(a) Subject to Section 5.03(b), Section 5.03(c) and Section 5.03(d), all income, gains, losses and deductions of the Company shall be allocated, for federal, state and local income tax purposes, among the Members in accordance with the allocation of such income, gains, losses and deductions pursuant to Section 5.01 and Section 5.02, except that if any such allocation for tax purposes is not permitted by the Code or other Applicable Law, the Company's subsequent income, gains, losses and deductions shall be allocated among the Members for tax purposes, to the extent permitted by the Code and other Applicable Law, so as to reflect as nearly as possible the allocation set forth in Section 5.01 and Section 5.02.

(b) Items of Company taxable income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall be allocated among the Members in accordance with Code Section 704(c) and the method permitted under Treasury Regulations Section 1.704-3(c) as determined by the Board, so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its Book Value.

(c) If the Book Value of any Company asset is adjusted pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(f) as provided in clause (c) of the definition of Book Value in Section 1.01, subsequent allocations of items of taxable income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Book Value in the same manner as under Code Section 704(c).

(d) Allocations of tax credit, tax credit recapture and any items related thereto shall be allocated to the Members according to their interests in such items as determined by the Board, taking into account the principles of Treasury Regulations Section 1.704-1(b)(4)(ii).

(e) Allocations pursuant to this Section 5.03 are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Net Income, Net Losses, distributions or other items pursuant to any provisions of this Agreement.

Section 1.013 Allocations in Respect of Transferred Membership Interests. In the event of a Transfer of a Membership Interest during any Fiscal Year made in compliance with the provisions of ARTICLE IX, Net Income, Net Losses and other items of income, gain, loss and deduction of the Company attributable to such Membership Interest for such Fiscal Year shall be determined using the interim closing of the books method.

ARTICLE VI
DISTRIBUTIONS

Section 1.014 General.

(f) Not less frequently than quarterly, fifty percent (50%) of Available Cash Flow of the Company shall be distributed fifty percent (50%) to TruCor and fifty percent (50%) to AMI, and any Available Cash Flow not so distributed shall be distributed to the Members when and as determined by the Board, fifty percent (50%) to TruCor and fifty percent (50%) to AMI.

(g) Notwithstanding anything herein to the contrary:

(i) If a Member has an outstanding Default Loan due to another Member, any amount that otherwise would be distributed to such Member pursuant to Section 6.01 or ARTICLE XII shall not be paid to such Member but shall be deemed distributed to such Member and paid on behalf of such Member to the other Member that funded such Default Loan in accordance with Section 3.02.

(ii) If a Member has an unpaid Additional Capital Contribution that has not been funded pursuant to a Default Loan, any amount that otherwise would be distributed to such Member pursuant to Section 6.01 or ARTICLE XII (up to the amount of such unpaid Additional Capital Contribution, together with accrued interest thereon in accordance with Section 3.03(b)) shall not be paid to such Member but shall be deemed distributed to such Member and repaid to the Company (which payment shall first be applied to pay any accrued interest on such Additional Capital Contribution and thereafter to reduce the amount of the unpaid Additional Capital Contribution).

(a) Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make any distribution to the Members if such distribution would violate the Act or other Applicable Law or if such distribution is prohibited by the Company's then-applicable debt-financing agreements.

Section 1.015 Tax Withholding; Withholding Advances.

(h) Each Member agrees to furnish the Company with any representations and forms as shall be reasonably requested by the Board and required by Applicable Law to assist it in determining the extent of, and in fulfilling, any withholding obligations it may have.

(i) The Company is hereby authorized at all times to make payments ("**Withholding Advances**") with respect to each Member in amounts required to discharge any obligation of the Company (as determined by the Board based on the advice of legal or tax counsel to the Company) to withhold or make payments to any federal, state, local or foreign taxing authority (a "**Taxing Authority**") with respect to any distribution or allocation by the Company of income or gain to such Member and to withhold the same from distributions to such Member. Any funds withheld from a distribution by reason of this Section 6.02(b) shall nonetheless be deemed distributed to the Member in question for all purposes under this Agreement.

(j) Any Withholding Advance made by the Company to a Taxing Authority on behalf of a Member and not simultaneously withheld from a distribution to that Member shall, with interest thereon accruing from the date of payment at a rate equal to the prime rate published in the *Wall Street Journal* on the date of payment plus two percent (2.0%) per annum (the "**Company Interest Rate**"):

(i) be promptly repaid to the Company by the Member on whose behalf the Withholding Advance was made (which repayment by the Member shall not constitute a Capital Contribution, but shall credit the Member's Capital Account if the Board shall have initially charged the amount of the Withholding Advance to the Capital Account); or

(ii) with the consent of the Board (not including, for purposes of such vote any Managers appointed by the Member on whose behalf the Withholding Advance has been made), be repaid by reducing the amount of the next succeeding distribution or distributions to be made to such Member (which reduction amount shall be deemed to have been distributed to the Member, but which shall not further reduce the Member's Capital Account if the Board shall have initially charged the amount of the Withholding Advance to the Capital Account).

(a) Interest shall cease to accrue from the time the Member on whose behalf the Withholding Advance was made repays such Withholding Advance (and all accrued interest) by either method of repayment described above.

(b) Each Member hereby agrees to indemnify and hold harmless the Company and the other Members from and against any liability of the Company or such other Members with respect to taxes, interest or penalties that may be asserted by reason of the Company's failure to deduct and withhold tax on amounts distributable or allocable to such Member. The provisions of this Section 6.02(e) and the obligations of a Member pursuant to Section 6.02(c) shall survive the termination, dissolution, liquidation and winding up of the Company and the withdrawal of such Member from the Company or Transfer of all or any portion of its Membership Interest. The Company may pursue and enforce all rights and remedies it may have against each Member under this Section 6.02, including bringing a lawsuit to collect repayment with interest of any Withholding Advances.

(c) Neither the Company, nor any Manager shall be liable for any excess taxes withheld in respect of any distribution or allocation of income or gain to a Member. In the event of an overwithholding, a Member's sole recourse shall be to apply for a refund from the appropriate Taxing Authority.

Section 1.016 Distributions in Kind. No Member has the right to demand or receive property other than cash in payment for its share of any distribution made in accordance with this

Agreement. Except as set out in Section 12.03(c)(iii), non-cash distributions are not permitted without the unanimous consent of the Board.

ARTICLE VII
MANAGEMENT

Section 1.017 Establishment of the Board. A board of managers of the Company (the "**Board**") is hereby established and shall be comprised of natural Persons (each such Person, a "**Manager**") who shall be appointed in accordance with the provisions of Section 7.02. The business and affairs of the Company shall be managed, operated and controlled by or under the direction of the Board, and the Board shall have, and is hereby granted, the full, complete and exclusive power, authority and discretion for, on behalf of and in the name of the Company, to take such actions as it may in its sole discretion deem necessary or advisable to carry out any and all of the objectives and purposes of the Company, subject only to the terms of this Agreement. No Manager, acting in his capacity as such, shall have any authority to bind the Company with respect to any matter except pursuant to a resolution authorizing such action that is duly adopted by the Board by the affirmative vote required with respect to such matter pursuant to this Agreement. Except as expressly provided herein, in the JV Agreement or by Applicable Law, no Member, in its capacity as a Member, shall have any power or authority over the business and affairs of the Company or any power or authority to act for or on behalf of, or to bind, the Company.

Section 1.018 Board Composition.

(f) The Company and the Members shall take such actions as may be required to ensure that the number of Managers constituting the Board is at all times four (4). The Board shall be comprised as follows:

(i) Two (2) individuals designated by TruCor (each, a "**TruCor Manager**"), who shall initially be Daniel K. Frierson Sr. and D. Kennedy Frierson Jr.; and

(ii) Two (2) individuals designated by AMI (each, an "**AMI Manager**").

(a) At all times, the composition of any board of directors or board of managers of any Subsidiary of the Company shall be the same as that of the Board. Unless otherwise determined by the Board, the quorum, removal rights, meeting procedures and voting requirements set forth in this ARTICLE VII with respect to the Board shall apply *mutatis mutandis* to Subsidiaries of the Company and the boards of directors, boards of managers or similar governing bodies of such Subsidiaries.

Section 1.019 Removal; Resignation; Vacancies.

(d) Each Member may remove any Manager appointed by it at any time with or without cause, effective upon written notice to the other Member and the Chairperson. No Manager may be removed except in accordance with this Section 7.03(a).

(e) A Manager may resign at any time from the Board by delivering his written resignation to the Chairperson. Any such resignation shall be effective upon receipt thereof unless it is specified to be effective at some other time or upon the occurrence of some other event. The Board's or Company's acceptance of a resignation shall not be necessary to make it effective.

(f) Any vacancy on the Board resulting from the resignation, removal, death or disability of a Manager shall be filled by the same Member that appointed such Manager pursuant to Section 7.02(a) with a Qualified Replacement, with such appointment to become effective immediately upon delivery of written notice of such appointment to the other Member and the Chairperson.

(g) The Board shall maintain a schedule of all Managers with their respective mailing addresses (the "**Managers Schedule**"), and shall update the Managers Schedule upon the appointment, removal or replacement of any Manager in accordance with Section 7.02 or this Section 7.03.

(h) Each party hereto shall take all necessary action to carry out fully the provisions of Section 7.02 and the foregoing provisions of this Section 7.03 to ensure that the Board and the board of directors or other governing body of any Subsidiary consists of the Managers that are duly appointed in accordance with such sections.

Section 1.020 Meetings.

(b) Regular meetings of the Board shall, unless otherwise agreed by the Board, be held on at least a quarterly basis on such dates and at such times as shall be determined by the Board. Special meetings of the Board may be called at any time at the written request of any Manager who makes such request in good faith. Meetings of the Board may be held either in person at the executive office of the Company or by telephone or video conference or other communication device that permits all Managers participating in the meeting to hear each other.

(c) The Chairperson shall provide written notice of each regular meeting of the Board stating the place, date and time of the meeting and a proposed agenda of the business to be transacted thereat, together with any relevant supporting material sufficient to inform the Managers of such business, to each Manager by electronic mail no less than five (5) Business Days before the date of such meeting; *provided, however*, that the business to be transacted at any regular meeting shall not be limited to the matters set forth on any agenda circulated prior to the meeting.

(d) A Manager calling a special meeting shall provide written notice of the special meeting of the Board stating the place, date and time of the meeting and a proposed agenda of the business to be transacted thereat, together with any relevant supporting material sufficient to inform the Managers of such business, to each Manager by electronic mail no less than five (5) Business Days before the date of such meeting; *provided* that, in the case of a special meeting, the Chairperson or the Manager requesting the meeting may reduce the advance notice period to not less than twenty-four (24) hours if he determines, acting reasonably and in good faith, that it is necessary and in the best interests of the Company for the Board to take action. The business to be transacted at any special meeting shall, unless otherwise agreed unanimously by the Managers present at such meeting, be limited to the matters set forth on the agenda last circulated prior to the meeting.

(e) Notice of any meeting may be waived in writing by any Manager. Presence at a meeting shall constitute waiver of any deficiency of notice under Section 7.04(b) or Section 7.04(c), except when a Manager attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not called or convened in accordance with this Agreement and does not otherwise attend the meeting.

(f) The decisions and resolutions of the Board shall be recorded in minutes prepared by the Chairperson (or such other Person as may be designated by the Board from time to time), which shall state the date, time and place of the meeting (or the date of any written consent in

lieu of a meeting), the Managers present at the meeting, the resolutions put to a vote (or the subject of a written consent) and the results of such voting or written consent. The Chairperson (or such other Person as may be designated by the Board) shall circulate a draft of the minutes of each meeting to the Managers within ten (10) Business Days following the date of such meeting. The minutes shall be entered in a minute book kept at the principal office of the Company.

Section 1.021 Quorum; Manner of Acting.

(b) The presence of at least (i) one (1) TruCor Manager and (ii) one (1) AMI Manager shall constitute a quorum; *provided, however*, that if a Member is a Defaulting Member, then the presence of such Member's Managers shall not be required to achieve a quorum; provided, further, that with respect to any Major Decision, attendance of both TruCor Managers and both AMI Managers is required at such meeting for the approval of any Major Decisions.

(c) Any Manager may participate in a meeting of the Board by telephone or video conference or other communications device that permits all Managers participating in the meeting to hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting. A Manager may vote or be present at a meeting either in person or by proxy in accordance with Section 7.05(d).

(d) Each Manager shall have one vote on all matters submitted to the Board; *provided, however*, that, notwithstanding anything herein to the contrary and without limitation of any other rights or remedies that may be available, if and for so long as one of the Members (but not both) is a Defaulting Member, all decisions of the Board, except for the approval of any Major Decisions, will be made solely by the Managers appointed by the Member that is not a Defaulting Member. Except as otherwise set forth in this Agreement, the unanimous affirmative vote of the Managers in attendance at any meeting of the Board at which a quorum is present shall be required to authorize any action by the Board and shall constitute the action of the Board for all purposes.

(e) Each Manager may authorize another individual (who may or may not be a Manager, but who shall be an officer or employee of the Member that appointed such Manager or an Affiliate of such Member) to act for such Manager by proxy at any meeting of the Board, or to express consent or dissent to a Company action in writing without a meeting. Any such proxy may be granted in writing, by Electronic Transmission or as otherwise permitted by Applicable Law.

Section 1.022 Major Decisions. Notwithstanding anything herein to the contrary, and for the avoidance of doubt, the Company shall not, and shall not enter into any commitment to (and the Board shall not authorize the Company to), either directly or indirectly by amendment, merger, consolidation, recapitalization, reclassification, or otherwise, or through any direct or indirect Subsidiary, do any of the following without the unanimous affirmative vote or approval of all four Managers on the Board (each a "**Major Decision**"):

(g) amend, modify or waive the Certificate or this Agreement other than as provided in Section 13.09;

(h) make any material change to the nature of the business conducted by the Company or enter into any business other than the Business;

(i) issue any Membership Interests or other equity interests or any securities convertible into or exercisable for any Membership Interests or other equity interests,

(j) repurchase or redeem any Membership Interest or other equity interests;

(k) admit additional Members (other than in accordance with Section 4.01 and Section 9.02);

(l) make a determination to call Additional Capital Contributions pursuant to Section 3.02;

(m) approve the Budget for any Fiscal Year or any amendment, modification or supplement thereto or authorize or incur expenses (other than costs directly related to raw material costs) by an amount in excess of 120% of the corresponding amounts set forth in the then-current Budget (and pending resolution such amount shall be set at 110% of the corresponding amounts set forth in the then-current Budget);

(n) incur any indebtedness, pledge or grant liens on any assets or guarantee, assume, endorse or otherwise become responsible for the obligations of any other Person in excess of $100,000.00 in a single transaction or series of related transactions, or in excess of $1,000,000.00 in the aggregate at any time outstanding;

(o) make any loan, advance, capital contribution or other investment in or to any Person, other than (x) to the extent approved or authorized the Budget then in effect or (y) loans, including relocation or travel advances, to Officers and employees for amounts incurred in the ordinary course of business;

(p) enter into or effect any transaction or series of related transactions involving the purchase, lease, license, exchange or other acquisition (including by merger, consolidation, acquisition of stock or acquisition of assets) of any assets and/or equity interests of any Person by the Company or any Subsidiary, other than (1) as set forth in the then-current Budget or (2) in the ordinary course of business consistent with past practice in an amount not in excess of $500,000.00;

(q) enter into or effect any transaction or series of related transactions involving the sale, assignment, lease, license, exchange or other disposition (including by merger, consolidation, acquisition of stock or acquisition of assets) of any assets and/or equity interests of the Company or any Subsidiary to any Person, other than (1) as set forth in the then-current Budget or (2) in the ordinary course of business consistent with past practice in an amount not in excess of $500,000.00;

(r) establish a Subsidiary or enter into any joint venture or similar business arrangement;

(s) settle any lawsuit, action, arbitration, dispute or other proceeding or assume any liability, in each case with a value in excess of $100,000.00 or agree to the provision of any equitable relief, or initiate any lawsuit, action or arbitration in each case with an amount in controversy in excess of $100,000.00 or seeking any equitable relief;

(t) initiate or consummate an initial public offering or make a public offering and sale of any membership interests or any other securities of the Company, any successor entity or any Subsidiary;

(u) appoint or remove the Company's auditors or make any changes in the accounting methods or policies of the Company (other than as required by GAAP);

(v) except as expressly provided in this Agreement or the JV Agreement, enter into, amend in any material respect, waive, supplement or terminate (other than pursuant to its terms) any Related-Party Agreement including the JV Agreement;

(w) hire, terminate or change any material compensation policies applicable to any Officer (including, without limitation, the President, Plant Manager or Controller), or enter into any material agreement with respect to such Officer's employment, severance, consultancy or other service to the Company or any Subsidiary;

(x) enter into or amend any collective bargaining agreement with any employees of the Company or of any Subsidiary;

(y) approve any merger, consolidation or combination with or into any other Person;

(z) change the tax status of the Company from that of a partnership;

(aa) initiate a bankruptcy proceeding (or consent to any involuntary bankruptcy proceeding), or, other than as contemplated by Article XII, dissolve, liquidate or wind-up the Company or any Subsidiary; or

(ab) establish or amend the Service Fees (as defined therein) or other pricing terms under the Administrative Services Agreement or the Technical Services Agreement.

Section 1.023 Action By Written Consent. Any action of the Board may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed unanimously by all the Managers. Such consent shall have the same force and effect as a vote at a meeting where a quorum was present and may be stated as such in any document or instrument filed with the Secretary of State.

Section 1.024 Compensation; No Employment. Each Manager shall serve without compensation in his capacity as such. Each Manager shall be entitled to reimbursement from the Company for his reasonable and necessary out-of-pocket expenses incurred in the performance of his duties as a Manager, pursuant to such policies as may from time to time be established by the Board. This Agreement does not, and is not intended to, confer upon any Manager any rights with respect to employment by the Company, and nothing herein shall be construed to have created any employment agreement or relationship with any Manager.

Section 1.025 Chairperson of the Board. One Manager shall be designated in accordance with this Section 7.09 to serve as chairperson of the Board ("**Chairperson**"). The Chairperson shall preside at all meetings of the Board at which he is present, subject to the ultimate authority of the Board to appoint an alternate presiding chairperson (who shall, unless otherwise determined by unanimous agreement of the Managers, be a Manager appointed by the same Member as the then-serving Chairperson) at any meeting. During the first twelve-month period following the date hereof, the Chairperson shall be an AMI Manager designated by AMI. During the second twelve-month period following the date hereof, the Chairperson shall be a TruCor Manager designated by TruCor. Thereafter, the Chairperson shall rotate in successive twelve-month periods between an AMI Manager and a TruCor Manager, in each case designated by the Member that designated such Manager. A Manager shall not be considered to be an officer of the Company by virtue of holding the position of Chairperson and, except as expressly provided herein, shall not have any rights or powers different from any other Manager other than with respect to any procedural matters to the extent delegated by unanimous agreement of the Managers or as expressly set forth in this Agreement; *provided, however*, that any procedural rights or powers granted to the Chairperson shall not be in derogation of any rights or powers granted by this Agreement to any Manager.

Section 1.10 Officers. The Board shall appoint as officers of the Company a President, a Plant Manager and a Controller, and the Board may appoint other individuals as additional officers of the Company (the "**Officers**") as it deems necessary or desirable to carry on the

business of the Company and the Board may delegate to such Officers such powers and authorities as the Board deems advisable. No Officer need be a Member or Manager; provided that the President shall be one of the Managers, and shall alternate on an annual basis as a designee of AMI and TruCor, with the first President being designated by TruCor and serving during the first twelve-month period following the date hereof. Any individual may hold two or more offices of the Company, provided that the President and the Plant Manager shall not be the same person. Each Officer shall hold office until his successor is designated by the Board or until his earlier death, resignation or removal. Any Officer may resign at any time on written notice to the Board. Any Officer may be removed by the Board with or without cause at any time. A vacancy in any office occurring because of death, resignation, removal or otherwise, may, but need not, be filled by the Board.

Section 1.11 No Personal Liability. Except as otherwise provided in the Act or by Applicable Law, no Manager will be obligated personally for any debt, obligation, or liability of the Company, whether arising in contract, tort or otherwise, solely by reason of being a Manager.

Section 1.12 Budget.

(a) The initial Business Plan (as defined in the JV Agreement) and annual budget for the Company through the Fiscal Year ending 2024 (the "**Initial Budget**"), shall be approved by the Board within sixty (60) days of the date hereof. The Board shall operate the Company in accordance with the Initial Budget, as it may be updated, modified or replaced in accordance with Section 7.12(b) (the "**Budget**").

(b) At least thirty (30) days before the beginning of each Fiscal Year (commencing with the Fiscal Year ending 2024), the President, Plant Manager and Controller shall jointly prepare and submit to the Board proposed revisions to the Budget for such upcoming Fiscal Year. The Company shall operate in accordance with the existing Budget until a revised Budget is approved by the Board.

Section 1.1 Other Activities; Business Opportunities. Nothing contained in this Agreement shall prevent any Member or any of its Affiliates from engaging in and exploiting for its own account and benefit any activities or businesses, regardless of whether those activities or businesses are similar to or competitive with the Business. None of the Members nor any of their Affiliates shall be obligated to account to the Company or to the other Member for any profits or income earned or derived from other such activities or businesses. None of the Members nor any of their Affiliates shall be obligated to inform the Company or the other Member of any business opportunity of any type or description, even if such opportunity is of a character that, if presented to the Company, could be taken as or considered a business opportunity of the Company.

Section 1.2 Claims Under JV Agreement. Notwithstanding anything herein to the contrary, in the event of a breach or alleged breach by a Member or its Affiliate of an obligation owed the Company under the JV Agreement, the other Member, so long as it is not a Defaulting Member, shall be entitled to assert a claim for and enforce, at the Company's reasonable expense, such obligation on behalf of the Company and may pursue on behalf of the Company all remedies available to it in respect of such breach. The Company shall cooperate and comply with any reasonable instructions received from the Member enforcing the rights of the Company in connection with any of the foregoing actions. The Member exercising any rights pursuant to this Section 7.14 agrees to promptly reimburse the Company for any expenses advanced by it to such Member or incurred by the Company in connection with such claim if it is not successful.

ARTICLE VIII
EXCULPATION AND INDEMNIFICATION

Section 1.01 Exculpation of Covered Persons.

(a) As used herein, the term "**Covered Person**" shall mean (i) each Member; (ii) each officer, director, limited liability company manager, controlling shareholder, partner, member, Affiliate, employee, agent or representative of each Member, and each of their Affiliates; and (iii) each Manager of the Company.

(b) No Covered Person shall be liable to the Company, any Member or any Affiliate of a Member for any loss, damage or claim incurred by reason of any action taken or omitted to be taken by such Covered Person in his or its capacity as a Covered Person, so long as such action or omission does not constitute fraud, gross negligence, willful misconduct or a breach or violation of this Agreement or the JV Agreement by such Covered Person.

(c) A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements (including financial statements and information, opinions, reports or statements as to the value or amount of the assets, liabilities, Net Income or Net Losses of the Company or any facts pertinent to the existence and amount of assets from which distributions might properly be paid) of the following Persons or groups: (i) a Manager; (ii) one or more Officers or employees of the Company; (iii) any attorney, independent accountant, appraiser or other expert or professional employed or engaged by or on behalf of the Company; or (iv) any other Person selected in good faith by or on behalf of the Company, in each case as to matters that such relying Person reasonably believes to be within such other Person's professional or expert competence. The preceding sentence shall in no way limit any Person's right to rely on information to the extent provided in the Act.

Section 1.01 Liabilities and Duties of Covered Persons.

(d) This Agreement is not intended to, and does not, create or impose any fiduciary duty on any Covered Person. Furthermore, each of the Members and the Company hereby waives any and all fiduciary duties that, absent such waiver, may be implied by Applicable Law, and in doing so, acknowledges and agrees that the duties and obligations of each Covered Person to each other and to the Company are only as expressly set forth in this Agreement, the JV Agreement and the Ancillary Agreements. The provisions of this Agreement, to the extent that they restrict the duties and liabilities of a Covered Person otherwise existing at law or in equity, are agreed by the Members to replace such other duties and liabilities of such Covered Person.

(e) Whenever in this Agreement a Covered Person is permitted or required to make a decision (including a decision that is in such Covered Person's "discretion" or under a grant of similar authority or latitude), such Covered Person shall be entitled to consider only such interests and factors as such Covered Person desires, including its own interests (or, in the case of a Manager, the interests of the Member that appointed such Manager or such Member's Affiliates), and shall have no duty or obligation under this Agreement, the JV Agreement or any of the Ancillary Agreements to give any consideration to any interest of or factors affecting the Company, any of the Members or any other Person. Whenever in this Agreement a Covered Person is permitted or required to make a decision in such Covered Person's "good faith," the Covered Person shall act under such express standard and shall not be subject to any other or different standard imposed by this Agreement or any other Applicable Law.

Section 1.02 Indemnification.

(f) To the fullest extent permitted by the Act, as the same now exists or may hereafter be amended, substituted or replaced (but, in the case of any such amendment, substitution or replacement, only to the extent that such amendment, substitution or replacement permits the Company to provide broader indemnification rights than the Act permitted the Company to

provide prior to such amendment, substitution or replacement), the Company shall indemnify, hold harmless, defend, pay and reimburse any Covered Person against any and all losses, claims, damages, judgments, fines or liabilities, including reasonable legal fees or other expenses incurred in investigating or defending against such losses, claims, damages, judgments, fines or liabilities, and any amounts expended in settlement of any claims (other than in connection with any claims brought by (A) a Member or its Affiliate against another Member or its Affiliate or (B) the Company) (collectively, "**Losses**") to which such Covered Person may become subject by reason of:

(i) any act or omission or alleged act or omission performed or omitted to be performed on behalf of the Company in connection with the Business of the Company; or

(ii) such Covered Person being or acting in connection with the Business of the Company as a Member, an Affiliate of a Member, a Manager or an Officer, or that such Covered Person is or was serving at the request of the Company as a member, manager, partner, director, officer, employee or agent of any other Person;

provided, that (x) such Covered Person acted in good faith and in a manner believed by such Covered Person to be in, or not opposed to, the best interests of the Company and within the scope of such Covered Person's authority conferred on him or it by the Company and, with respect to any criminal proceeding, had no reasonable cause to believe his or its conduct was unlawful, and (y) such Covered Person's conduct did not constitute fraud, gross negligence, willful misconduct or a breach or violation of this Agreement or the JV Agreement by such Covered Person. In connection with the foregoing, the termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the Covered Person did not act in good faith or, with respect to any criminal proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful, or that the Covered Person's conduct constituted fraud, gross negligence, willful misconduct or a breach or violation of this Agreement or the JV Agreement by such Covered Person.

(g) The Company shall advance (or as applicable, reimburse) each Covered Person for reasonable legal or other expenses (as incurred) of such Covered Person in connection with investigating, preparing to defend or defending any claim, lawsuit or other proceeding relating to any Losses for which such Covered Person may be indemnified pursuant to this Section 8.03; *provided* that the Company is provided by such Covered Person with (i) a written statement of his/her/its good faith belief that he/she/it has met the standard of conduct that permits indemnification hereunder and under applicable law and (ii) a written undertaking to repay to the Company, without interest, if such Covered Person is found by a court of competent jurisdiction upon entry of a final judgment to have violated the standards for indemnification set forth in the immediately preceding sentence (or if the applicable demand, claim, action, suit or proceeding is otherwise determined to be a claim for which indemnification is not available hereunder), each in such form and substance as the Board shall require; *provided further*, that if it is finally judicially determined that such Covered Person is not entitled to the indemnification provided by this Section 8.03, then such Covered Person shall promptly reimburse the Company for any reimbursed or advanced expenses.

(h) The indemnification provided by this Section 8.03 shall not be deemed exclusive of any other rights to indemnification to which those seeking indemnification may be entitled under any agreement or otherwise. The provisions of this Section 8.03 shall continue to afford protection to each Covered Person regardless of whether such Covered Person remains in the position or capacity pursuant to which such Covered Person became entitled to indemnification under this Section 8.03 and shall inure to the benefit of the executors, administrators, legatees

and distributees of such Covered Person. The Company hereby acknowledges that certain of the Covered Persons who may become entitled to or provided with indemnification from the Company may have or be granted certain rights to indemnification, advancement of costs and/or expenses and/or insurance provided by one or more of the Members and/or one or more of the Affiliates of such Members (collectively, but specifically excluding the Company and except as specified below, the "**Other Indemnitors**"). It is hereby acknowledged and agreed (i) that, as between the Company and the Other Indemnitors, (A) the Company shall be the indemnitor of first resort (i.e., its obligations to such Covered Person shall be primary and any obligation of the Other Indemnitors or any of them to advance costs and/or expenses or to provide indemnification for the same costs, expenses or liabilities incurred by such Covered Person shall be secondary), and (B) if the Company has any obligation to make advances to such Covered Person to cover any costs and/or expenses incurred in defense of or in connection with any demand, claim, action, suit or proceeding against such Covered Person, the Company shall be primarily liable for such costs and/or expenses, without regard to any rights Covered Person may have against any of the Other Indemnitors, and (ii) that the Company irrevocably waives, relinquishes and releases the Other Indemnitors from any and all claims against the Other Indemnitors or any of them for contribution, subrogation or any other recovery of any kind in respect thereof. It is further agreed that no advancement or payment by the Other Indemnitors or any of them to or on behalf of such an Covered Person shall affect the foregoing and the Other Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of such Covered Person against the Company. The Other Indemnitors are express third party beneficiaries of the terms of this Section 8.03(c).

(i) Notwithstanding anything herein to the contrary, nothing in this ARTICLE VIII shall (or shall be construed to) (i) relieve any Member or other Person from any liability or obligation of such Person pursuant to the JV Agreement, or to in any way impair the enforceability of any provision of the JV Agreement against any party thereto or (ii) require the Company to indemnify, hold harmless, defend, pay or reimburse any Covered Person with respect to any Loss to the extent a Member or its Affiliate is required to indemnify, hold harmless, defend, pay or reimburse such Covered Person with respect thereto.

(j) The Company shall purchase and maintain, at its expense and so long as such insurance is commercially available, insurance to cover Losses covered by the foregoing indemnification provisions and to otherwise cover Losses for any breach or alleged breach by any Covered Person of such Covered Person's duties in such amount and with such deductibles as the Board may determine; *provided*, that (i) all Members and Managers shall be treated equally under any such insurance policies and (ii) the failure to obtain such insurance shall not affect the right to indemnification of any Covered Person under the indemnification provisions contained herein, including the right to be reimbursed or advanced expenses or otherwise indemnified for Losses hereunder. If any Covered Person recovers any amounts in respect of any Losses from any insurance coverage, then such Covered Person shall, to the extent that such recovery is duplicative, reimburse the Company for any amounts previously paid to such Covered Person by the Company in respect of such Losses.

(k) Notwithstanding anything contained herein to the contrary, any indemnity by the Company relating to the matters covered in this Section 8.03 shall be provided out of and to the extent of Company assets only, and no Member (unless such Member otherwise agrees in writing) shall have personal liability on account thereof or shall be required to make additional Capital Contributions to help satisfy such indemnity by the Company.

(l) If this Section 8.03 or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless each Covered Person pursuant to this Section 8.03 to the fullest extent permitted by any

applicable portion of this Section 8.03 that shall not have been invalidated and to the fullest extent permitted by Applicable Law.

(m) The provisions of this Section 8.03 shall be a contract between the Company, on the one hand, and each Covered Person who served in such capacity at any time while this Section 8.03 is in effect, on the other hand, pursuant to which the Company and each such Covered Person intend to be legally bound. No amendment, modification or repeal of this Section 8.03 that adversely affects the rights of a Covered Person to indemnification for Losses incurred or relating to a state of facts existing prior to such amendment, modification or repeal shall apply in such a way as to eliminate or reduce such Covered Person's entitlement to indemnification for such Losses without the Covered Person's prior written consent.

Section 1.03 Survival. The provisions of this ARTICLE VIII shall survive the dissolution, liquidation, winding up and termination of the Company.

ARTICLE IX
TRANSFER

Section 1.02 Restrictions on Transfer.

(a) Except as otherwise provided in this ARTICLE IX or Section 10.02, no Member shall Transfer all or any portion of its Membership Interest without the written consent of the Board. No Transfer of Membership Interests to a Person not already a Member of the Company shall be deemed completed until the prospective Transferee is admitted as a Member of the Company in accordance with Section 4.01(b).

(b) Notwithstanding any other provision of this Agreement (including Section 9.02), each Member agrees that it will not Transfer all or any portion of its Membership Interest, and the Company agrees that it shall not issue any Membership Interests:

(i) except as permitted under the Securities Act and other applicable federal or state securities or blue sky laws, and then, with respect to a Transfer of Membership Interests, only upon delivery to the Company of an opinion of counsel in form and substance satisfactory to the Company to the effect that such Transfer may be effected without registration under the Securities Act;

(ii) if such Transfer or issuance would cause the Company to be considered a "publicly traded partnership" under Section 7704(b) of the Code within the meaning of Treasury Regulations Section 1.7704-1(h)(1)(ii), including the look-through rule in Treasury Regulations Section 1.7704-1(h)(3);

(iii) if such Transfer or issuance would affect the Company's existence or qualification as a limited liability company under the Act;

(iv) if such Transfer or issuance would cause the Company to be required to register as an investment company under the Investment Company Act of 1940; or

(v) if such Transfer or issuance would cause the assets of the Company to be deemed "Plan Assets" as defined under the Employee Retirement Income Security Act of 1974 or its accompanying regulations or result in any "prohibited transaction" thereunder involving the Company.

(c) Any Transfer or attempted Transfer of any Membership Interest in contravention of this Agreement shall be null and void, no such Transfer shall be recorded on the Company's books or otherwise recognized by the Company, and the purported Transferee in any such Transfer shall not be treated as the owner of such Membership Interest for any purposes of this Agreement or have any rights as a Member (and the purported Transferor shall continue to be treated as the owner of such Membership Interest and as a Member).

(d) For the avoidance of doubt, any Transfer of a Membership Interest permitted by this Agreement shall be deemed a sale, transfer, assignment or other disposal of such Membership Interest in its entirety as intended by the parties to such Transfer, and shall not be deemed a sale, transfer, assignment or other disposal of any less than all of the rights and benefits described in the definition of the term "Membership Interest," unless otherwise explicitly agreed to by the parties to such Transfer.

Section 1.01 Permitted Transfers. The provisions of Section 9.01(a) shall not apply to any Transfer by a Member (a "**Transferring Member**") of all of its Membership Interest to an Affiliate of such Transferring Member that is wholly-owned, directly or indirectly, by the ultimate parent of such Transferring Member; *provided that* (a) such Transferring Member shall have guaranteed in a writing delivered to the Company and the other Member the performance by the Transferee of all of such Transferring Member's obligations under this Agreement and all of its and its Affiliates' obligations under the JV Agreement to which such Transferring Member or its Affiliate is a party; (b) such Transferring Member has fully funded the entire amount of its Initial Capital Commitment and is not a Defaulting Member and (c) if at any time such Transferee ceases to be an Affiliate of such Transferring Member that is wholly-owned, directly or indirectly, by the ultimate parent of such Transferring Member, the Company, such Transferring Member and such Transferee shall take such action as is necessary to cause there to be an immediate and unconditional reconveyance of the Membership Interest to either (in the sole discretion of such Transferring Member) such Transferring Member, the ultimate parent of such Transferring Member or any wholly-owned Affiliate of such ultimate parent entity of the Transferring Member.

Section 1.02 Deadlock.

(e) If the Board is unable to agree by the required vote on any matter that constitutes a Major Decision and such disagreement continues for thirty (30) days, or, in the case of the Major Decisions specified in clauses (d), (e), (f), (s), (t) and (u) of Section 7.06, fifteen (15) days) (or, if mutually agreed by the Members, a longer period of time) despite good-faith deliberations, then either Member, so long as it is not a Defaulting Member, may submit such disagreement to Mediation pursuant to Section 13.12; provided that any Member shall be entitled to declare a "**Deadlock**" at any point following completion of the Mediation, and such Member shall be entitled to exercise the rights set forth in this Section 9.03.

(f) If a Member (other than a Defaulting Member) declares a Deadlock, such Member may exercise its buy-sell right set forth in this Section 9.03(b) (the "**Initiating Member**") by delivering to the other Member (the "**Responding Member**") an unconditional and irrevocable written notice (the "**Buy-Sell Offer Notice**") of such election, which notice shall include (i) a description of the Deadlock and (ii) the purchase price (which shall be payable exclusively in cash (unless otherwise agreed by the Members in their sole discretion)) at which the Initiating Member shall (A) purchase the entire Membership Interest owned by the Responding Member (the "**Buy-Out Price**") or (B) sell its entire Membership Interest to the Responding Member (the "**Sell-Out Price**"); *provided, however*, that the Buy-Out Price and Sell-Out Price shall be the same unless the Members' Percentage Interests are not equal, in which case the difference between the Buy-Out Price and Sell-Out Price shall be solely to give effect to the Members' proportionate ownership of the Company (based on their Percentage

Interests), without giving effect to any minority or other discount or control or other premium based on differences in such interests; *provided, further, however* that the Buy-Sell Purchase Price paid at closing shall be subject to adjustment, if applicable, in accordance with Section 9.03(e).

(g) Within twenty (20) days after the Buy-Sell Offer Notice is received (the "**Buy-Sell Election Date**"), the Responding Member shall deliver to the Initiating Member an unconditional and irrevocable written notice (the "**Response Notice**") stating whether it elects to (i) sell its entire Membership Interest to the Initiating Member for the Buy-Out Price or (ii) buy the entire Membership Interest owned by the Initiating Member for the Sell-Out Price. The failure of the Responding Member to deliver the Response Notice by the Buy-Sell Election Date shall be deemed to be an unconditional and irrevocable election of the Responding Member to sell its entire Membership Interest to the Initiating Member at the Buy-Out Price.

(h) The Member selling its Membership Interest pursuant to this Section 9.03 (the "**Buy-Sell Selling Member**") shall, at the closing of such sale ("**Buy-Sell Closing**"), represent and warrant to the Member purchasing the Buy-Sell Selling Member's Membership Interest (the "**Buy-Sell Purchasing Member**") that (i) the Buy-Sell Selling Member has full right, title and interest in and to such Membership Interest, (ii) the Buy-Sell Selling Member has all necessary power and authority and has taken all necessary action to sell such Membership Interest as contemplated by this Section 9.03, and (iii) such Membership Interest is free and clear of any mortgage, pledge, lien, charge, security interest, claim or other encumbrance ("**Encumbrance**"), other than those arising as a result of or under the terms of this Agreement or as may be released prior to or simultaneously with the consummation of the sale of such Membership Interest.

(i) The Buy-Sell Closing shall take place within thirty (30) days after the Response Notice is delivered or deemed to have been delivered or on any other date as may be mutually agreed on by the Members. The Buy-Sell Purchasing Member shall pay the Buy-Out Price or the Sell-Out Price, as the case may be (the "**Buy-Sell Purchase Price**") at the Buy-Sell Closing by wire transfer of immediately available funds to an account designated in writing by the Buy-Sell Selling Member; *provided* that (i) if the Buy-Sell Selling Member is a Non-Contributing Member, the Buy-Sell Purchase Price shall be decreased by the amount of any unpaid Additional Capital Contribution or Default Loan, including any accrued but unpaid interest thereon, owed by the Buy-Sell Selling Member; and (ii) if the Buy-Sell Selling Member has funded any Default Loan that remains outstanding, it shall be paid in full by the Buy-Sell Purchasing Member, including any accrued but unpaid interest thereon, at the Buy-Sell Closing.

(j) At the Closing, the Buy-Sell Selling Member shall deliver to the Buy-Sell Purchasing Member (i) an assignment of the Membership Interest to be sold to the Buy-Sell Purchasing Member or its assignee pursuant to Section 9.03(i); (ii) the resignation of each of the Managers the Buy-Sell Selling Member appointed to the Board; and (iii) such other deliverables as reasonably requested by the Buy-Sell Purchasing Member.

(k) Without limitation of the other provisions of this Section 9.03, each Member agrees to cooperate and take all actions and execute all documents reasonably necessary or appropriate to reflect the purchase of the Buy-Sell Selling Member's Membership Interest by the Buy-Sell Purchasing Member pursuant to this Section 9.03.

(l) If the Buy-Sell Purchasing Member defaults in any of its material closing obligations, then the Buy-Sell Selling Member shall, in addition to any other remedies that may be available to it, have the option to purchase the Buy-Sell Purchasing Member's entire Membership Interest at a purchase price that is equal to ninety (90%) of the Buy-Sell Purchase Price, as adjusted proportionately solely to reflect any difference in the Members' Percentage Interests, without giving effect to any minority or other discount or control or other premium

based on differences in such interests. If the Buy-Sell Selling Member defaults in its obligation to sell its Membership Interest in accordance with this Section 9.03, the Buy-Sell Purchasing Member shall have the right, in addition to any other remedies that may be available to it, to seek specific performance of the Buy-Sell Selling Member's obligations under this Section 9.03 and the Members expressly agree that the remedy at law of damages for such breach of the Buy-Sell Selling Member's obligations set forth in this Section 9.03 is inadequate in view of the (i) complexities and uncertainties in measuring the actual damage to be sustained by the Buy-Sell Purchasing Member on account of the default by the Buy-Sell Selling Member and (ii) uniqueness of the Business and relationships of the Members.

(m) Notwithstanding anything herein to the contrary, each Member agrees that, to preserve the character of the Company and consummate the purchase of the Buy-Sell Selling Member's entire Membership Interest, the Buy-Sell Purchasing Member may assign its purchase obligation under this Section 9.03 in whole or in part to any Affiliate who, upon the Buy-Sell Closing, shall become a Member, and that such purchase obligation shall be assignable by the Buy-Sell Purchasing Member without the consent of the Buy-Sell Selling Member; *provided* that the Buy-Sell Purchasing Member (i) delivers notice to the Buy-Sell Selling Member of such assignment and of the identity of the assignee prior to the Buy-Sell Closing and (ii) shall be responsible for any failure of such assignee to perform its obligations under this Section 9.03 with respect to such assigned purchase obligation.

(n) During the continuation of any Deadlock and prior to any Buy-Sell Closing, the Company shall continue to operate in a manner consistent with its prior practices and this Agreement.

ARTICLE X
COVENANTS AND AGREEMENTS OF THE MEMBERS

Section 1.01 Related-Party Transactions. The Company shall not and shall not cause or permit any of its Subsidiaries to directly or indirectly enter into, enter into any commitment to enter into, extend, amend in any material respect, waive, supplement, or terminate (other than pursuant to its terms) any Related-Party Agreement other than Related-Party Agreements that are unanimously approved by the Board.

Section 1.02 Member Default. If any Member is a Defaulting Member, the other Member (provided that such other Member is not itself a Defaulting Member) shall have the right to give the Defaulting Member a notice specifically stating: (i) the nature of the default; and (ii) the cure period for the default, which shall be: (A) in the case of a monetary default, five (5) days to pay any amounts specified therein as due and owing to the Company or to any other Member (provided, however, this Section shall not increase any time period to make a Capital Contribution hereunder); and (B) in the case of a nonmonetary default, thirty (30) days to cure such default (each such time period, the "**Cure Period**"). If the amount specified is not paid or the Defaulting Member does not cure such other defaults within the applicable Cure Period, or if such other defaults are not capable of being cured within the Cure Period and the Defaulting Member has not commenced in good faith to cure such defaults within the Cure Period and does not thereafter prosecute to completion with diligence and continuity the curing thereof, the other Member shall have the right, as its sole and exclusive remedies, to, at its sole option:

(a) Purchase the Membership Interest of the Defaulting Member at a price equal to eighty percent (80%) of the lesser of (i) the price paid by the Defaulting Member for its Membership Interest; or (ii) the Fair Market Value of the Defaulting Member's Membership Interest;

(b) Require the Defaulting Member to purchase the non-Defaulting Member's entire Membership Interest for a purchase price equal to one hundred ten percent (110%) of the greater of (i) the price paid by the non-Defaulting Member for its Membership Interest; or (ii) the Fair Market Value of the non-Defaulting Member's Membership Interest;

(c) Force a sale of the Company to a third party on commercially reasonable market terms as reasonably determined by the non-Defaulting Member or the Managers appointed to the Board by the non-Defaulting Member (and, notwithstanding anything herein to the contrary, without regard to any requirement to obtain the approval of the Defaulting Member or Managers appointed to the Board by the Defaulting Member in order to effectuate such sale);

(d) Bring any proceeding in the nature of specific performance, injunction, or other equitable remedy, it being acknowledged by each of the Members that damages at law may be an inadequate remedy for a default or threatened breach of this Agreement; or

(e) Bring any action at law by or on behalf of the Company or the other Members as may be permitted in order to recover actual (but not consequential, indirect, special, or punitive) damages.

Each Member acknowledges and agrees that it would be impracticable or extremely difficult to determine the actual damages incurred by a Member as a result of a Defaulting Member's actions, and that the entitlement of a Member to exercise the remedies described in this Section 10.02 is fair and reasonable.

ARTICLE XI
ACCOUNTING; TAX MATTERS

Section 1.01 Financial Statements. The Company shall furnish to each Member the following reports:

(a) As soon as available, and in any event not later than the Statements Date, consolidated balance sheets of the Company as at the end of each such Fiscal Year and consolidated statements of income, cash flows and Members' equity for such Fiscal Year, in each case setting forth in comparative form the figures for the previous Fiscal Year (the "**Annual Financial Statements**"). Each Member may request that the Annual Financial Statements be audited, and, in such event, such Annual Financial Statements shall be accompanied by the certification of independent certified public accountants of recognized national standing selected by the Board, certifying to the effect that, except as set forth therein, such financial statements have been prepared in accordance with GAAP, applied on a basis consistent with prior years, and fairly present in all material respects the financial condition of the Company as of the dates thereof and the results of their operations and changes in their cash flows and Members' equity for the periods covered thereby. The "**Statements Date**" shall mean: (i) in the case of unaudited annual financial statements, thirty days following the end of each Fiscal Year; and (ii) in the case of audited annual financial statements, sixty days following the end of each Fiscal Year.

(b) As soon as available, and in any event by the first Friday following the end of each quarterly accounting period in each Fiscal Year (other than the last fiscal quarter of the Fiscal Year), unaudited consolidated balance sheets of the Company as at the end of each such fiscal quarter and for the current Fiscal Year to date and unaudited consolidated statements of income, cash flows and Members' equity for such fiscal quarter and for the current Fiscal Year to date, in each case setting forth in comparative form the figures for the corresponding periods of the previous fiscal quarter, all in reasonable detail and all prepared in accordance with GAAP,

consistently applied (subject to normal year-end audit adjustments and the absence of notes thereto), and certified by the principal financial or accounting officer of the Company.

(c) As soon as available, and in any event by the first Friday following the end of each monthly accounting period in each fiscal quarter (other than the last month of the fiscal quarter), unaudited consolidated balance sheets of the Company as at the end of each such monthly period and for the current Fiscal Year to date and unaudited consolidated statements of income, cash flows and Members' equity for each such monthly period and for the current Fiscal Year to date, all in reasonable detail and all prepared in accordance with GAAP, consistently applied (subject to normal year-end audit adjustments and the absence of notes thereto).

Section 1.01 Inspection Rights. Upon reasonable notice from a Member, the Company shall afford such Member and its Representatives access during normal business hours to (i) the Company's property, office, plant and facility; (ii) the corporate, financial and similar records, reports and documents of the Company, including all books and records, minutes of proceedings, internal management documents, reports of operations, reports of adverse developments, copies of any management letters and communications with Members, and to permit each Member and its Representatives to examine such documents and make copies thereof or extracts therefrom; and (iii) any Officers, senior employees and accountants of the Company, and to afford each Member and its Representatives the opportunity to discuss and advise on the affairs, finances and accounts of the Company with such Officers, senior employees and accountants (and the Company hereby authorizes such employees and accountants to discuss with such Member and its Representatives such affairs, finances and accounts); *provided* that (x) the requesting Member shall bear its own expenses and all reasonable expenses incurred by the Company in connection with any inspection or examination requested by such Member pursuant to this Section 11.02 and (y) if the Company provides or makes available any report or written analysis to or for any Member pursuant to this Section 11.02, it shall promptly provide or make available such report or analysis to or for the other Member.

Section 1.02 Income Tax Status. It is the intent of the Company and the Members that the Company shall be treated as a partnership for U.S., federal, state and local income tax purposes. Neither the Company nor any Member shall make an election for the Company to be classified as other than a partnership pursuant to Treasury Regulations Section 301.7701-3.

Section 1.03 Tax Matters Representative.

(d) The Members hereby appoint TruCor as the "partnership representative" as provided in Code Section 6223(a) (the "**Tax Matters Representative**"). The Tax Matters Representative may resign at any time. The Tax Matters Representative may be removed at any time by the Board. In the event of the resignation or removal of the Tax Matters Representative, the Board shall select a replacement. The Tax Matters Representative may appoint any individual in its sole discretion as the sole person authorized to act on behalf of the Tax Matters Representative in any US federal tax audits or proceedings (the "**Designated Individual**"). Any person that the Tax Matters Representative appoints as the Designated Individual shall be treated as, and subject to the requirements and obligations of, the Tax Matters Representative for purposes of this Section. The Tax Matters Representative or Designated Individual can be removed at any time by the Board.

(e) The Tax Matters Representative is authorized to represent the Company in connection with all examinations of the Company's affairs by Taxing Authorities, including resulting administrative and judicial proceedings, and to expend Company funds for professional services and costs associated therewith. The Tax Matters Representative shall promptly notify the Members in writing of the commencement of any tax audit of the Company, upon receipt of a tax assessment and upon the receipt of a notice of final partnership adjustment, and shall keep the

Members reasonably informed of the status of any tax audit and resulting administrative and judicial proceedings. The Tax Matters Representative shall not take any actions in a tax audit or proceeding, including extending the statute of limitations, filing a request for administrative adjustment, filing suit relating to any Company tax refund or deficiency, entering into any settlement agreement relating to items of income, gain, loss or deduction of the Company, or making any elections or other determinations, without the approval of the Board.

(f) Within forty-five (45) days of any notice of final partnership adjustment, the Tax Matters Representative shall cause the Company to elect the alternative procedure under Code Section 6226, and furnish to the Internal Revenue Service and each Member during the year or years to which the notice of final partnership adjustment relates a statement of the Member's share of any adjustment set forth in the notice of final partnership adjustment.

(g) Each Member agrees that such Member shall not treat any Company item inconsistently on such Member's federal, state, foreign or other income tax return with the treatment of the item on the Company's return. Any deficiency for taxes imposed on any Member (including penalties, additions to tax or interest imposed with respect to such taxes and any taxes imposed pursuant to Code Section 6226) will be paid by such Member and if required to be paid (and actually paid) by the Company, will be recoverable from such Member as provided in Section 6.02(e).

(h) The Company will make an election under Code Section 754, if requested in writing by a Member.

(i) The Company shall defend, indemnify, and hold harmless the Tax Matters Representative and any Designated Individual against any and all liabilities sustained as a result of any act or decision concerning Company tax matters and within the scope of the Tax Matters Representative's or Designated Individual's responsibilities, so long as such act or decision was done or made in good faith and does not constitute gross negligence or willful misconduct.

Section 1.02 Tax Returns. At the expense of the Company, the Board (or any Officer that it may designate) shall endeavor to cause the preparation and timely filing (including extensions) of all tax returns required to be filed by the Company pursuant to the Code as well as all other required tax returns in each jurisdiction in which the Company owns property or does business. As soon as reasonably possible after the end of each Fiscal Year, the Board or designated Officer will cause to be delivered to each Person who was a Member at any time during such Fiscal Year, IRS Schedule K-1 to Form 1065 and such other information with respect to the Company as may be necessary for the preparation of such Person's federal, state, and local income tax returns for such Fiscal Year.

Section 1.03 Company Funds. All funds of the Company shall be deposited in its name, or in such name as may be designated by the Board, in such checking, savings or other accounts, or held in its name in the form of such other investments as shall be designated by the Board. The funds of the Company shall not be commingled with the funds of any other Person. All withdrawals of such deposits or liquidations of such investments by the Company shall be made exclusively upon the signature or signatures of such Officer or Officers as the Board may designate.

ARTICLE XII
DISSOLUTION AND LIQUIDATION

Section 1.03 Events of Dissolution. The Company shall be dissolved and its affairs wound up only upon the occurrence of any of the following events:

(a) The unanimous determination of the Members to dissolve the Company;

(b) At the election of a Member that is not a Defaulting Member, acting in its sole discretion, made at such time as the other Member is a Defaulting Member (and without limitation of any other rights or remedies that may be available to such electing Member); or

(c) The sale, exchange, involuntary conversion or other disposition or Transfer of all or substantially all the assets of the Company.

Section 1.04 Effectiveness of Dissolution. Dissolution of the Company shall be effective on the day on which the event described in Section 12.01 occurs, but the Company shall not terminate until the winding up of the Company has been completed, the assets of the Company have been distributed as provided in Section 12.03 and the Certificate shall have been terminated as provided in Section 12.04.

Section 1.05 Liquidation. If the Company is dissolved pursuant to Section 12.01, the Company shall be liquidated and its business and affairs wound up in accordance with the Act and the following provisions:

(d) The Board shall act as liquidator to wind up the Company (the "**Liquidator**"). The Liquidator shall have full power and authority to sell, assign and encumber any or all of the Company's assets and to wind up and liquidate the affairs of the Company in an orderly and business-like manner; *provided* that, if the Board is the Liquidator, it shall act in accordance with the governance provisions in ARTICLE VII until the winding up occurs.

(e) As promptly as possible after dissolution and again after final liquidation, the Liquidator shall cause a proper accounting to be made by a recognized firm of certified public accountants of the Company's assets, liabilities and operations through the last day of the calendar month in which the dissolution occurs or the final liquidation is completed, as applicable.

(f) The Liquidator shall liquidate the assets of the Company and distribute the proceeds of such liquidation in the following order of priority, unless otherwise required by mandatory provisions of Applicable Law:

(iii) *first*, to the payment of all of the Company's debts and liabilities to its creditors (including Members, if applicable) and the expenses of liquidation (including sales commissions incident to any sales of assets of the Company);

(iv) *second*, to the establishment of and additions to reserves that are determined by the Liquidator to be reasonably necessary for any contingent unforeseen liabilities or obligations of the Company; and

(v) *third*, to the Members in accordance with the positive balances in their respective Capital Accounts, as determined after taking into account all Capital Account adjustments for the taxable year of the Company during which the liquidation of the Company occurs.

(g) Notwithstanding the provisions of Section 12.03(c) that require the liquidation of the assets of the Company, but subject to the order of priorities set forth in Section 12.03(c), if upon dissolution of the Company the Liquidator reasonably determines that an immediate sale of

part or all of the Company's assets would be impractical or could cause undue loss to the Members, the Liquidator may defer the liquidation of any assets except those necessary to satisfy Company liabilities and reserves.

Section 1.06 Termination of Certificate. Upon completion of the distribution of the assets of the Company as provided in Section 12.03(c), the Company shall be terminated and the Liquidator shall cause the cancellation of the Certificate in the State of Delaware and of all qualifications and registrations of the Company as a foreign limited liability company in jurisdictions other than the State of Delaware and shall take such other actions as may be necessary to terminate the Company.

Section 1.07 Survival of Rights, Duties and Obligations. Dissolution, liquidation, winding up or termination of the Company for any reason shall not release any party from any Loss that at the time of such dissolution, liquidation, winding up or termination already had accrued to any other party or thereafter may accrue in respect of any act or omission prior to such dissolution, liquidation, winding up or termination. For the avoidance of doubt, none of the foregoing shall replace, diminish or otherwise adversely affect any Member's right to indemnification pursuant to Section 8.03.

Section 1.08 Recourse for Claims. Each Member shall look solely to the assets of the Company for all distributions with respect to the Company, such Member's Capital Account, and such Member's share of Net Income, Net Loss and other items of income, gain, loss and deduction, and shall have no recourse therefor (upon dissolution or otherwise) against the Liquidator or any other Member.

ARTICLE XIII
MISCELLANEOUS

Section 1.04 Expenses. All costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with the preparation and execution of this Agreement, or any amendment or waiver hereof, and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

Section 1.05 Further Assurances. In connection with this Agreement and the transactions contemplated hereby, the Company and each Member hereby agrees, at the request of the Company or any Member, to execute and deliver such additional documents, instruments, conveyances and assurances and to take such further actions as may be required to carry out the provisions hereof and give effect to the transactions contemplated hereby.

Section 1.06 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or email of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third (3rd) day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to

the respective parties at their principal addresses of record (or at such other address for a party as shall be specified in a notice given in accordance with this Section 13.03).

Section 1.07 Headings. The headings in this Agreement are inserted for convenience or reference only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision of this Agreement.

Section 1.08 Severability. If any term or provision of this Agreement is held to be invalid, illegal or unenforceable under Applicable Law in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Except as provided in Section 8.03(g), upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section 1.09 Entire Agreement. This Agreement, together with the Certificate, the JV Agreement and all Exhibits and Schedules, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter. In the event of an inconsistency or conflict between the provisions of this Agreement and any provision of the JV Agreement, this Agreement shall control with respect to such conflict.

Section 1.010 Successors and Assigns. Subject to the restrictions on Transfers set forth herein, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. This Agreement may not be assigned by any Member except as permitted by this Agreement and any assignment in violation of this Agreement shall be null and void.

Section 1.011 No Third-Party Beneficiaries. Except as provided in ARTICLE VIII, which shall be for the benefit of and enforceable by Covered Persons as described therein, this Agreement is for the sole benefit of the parties hereto (and their respective heirs, executors, administrators, successors and permitted assigns) and nothing herein, express or implied, is intended to or shall confer upon any other Person, including any creditor of the Company, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 1.012 Amendment. No provision of this Agreement may be amended or modified except by an instrument in writing executed by both Members. Any such written amendment or modification will be binding upon the Company and each Member. Notwithstanding the foregoing, amendments to Schedule A that are necessary to reflect any Transfer of Membership Interests in accordance with this Agreement may be made by the Board without the consent of or execution by the Members.

Section 1.10 Waiver. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right,

remedy, power or privilege. For the avoidance of doubt, nothing contained in this Section 13.10 shall diminish any of the explicit and implicit waivers described in this Agreement, including in Section 13.13 hereof.

Section 1.11 Governing Law. All issues and questions concerning the application, construction, validity, interpretation and enforcement of this Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Delaware.

Section 1.12 Mediation; Submission to Jurisdiction. Prior to initiating any litigation proceedings (except for claims of equitable relief), for any dispute between the Members arising out of or related to this Agreement or the JV Agreement, within ten (10) Business Days of written notice provided to a Member, a representative Board member from each of TruCor and AMI shall confer regarding the appointment of a mediator. The Mediation shall be conducted in person before a single mediator to be agreed upon by the Members (the "**Mediation**"). If the Members cannot agree on the mediator, each Member shall select a mediator and such mediators shall together unanimously select a neutral mediator who will conduct the mediation. The Mediation shall take place in Atlanta, Georgia. Each Member shall bear the fees and expenses of its mediator and all the Members shall equally bear the fees and expenses of the final mediator. To the extent that Mediation is unsuccessful, the parties hereby agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby, whether in contract, tort or otherwise, shall be brought in the federal or state courts sitting in Atlanta, Georgia so long as one of such courts shall have subject-matter jurisdiction over such suit, action or proceeding. Each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding that is brought in any such court has been brought in an inconvenient form. Service of process, summons, notice or other document by registered mail to the address set forth in Section 13.03 shall be effective service of process for any suit, action or other proceeding brought in any such court.

Section 1.13 Waiver of Jury Trial. Each party hereto hereby acknowledges and agrees that any controversy that may arise under this Agreement is likely to involve complicated and difficult issues and, therefore, each such party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 1.14 Equitable Remedies. Each party hereto acknowledges that a breach or threatened breach by such party of any of its obligations under this Agreement may give rise to irreparable harm to the other parties, for which monetary damages would not be an adequate remedy, and hereby agrees that in the event of a breach or a threatened breach by such party of any such obligations, each of the other parties hereto shall, in addition to any and all other rights and remedies that may be available to them in respect of such breach, be entitled to seek equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction.

Section 1.15 Attorneys' Fees. In the event that any party hereto institutes any legal suit, action or proceeding, including arbitration, against another party in respect of a matter arising out of or relating to this Agreement, the prevailing party in the suit, action or proceeding shall be entitled to receive, in addition to all other damages to which it may be entitled, the costs

incurred by such party in conducting the suit, action or proceeding, including reasonable attorneys' fees and expenses and court costs.

Section 1.16 Public Announcements. The Parties acknowledge that TruCor is an indirect subsidiary of The Dixie Group, Inc., which is a publicly traded company, and The Dixie Group, Inc., any Member that is a publicly traded company, and the direct or indirect parent of any entity which is a Member which direct or indirect parent is a publicly traded company (each such publicly traded company, a "**PTC Entity**") is required to make certain public disclosures and filings as required by applicable securities Laws and the rules and regulations of the securities exchange on which the securities of such PTC Entity are traded (a "**Required Disclosure**"). Immediately following the full execution and delivery of this Agreement (or at such other time as required for the Required Disclosure), a PTC Entity shall issue an initial press release and make initial Required Disclosures, forms of which shall have been previously provided to the other Member for its review, and, to the extent not prohibited by applicable law, consented to by such other Member. The Members acknowledge that the execution and terms of this Agreement will be a Required Disclosure of TruCor (through The Dixie Group, Inc., as a PTC Entity), and the form of the related Required Disclosure shall have been provided for the review and, to the extent not prohibited by applicable law, consent by AMI. Except for any Required Disclosure, neither Member nor any of its Affiliates or representatives shall (orally or in writing) publicly disclose, issue any press release or make any other public statement, or otherwise communicate with the media, concerning the existence of this Agreement or the subject matter hereof, without the prior written approval of the other Member. Except to the extent prohibited by Applicable Law, each PTC Entity shall provide the Members notice in advance of any Required Disclosure and an opportunity to review such Required Disclosure. Each Member shall be liable for any failure of its Affiliates or representatives to comply with the restrictions set forth under this Section 13.16. The Members further acknowledge and agree that because a PTC Entity is a reporting company under Securities Exchange Act of 1934, the Members, including their respective officers, directors, and employees (collectively, the "**Restricted Persons**"), are subjected to certain restrictions under federal and state securities laws and regulations with respect to trading the securities of such PTC Entity while in possession of material, non-public information concerning such PTC Entity and its direct or indirect subsidiary which may be a Member. In addition, federal and state securities laws and regulations require that a PTC Entity restrict the use and disclosure of material, non-public information, which will include information relating to financial performance of the Company. Each Member hereby agrees that it shall not publicly disclose material, non-public information relating to financial performance of the Company in accordance with applicable state and federal securities laws and regulations until such time as such information is required to be made public by a PTC Entity, and each Member shall notify all Restricted Persons employed by such Member of all such confidentiality obligations.

Section 1.17 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of Electronic Transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

COMPANY:
RIGID CORE MANUFACTURING LLC

By:_____
Name:
Title:

MEMBERS:

TRUCOR, LLC

By:_____
Name:
Title:

ALABAMA MANUFACTURING
INVESTMENT LLC

By:_____
Name:
Title:

SCHEDULE A

MEMBERS SCHEDULE

LIMITED LIABILITY COMPANY OPERATING AGREEMENT

MEMBER NAME AND ADDRESS	INITIAL CAPITAL COMMITMENT	PERCENTAGE INTEREST
TruCor, LLC 475 Reed Road Dalton, Georgia 30720	$6,000,000	50%
ALABAMA MANUFACTURING INVESTMENT LLC [address to be provided]	$6,000,000	50%
TOTAL:		100%

Exhibit A

JOINDER TO
LIMITED LIABILITY COMPANY AGREEMENT
OF RIGID CORE MANUFACTURING LLC

This Joinder, dated as of _____ (this "**Joinder**"), is being executed by the person(s) listed on the signature page hereto (each, a "**New Member**") as evidence of each such New Member's agreement to join in and adopt, and to comply with and to be bound by the terms and conditions of, and be deemed a party to, that certain Limited Liability Company Agreement of Rigid Core Manufacturing LLC, a Delaware limited liability company (the "**Company**"), dated as of _____, by and among TruCor, LLC, a Georgia limited liability company, Alabama Manufacturing Investment LLC, a Delaware limited liability company, their respective permitted transferees and/or assigns, and the other persons and entities identified therein (as the same may be amended from time to time, the "**LLC Agreement**"; capitalized terms used and not otherwise defined herein shall have the meanings given to such terms in the LLC Agreement).

NOW, THEREFORE, in consideration of the foregoing, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the New Member hereby agrees as follows:

1. Upon the execution and delivery of this Joinder, each New Member hereby joins in and adopts, and agrees to comply with and to be bound by, all of the terms and conditions of, and will be deemed a party for all purposes to, the LLC Agreement as an "Member" thereunder.

2. This Joinder and all actions arising out of or in connection with this Joinder shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law provisions thereof.

3. This Joinder is for the benefit of the Company and shall be binding upon and inure to the benefit of the undersigned and its/his/her respective successors and assigns.

[signature page follows]

IN WITNESS WHEREOF, the undersigned has caused this Joinder to be executed as of the date first above written.

NEW MEMBER:

_____

[_____]

Execution Version

TECHNICAL SERVICES AGREEMENT

THIS TECHNICAL SERVICES AGREEMENT (this "**Agreement**") is made and entered into as of August 11, 2022, by and between Rigid Core Manufacturing LLC, a Delaware limited liability company ("**Company**"), and Alabama Manufacturing Investment LLC, a Delaware limited liability company ("**AMI**" and together with Company, the "**Parties**" and each a "**Party**").

RECITALS:

WHEREAS, pursuant to a Joint Venture Agreement (the "**JV Agreement**") between TruCor, LLC ("**TruCor**"), AMI, and the other parties thereto, dated August 11, 2022, TruCor and AMI agreed to form Company for the purpose of manufacturing luxury vinyl tile ("**LVT**") exclusively for the benefit of TruCor and AMI, and their respective affiliates (the "**Business**");

WHEREAS, pursuant to the JV Agreement, AMI, through one or more of its Affiliates (as defined below), subcontractors, consultants and/or other third parties, has agreed to provide Company with certain technical services as more particularly described in Exhibit A attached hereto (the "**Technical Services**").

NOW, THEREFORE, for and in consideration of such engagement of AMI by Company, the above premises, the mutual covenants hereinafter set forth, and for other good and valuable consideration, the Parties agree as follows:

1. **Engagement**. Company hereby engages AMI to perform or cause to be performed the Technical Services, and AMI hereby accepts such engagement**.**

2. **Technical Services**.

(a) AMI agrees to provide or cause to be provided the Technical Services described in Exhibit A attached hereto to Company on the terms and conditions set out in this Agreement and in Exhibit A.

(b) AMI and Company hereby agree that AMI may also provide such other Technical Services to Company (the "**Additional Technical Services**") as AMI and Company may agree in writing, along with any corresponding adjustment to the Service Fees (defined below) as mutually agreed in writing by AMI and Company.

(c) AMI shall provide or cause to be provided each Service in compliance with applicable law, this Agreement, and in a manner generally consistent with, and with the same standard of care, as AMI provides such service on behalf of itself and its Affiliates. For the purpose of this Agreement, an "**Affiliate**" of a Party means an entity or organization other than the Party that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Party.

(d) AMI shall assign or cause to be assigned sufficient resources and qualified personnel as are reasonably required to perform the Technical Services in accordance with the standards set out in Section 2(c).

(e) Except as otherwise specified in this Agreement, AMI shall have the right to use an Affiliate, one or more third-party contractors (each, a "**Subcontractor**"), or consultants or other third parties to provide all or part of any Technical Service. AMI shall be responsible

for any action of any Subcontractor which would constitute a breach under this Agreement if committed by AMI directly (including without limitation Sections 8 and 11 hereof).

(f) Company shall comply with the reasonable security policies and procedures (including but not limited to reasonable intellectual property, information technology and security safeguards) that AMI or its Affiliates or Subcontractors involved in providing the Technical Services have in place or may establish to protect AMI's or such Affiliates' or Subcontractors' assets, intellectual property, systems, or data used in providing the Technical Services. AMI or its Affiliates or Subcontractors involved in providing the Technical Services shall comply with the reasonable security policies and procedures (including but not limited to reasonable intellectual property, information technology and security safeguards) that Company has in place or may establish to protect Company's assets, intellectual property, systems, or data used in receiving the Technical Services.

(g) All procedures, methods, systems, strategies, tools, equipment, facilities or other resources used by AMI or any of its Affiliates or Subcontractors in connection with the provision of Technical Services shall remain the property of AMI or such Affiliate or Subcontractor, as applicable, except as expressly agreed to the contrary in writing by both Parties. Company shall not acquire any right, title or interest (including any license rights or rights of use) in any firmware, software or other intellectual property that may be used by AMI or any of its Affiliates or Subcontractors in providing the Technical Services, except as expressly agreed to the contrary in writing by both Parties.

(h) The Technical Services provided, or caused to be provided, by AMI under this Agreement are non-exclusive, and Company acknowledges and agrees that AMI and/or any Subcontractor(s) may have other business interests and provide services similar to the Technical Services to any third parties during the Term.

(i) Nothing in this Agreement is to be interpreted as limiting Company from engaging other consultants or service providers to provide Technical Services on such terms and conditions as may be satisfactory to Company.

3. **Fees and Expenses**.

(j) As consideration for providing the Technical Services, Company shall pay to AMI the amount specified for such Service on Exhibit A, including without limitation the fees and expenses of any Subcontractors, consultants and/or other third parties ("**Service Fees**"). In addition to such amounts, if any of AMI or its Affiliates or Subcontractors, consultants and/or other third parties incurs documented out-of-pocket expenses to third parties (i.e., not to any of AMI or its Affiliates) in providing any Technical Service ("**Out-of-Pocket Costs**"), Company shall reimburse AMI for such Out-of-Pocket Costs in accordance with the invoicing and payment procedures set out in this Section 3; provided however that AMI or any such Affiliate, Subcontractor, consultants and/or other third party shall obtain Company's written consent prior to incurring, or agreeing to incur, any Out-of-Pocket Costs in excess of $500.

(k) Any equipment, licenses, seat costs, or related materials purchased and/or licensed by AMI at the specific request of Company for exclusive use by Company shall be paid in full by Company.

(l) In the event that Company requests AMI to perform, and AMI agrees to perform, Additional Technical Services, the Parties shall agree in writing on reasonable compensation to be paid by Company to AMI for any such Additional Technical Services and shall execute an amendment to this Agreement to add such Additional Technical Service as a

new Exhibit A to make such Additional Technical Service a "Technical Service" for all purposes under this Agreement and to modify the Service Fees accordingly.

(m) Subject to the terms and conditions in this Agreement, AMI shall provide Company monthly invoices ("**Invoices**"), which shall set out in reasonable detail the Service Fees and Out-of-Pocket Costs incurred for the Technical Services performed during the preceding month, together with such supporting documentation of Out-of-Pocket Costs as Company may reasonably request. Company shall pay each Invoice within thirty (30) days after the date of the Invoice, except to the extent of any portion thereof being disputed in good faith by Company during the pendency of such dispute.

(n) The prices set out for the Technical Services are exclusive of taxes. Company shall be responsible for all sales, goods, use, Technical Services, excise, value added and other similar transactions taxes imposed or assessed in connection with the provision of the Technical Services (for the avoidance of doubt, excluding those which are solely measured by AMI's income). Company shall pay to AMI its full compensation without any deductions made for taxes of any kind and shall pay to AMI any and all such taxes which AMI is required to collect under applicable law.

4. **Responsibility for Wages and Employee Costs**.

(o) So long as any employees of AMI or any of its Affiliates or Subcontractors are providing Technical Services to Company:

(i) such employees will remain employees of AMI or such Affiliate or such Subcontractor, as applicable, and shall not be deemed to be employees of Company for any purpose;

(ii) such employees shall remain under the sole direction, control and supervision of AMI or its Affiliate or Subcontractor, as applicable (and not of Company); and

(iii) AMI or such Affiliate or Subcontractor, as applicable, shall be solely responsible for the payment and provision of all wages, bonuses, commissions, employee benefits, and the withholding and payment of all applicable taxes relating to such employees.

(p) With respect to any employees of Company:

(i) such employees will remain employees of Company and shall not be deemed to be employees of AMI for any purpose;

(ii) such employees shall remain under the sole direction, control and supervision of Company (and not of AMI); and

(iii) Company shall be solely responsible for the payment and provision of all wages, bonuses, commissions, employee benefits, and the withholding and payment of all applicable taxes relating to such employees.

5. **No Partnership or Joint Venture**.

(a) In performing Technical Services pursuant to this Agreement, AMI will be an independent contractor of Company, and this Agreement will not be deemed to create a partnership, joint venture, or other arrangement between the Parties.

(b) The employees or agents of AMI shall not be deemed or construed to be the employees, agents, or partners of Company for any purposes whatsoever. The employees or agents of Company shall not be deemed or construed to be the employees, agents, or partners of AMI for any purposes whatsoever.

(c) AMI and AMI's personnel or agents shall not enter into contracts on behalf of, or execute contracts as employees or agents of, Company, or bind any Company in any manner, written or oral, express or implied. Company and Company's personnel or agents shall not enter into contracts on behalf of, or execute contracts as employees or agents of, AMI, or bind AMI in any manner, written or oral, express or implied.

6. **Term and Termination**.

(a) The initial term of this Agreement shall commence on the date hereof and shall terminate on the fifth (5^{th}) anniversary of the date of this Agreement (the "**Initial Term**"); provided that this Agreement shall automatically renew for successive additional two (2) year periods (each a "**Renewal Term**" and, together with the Initial Term, the "**Term**"), unless either Party notifies the other Party in writing of its intention not to renew this Agreement at least ninety (90) days prior to expiration of the Initial Term or any Renewal Term, as the case may be.

(b) This Agreement may be terminated

(i) at any time by the mutual written consent of the Parties;

(ii) at any time by either Party by written notice to the other Party in the event that (A) there shall be any law that makes the transactions contemplated by this Agreement illegal or otherwise prohibited; or (B) any governmental authority shall have issued a governmental order restraining or enjoining the transactions contemplated by this Agreement and such governmental order shall have become final and non-appealable;

(iii) by AMI upon one hundred eighty (180) days prior written notice to Company following (A) the termination of the JV Agreement; or (B) if AMI or TruCor acquires all of the membership interests in Company owned by the other such party in accordance with the terms of the JV Agreement or the Operating Agreement (as defined in the JV Agreement);

(iv) after the Initial Term by either Party without cause by providing not less than ninety (90) days' prior written notice to the other Party;

(v) by either Party immediately if the other Party liquidates, dissolves, or shall be adjudicated insolvent, or has filed against it a petition in bankruptcy or for reorganization that is not dismissed or stayed within sixty (60) days, or voluntarily files a petition in bankruptcy or for reorganization or takes advantage of any insolvency act or proceeding, including an assignment for the benefit of creditors, or commits any other act of bankruptcy.

(a) Notwithstanding any termination of this Agreement, AMI shall be entitled to any Service Fees and reimbursement for Out-of-Pocket Costs payable to AMI pursuant to Section 3 hereof in accordance with the terms thereof to the extent such Service Fees were actually earned and such Out-of-Pocket Costs were actually incurred prior to termination. Sections 5, 6(c), 8, 11 and 13 through 22 of this Agreement shall remain operative and in full force and effect regardless of any termination of this Agreement.

7. **Force Majeure.** AMI shall not be liable for any interruption, delay or failure to perform any obligation under this Agreement when such interruption, delay or failure is due to causes beyond its (or its Affiliates' or Subcontractors') reasonable control, including any strikes, lockouts, acts of any government, riot, insurrection or other hostilities, embargo, fuel or energy shortage, fire, flood, acts of God or general inability (not specific to AMI, its Affiliates or Subcontractors) to obtain necessary labor, materials or utilities. In any such event, AMI's obligations hereunder shall be postponed for such time as its (or its Affiliates' or Subcontractors') performance is suspended or delayed on account thereof and it shall have no liability to Company in connection therewith. AMI will promptly notify Company, in writing, upon learning of the occurrence of such event of force majeure. Upon the cessation of the force majeure event, AMI will resume, or cause to be resumed, its (or its Affiliates' or Subcontractors') performance promptly.

8. **Confidentiality Obligations.**

(c) AMI and Company each acknowledge that each Party has previously obtained from the other Party, and during the Term of this Agreement it and its employees may obtain or be provided with information of the other Party which is non-public and economically valuable to such Party and is proprietary or confidential in nature, including, but not limited to, written or oral information regarding technical and scientific information and other business and technical information, that has been classified or marked as confidential (collectively, "**Confidential Information**").

(d) Notwithstanding the foregoing, Confidential Information does not include information which (i) is already known to the receiving Party at the time of disclosure by the disclosing Party; (ii) is or becomes publicly known through no wrongful act of the receiving Party; (iii) is independently developed by the receiving party without benefit of the disclosing Party's Confidential Information; or (iv) is received by the receiving Party from a third party without restriction and without breach of an obligation of confidentiality.

(e) All such Confidential Information shall at all times be and remain the exclusive property of the disclosing Party and shall be retained by the receiving Party in trust and in confidence, used by the parties hereto in connection with their obligations under this Agreement, shall not be discussed or made available by either Party to any party not a party hereto; provided, however, that each of parties hereto may disclose such Confidential Information (i) to its attorneys, professional advisors, consultants, accountants, independent auditors or affiliates on a confidential and "need-to-know" basis (collectively, a Party's "**Representatives**") (provided that (A) they are informed of the confidential nature of this Agreement and its contents and (B) each Party shall be responsible for any breach of this Agreement by its Representatives), (ii) to any financing source of such Party (collectively, a Party's "**Financing Sources**") (provided that (A) they are informed of the confidential nature of this Agreement and its contents and (B) each Party shall be responsible for any breach of this Agreement by its Financing Sources), (iii) in connection with a judicial, Technical or regulatory proceeding in which a Party hereto or any of their respective representatives are involved or as requested or required by regulatory authority or otherwise by law, so long as in the case of this clause (iii) the disclosing Party (A) promptly notifies the other parties hereto thereof (to the extent permitted by law or the rules governing the process requiring such disclosure), (B) uses reasonable efforts to consult with the non-disclosing Party on the advisability of taking steps to resist or narrow such request, and (C) if disclosure is required or deemed advisable, use reasonable efforts to cooperate with the non-disclosing parties, at its expense, in any attempt that it may make to obtain an order or other reliable assurance that confidential treatment will be accorded to the information so disclosed, (iv) in connection with any Required Disclosure (as such term is defined in the JV Agreement, and subject to the provisions therein relating to

Required Disclosure), and (v) in connection with the enforcement of rights under this Agreement.

(f) Upon expiration or termination of this Agreement, the receiving Party agrees, upon written request, to either return or destroy the disclosing Party's Confidential Information in its or its employees', agents', or representatives' possession, including any notes, reports, analysis and other materials (in whatever form or medium) which were produced by the receiving Party (or its employees, agents, or representatives) and which include any of the disclosing Party's Confidential Information.

9. **Representations and Warranties**.

(d) AMI represents and warrants to Company that: (i) it is duly qualified to do business and is in good standing in every jurisdiction in which such qualification is required for purposes of this Agreement, except where the failure to be so qualified, in the aggregate, would not reasonably be expected to adversely affect its ability to perform its obligations under this Agreement; and (ii) this Agreement has been executed and delivered by AMI and (assuming due authorization, execution and delivery by Company) constitutes the legal, valid and binding obligation of AMI, enforceable against AMI in accordance with its terms, except as may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws and equitable principles related to or affecting creditors' rights generally or the effect of general principles of equity.

(e) Company represents and warrants to AMI that: (i) it is duly qualified to do business and is in good standing in every jurisdiction in which such qualification is required, except where the failure to be so qualified, in the aggregate, would not reasonably be expected to adversely affect its ability to perform its obligations under this Agreement; and (ii) this Agreement has been executed and delivered by Company and (assuming due authorization, execution, and delivery by AMI) constitutes the legal, valid and binding obligation of Company, enforceable against Company in accordance with its terms, except as may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws and equitable principles related to or affecting creditors' rights generally or the effect of general principles of equity.

10. **Disclaimer.** EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 9 OF THIS AGREEMENT, (I) NEITHER AMI NOR ANY PERSON ON AMI'S BEHALF HAS MADE OR MAKES ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WHATSOEVER, EITHER ORAL OR WRITTEN, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NON-INFRINGEMENT, WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED; AND (II) COMPANY ACKNOWLEDGES THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR WARRANTY MADE BY AMI, OR ANY OTHER PERSON ON AMI'S BEHALF, EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT.

11. **Indemnification.**

(g) Subject to terms and conditions of this Agreement, AMI shall, at its expense and at all times, indemnify, defend and hold harmless Company, its successors, assigns and affiliates and their respective personnel, officers and agents (each, a "**Company Indemnitee**") from and against any and all claims, damages, losses, liabilities, costs and expenses, including reasonable attorneys' fees and expenses ("**Damages**") arising out of or resulting from (i) any breach of any representation or warranty of AMI as set forth in Section 9

of this Agreement, (ii) any breach of any covenant or agreement of AMI under this Agreement, or (iii) AMI's gross negligence or willful misconduct.

(h) Subject to terms and conditions of this Agreement, Company shall, at its expense and at all times, indemnify, defend and hold harmless AMI, its successors, assigns and affiliates and their respective personnel, officers and agents (each, a "**AMI Indemnitee**") from and against all Damages arising out of or resulting from (i) any breach of any representation or warranty of Company as set forth in Section 9 this Agreement, (ii) any breach of any covenant or agreement of Company under this Agreement or (iii) Company's gross negligence or willful misconduct.

(i) Notwithstanding any other provision of this Agreement, except in the case of AMI's gross negligence or willful misconduct, Company's (including any Company Indemnitee's) exclusive remedy for any Damages arising from or related to AMI's breach of any representation, warranty, covenant or agreement set forth in this Agreement shall be a refund of the Service Fees paid to AMI for the Technical Services provided in connection with the breach of any such representation, warranty, covenant or agreement; provided, however, that in no event will Damages payable by AMI to Company (including all Company Indemnitees) for any breach under this Agreement exceed, in aggregate, the Service Fees paid to AMI for the twenty-four (24) month period before the effective date of any such breach. Notwithstanding any other provision of this Agreement, except in the case of Company's gross negligence or willful misconduct, AMI's (including any AMI Indemnitee's) exclusive remedy for any Damages arising from or related to Company's breach of any representation, warranty, covenant or agreement set forth in this Agreement shall be an amount equal to the Service Fees paid by Company to AMI for the Technical Services provided in connection with the breach of any such representation, warranty, covenant or agreement; provided, however, that in no event will Damages payable by Company to AMI (including all AMI Indemnitees) for any breach under this Agreement exceed, in aggregate, the Service Fees paid to AMI for the twenty-four (24) month period before the effective date of any such breach.

(j) EXCEPT IN THE CASE OF GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OR TO THE EXTENT AWARDED TO A THIRD PARTY, IN NO EVENT SHALL EITHER PARTY OR THEIR REPRESENTATIVES BE LIABLE TO THE OTHER PARTY FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO ANY BREACH OF THIS AGREEMENT, REGARDLESS OF (A) WHETHER SUCH DAMAGES WERE FORESEEABLE, (B) WHETHER OR NOT THE OTHER PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND (C) THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

12. **Insurance**. At all times during the Term of this Agreement, each Party shall procure and maintain, at its sole cost and expense, at least the following types and amounts of insurance coverage:

(b) AMI shall secure and maintain (i) general commercial liability (which shall have limits of not less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) in the aggregate), and (ii) excess liability (which shall have a limit of not less than Ten Million Dollars ($10,000,000 in the aggregate), protecting AMI against any loss, cost, damage or expense customarily insured against by comparable businesses. All such

policies shall name Company as an additional insured and shall be carried with such companies reasonably satisfactory to AMI and Company.

(c) Company shall secure and maintain (i) general commercial liability (which shall have limits of not less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) in the aggregate), and (ii) excess liability (which shall have a limit of not less than Ten Million Dollars ($10,000,000 in the aggregate), protecting Company against any loss, cost, damage or expense customarily insured against by comparable businesses. All such policies shall name AMI as an additional insured and shall be carried with such companies reasonably satisfactory to Company and AMI.

13. **Assignment; Successors and Assigns, etc.** No Party may make any assignment of this Agreement or any interest herein, by operation of law or otherwise, without the prior written consent of the other Party and without such consent any attempted transfer or assignment shall be null and of no effect. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors, executors, administrators, heirs and permitted assigns.

14. **Notices**. All notices, requests, demands and other communications required or permitted hereunder will be in writing and, if mailed by prepaid first class mail or certified mail, return receipt requested, will be deemed to have been received on the earlier of the date shown on the receipt or three (3) business days after the postmarked date thereof. In addition, notices hereunder may be delivered by hand, in which event the notice will be deemed effective when delivered, or by overnight courier, in which event the notice will be deemed to have been received on the next business day following delivery to such courier. Finally, notices hereunder may be delivered by facsimile or electronic mail transmission; if sent by facsimile transmission, such notice will be deemed to have been received on the next business day following dispatch and acknowledgment of receipt by the recipient's facsimile machine; and if sent by electronic mail transmission, such notice will be deemed to have been received on the next business day following such successful transmission. All notices and other communications under this Agreement will be given to the Parties at the following addresses:

(k) If to Company:

Rigid Core Manufacturing LLC
Attention: Kennedy Frierson
475 Reed Road
Dalton, GA 30720-6307
Email: kennedy.frierson@dixiegroup.com

and

Rigid Core Manufacturing LLC
[address to be provided]

(l) If to AMI:

Alabama Manufacturing Investment LLC
[address to be provided]

with a copy (which shall not constitute notice) to:

Golenbock Eiseman Assor Bell & Peskoe LLP
711 Third Avenue, 17th Floor
New York, NY 10017
Attn: Richard S. Kaplan, Esq.

In calculating time periods for notice, when a period of time measured in days, weeks, months, years or other measurement of time is prescribed for the exercise of any privilege or the discharge of any duty, the first day shall not be counted but the last day shall be counted. Either Party may change the address to which notice is to be sent by written notice to the other Party in accordance with this Section.

15. **Waiver**. No failure on the part of a Party to exercise, and no delay in exercising, any right, power or privilege of a Party hereunder shall operate as a waiver thereof. The waiver by a Party of any breach of this Agreement by the other Party shall not be effective unless in writing, and no such waiver shall operate or be construed as a waiver of the same or another breach on a subsequent occasion.

16. **Titles**. The titles, captions and headings contained in this Agreement are for convenience of reference only and shall not affect the meaning, construction or interpretation of any provisions of this Agreement.

17. **Counterparts**. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf), or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

18. **Amendment**. This Agreement may be amended or modified only by a written instrument signed by duly authorized representatives of Company and AMI.

19. **Governing Law; Submission to Jurisdiction**. This Agreement shall be governed in all respects by the laws of the State of Delaware, without giving effect to any conflicts or choice of law principles which otherwise might be applicable. Any legal suit, action, or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby shall be instituted in the federal courts of the United States of America or the courts of the State of Georgia in each case located in the City of Atlanta, and each Party irrevocably submits to the non-exclusive jurisdiction of such courts in any such suit, action, or proceeding.

20. **Jury Trial Waiver**. The Parties acknowledge that the right to trial by jury is a constitutional one, but that it may be waived. Each of the Parties, after consulting (or having the opportunity to consult) with counsel of its choice, knowingly, voluntarily and intentionally waives any right to trial by jury in any action or other legal proceeding arising out of or relating to this Agreement, including any document or correspondence pertaining to this Agreement.

21. **Construction**. Each Party and its counsel have reviewed this Agreement and have been provided the opportunity to revise this Agreement and, accordingly, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement. Instead, the language of all parts of this Agreement shall be construed as a whole, and according to its fair meaning, and not strictly for or against either Party.

22. **Entire Agreement**. This Agreement, including all exhibits hereto, embodies the entire agreement between, and the understanding of, the Parties in respect of the subject matter contained herein.

[***Remainder of page intentionally left blank***.
Signature page immediately follows.]

IN WITNESS WHEREOF, the Parties have executed, or caused to be executed, this Agreement, as of the date first above written.

AMI: ALABAMA MANUFACTURING INVESTMENT LLC

By: _____

Name: _____

Title: _____

COMPANY: RIGID CORE MANUFACTURING LLC

By: _____

Name: _____

Title: _____

EXHIBIT A

Technical Services

Service Fees to AMI shall be billed at such rates as shall be determined from time to time by the unanimous approval of the Board (as defined in the JV Agreement) of Company; and Service Fees payable in respect of any Subcontractor, consultant or other third party engaged by AMI shall be the invoiced amount therefor, without mark-up by AMI.

a. For purposes of this Agreement, "Technical Services" shall be defined as (i) advisory services with respect to the development of a procurement plan for the production of JVCO Products (as defined in the JV Agreement), (ii) advisory services with respect to the location, set-up, installation, optimization and maintenance of the machinery and equipment necessary for the production JVCO Products at the JVCO Plant (as defined in the JV Agreement), (iii) advisory services and oversight of the acquisition of machinery and equipment necessary for the production of JVCO Products at the JVCO Plant, (iv) advisory services and oversight of the buildout of the JVCO Plant, and (v) testing of Company's equipment and machinery that are necessary to produce JVCO Products at the JVCO Plant.

b. AMI, directly or through Subcontractors, consultants and/or other third parties, shall provide Company with the Technical Services necessary and/or appropriate to enable Company to: (i) develop, build out and commence production of JVCO Products at the JVCO Plant as contemplated in the Business Plan (as defined in the JV Agreement); and (ii) maintain production of JVCO Products at the JVCO Plant as contemplated in Business Plan.

c. To the extent that AMI incorporates or otherwise utilizes any intellectual property and/or trade secrets owned by AMI into the Technical Services, or prepares derivative works therefrom for use by Company in connection with the JVCO Business (as defined in the JV Agreement) (collectively, the "AMI IP"), AMI hereby grants (i) Company a perpetual, royalty-free, non-exclusive, non-assignable, non-sublicensible right and license to use and exploit such AMI IP solely in conjunction with Company Business; and (ii) Trucor and the Affiliates thereof a perpetual, royalty-free, non-exclusive, non-assignable, non-sublicensible right and license to use and exploit such AMI IP, except for any such AMI IP which is registered, or is capable of being registered, as a copyright, trademark or patent by AMI or any of its Affiliates ("AMI Specified IP").

d. To the extent that AMI subcontracts or hires consultants and/or other third parties to perform any portion of the Technical Services, then AMI shall procure the necessary licenses from any such Subcontractor, consultant or other third party, to enable Company to use the results and proceeds of such Subcontractor's, consultant's or other third party's services

e. To the extent that Company develops, individually or jointly with others, any works of authorship, inventions, discoveries, improvements, designs, data, trademarks, service marks, copyright and/or other intellectual property related to, derived from and/or embodying any of the AMI IP, all such works shall be deemed to be owned by AMI upon creation, and licensed hereunder to Company, Trucor and the Affiliates thereof in accordance with the terms and conditions of Section (c) above (including the limitation relating to AMI Specified IP). Specifically, upon creation of such works, to the extent that any such intellectual property shall be in the form of copyrightable works of authorship, then all such works shall be deemed to be "Works Made for Hire" for AMI as such term is defined in the United States Copyright Act, 17 U.S.C. 101, et seq. and as such shall be owned by AMI. To the extent that any such copyrightable work does not qualify as a Work Made for Hire, and with respect to the remainder of the intellectual property governed by this Section (e) (collectively, the "Assigned Work(s)"), then for the consideration as contained herein, the receipt and sufficiency of which is hereby acknowledged by Company, Company hereby irrevocably and absolutely assigns, transfers and conveys to AMI all rights in the Assigned Works, now known or hereafter devised, in perpetuity, throughout the universe, in all media now known or hereafter devised, including but not limited to the copyrights and all extensions and renewals thereof and the trademarks and all goodwill associated therewith (collectively, the Works Made for Hire and the Assigned Works shall be referred to herein as the "Work Product"). Company shall obtain from any third party making a contribution to the creation of any Work Product an acknowledgement that the work being created is a "Work Made for Hire," and further providing that to the extent any such work does not so qualify, that the third party thereby assigns, transfers and conveys all of its rights so that this assignment by Company shall grant full rights in and to the created Work Product to AMI. Company agrees to execute any reasonably necessary documents to confirm AMI's ownership of such rights.

f. To the extent that Company develops, individually or jointly with others, any works of authorship, inventions, discoveries, improvements, designs, data and/or intellectual property that are not related to or derived from the AMI IP (all such works defined as "JVCO IP"), Company hereby grants to each of AMI, Trucor and the Affiliates thereof respectively, perpetual, royalty-free, non-exclusive, assignable, sublicensible rights and licenses to use and exploit such JVCO IP without any further approval of, or compensation to, Company or to any other person or entity.

ADMINISTRATIVE SERVICES AND LOANED EMPLOYEE AGREEMENT

THIS ADMINISTRATIVE SERVICES AND LOANED EMPLOYEE AGREEMENT (this "**Agreement**") is made and entered into as of August 11, 2022, by and between Rigid Core Manufacturing, LLC, a Delaware limited liability company ("**Company**"), TDG Operations, LLC, a Georgia limited liability company ("**TDG**"), and Alabama Manufacturing Investment, LLC, a Delaware limited liability company ("**AMI**", and together with Company and TDG, the "**Parties**" and each a "**Party**"). Capitalized terms not otherwise defined herein shall have the same meaning as defined in the JV Agreement (as defined below).

RECITALS:

WHEREAS, pursuant to a Joint Venture Agreement (the "**JV Agreement**") between TruCor, LLC, a wholly-owned subsidiary of TDG ("**TruCor**"), AMI, and The Dixie Group, Inc., a Tennessee corporation, dated August 11, 2022, TruCor and AMI agreed to form Company for the purpose of manufacturing luxury vinyl tile ("**LVT**") exclusively for the benefit of TruCor and AMI, and their respective affiliates (the "**Business**");

WHEREAS, pursuant to the JV Agreement, TDG has agreed to provide, or cause TDG's Affiliates (as defined below) to provide, Company with loaned employees, certain administrative, insurance and risk management, information technology, cybersecurity, data protection, human resources services, and use of space within its existing facility in Atmore, Alabama as more particularly described in Exhibit A attached hereto.

NOW, THEREFORE, for and in consideration of such engagement of TDG by Company, the above premises, the mutual covenants hereinafter set forth, and for other good and valuable consideration, the Parties agree as follows:

1. **Engagement**. Company hereby engages TDG to perform the Administrative Services and provide the Loaned Employees (as such terms are defined herein), and TDG hereby accepts such engagement.

2. **Administrative Services**.

(a) TDG agrees to provide or cause to be provided the administrative services described in Exhibit A attached hereto (the "**Administrative Services**") to Company with Company's authorization and consent (which may be withheld or withdrawn by Company at any time in its sole discretion) as determined by the Company's board of directors, on the terms and conditions set out in this Agreement and in Exhibit A.

(b) TDG and Company hereby agree that TDG may also provide such other services to Company (the "**Additional Services**") as TDG and Company may agree in writing, along with any corresponding adjustment to the Fees (defined below) as mutually agreed in writing by TDG and Company.

(c) TDG shall provide or cause to be provided each Administrative Service in compliance with applicable law, this Agreement, and in a manner generally consistent with, and with the same standard of care, as TDG provides such service on behalf of itself and its Affiliates. For the purpose of this Agreement, an "**Affiliate**" of a Party means an entity or organization other than the Party that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Party.

(d) TDG shall assign or cause to be assigned sufficient resources and qualified personnel as are reasonably required to perform the Administrative Services in accordance with the standards set out in Section 2(c).

(e) Except as otherwise specified in this Agreement, TDG shall have the right to use an Affiliate or a third-party contractor (collectively "**Subcontractors**" and each, a "**Subcontractor**") to provide all or part of any Administrative Service; provided that TDG shall obtain the written consent of the Company prior to using a Subcontractor which is not an Affiliate. TDG shall be responsible for any action of any Subcontractor which would constitute a breach under this Agreement if committed by TDG directly (including without limitation Sections 9 and 12 hereof).

(f) Company shall comply with the reasonable security policies and procedures (including but not limited to reasonable information technology and security safeguards) that TDG or its Affiliates or Subcontractors involved in providing the Administrative Services have in place or may establish generally to protect TDG's or such Affiliates' or Subcontractors' assets, systems, or data used in providing the Administrative Services. TDG or its Affiliates or Subcontractors involved in providing the Administrative Services shall comply with the reasonable security policies and procedures (including but not limited to reasonable information technology and security safeguards) that Company has in place or may establish to protect Company's assets, systems, or data used in receiving the Administrative Services.

(g) All of TDG's procedures, methods, systems, strategies, tools, equipment, facilities or other resources owned and used by TDG or any of its Affiliates or Subcontractors in connection with the provision of Administrative Services shall remain the property of TDG or such Affiliate or Subcontractor, as applicable, except as expressly agreed to the contrary in writing by both Parties. Company shall not acquire any right, title or interest (including any license rights or rights of use) in any firmware or software that may be used and owned by TDG or any of its Affiliates or Subcontractors in providing the Administrative Services, except as expressly agreed to the contrary in writing by both Parties.

(h) The Administrative Services provided by TDG under this Agreement are non-exclusive, and Company acknowledges and agrees that TDG may have other business interests and provide services similar to the Administrative Services to any third parties during the Term provided that such activities do not interfere with TDG's obligations under this Agreement.

(i) Nothing in this Agreement is to be interpreted as limiting Company from engaging other consultants or service providers to provide services on such terms and conditions as may be satisfactory to Company.

(j) During the Term, Company may enter, and TDG shall permit access by Company and Company's Representatives, to, the property in Atmore, Alabama at reasonable times during normal business hours to inspect, analyze, survey, test, examine or for any other reason as Company deems reasonably necessary related to the provision of the Administrative Services. Upon the request of AMI, the Company agrees to use reasonable commercial efforts to enter into a lease, license or other agreement with TDG for all or a portion of the Atmore Facility, and in such event TDG shall seek to obtain the consent of all parties required under and in accordance with the Loan Agreements and such other agreements affecting TDG's use of the Atmore Facility (the "**Atmore Consent Instruments**"), and TDG shall keep AMI apprised of the status of the Atmore Consent Instruments. Upon receipt of the Atmore Consent Instruments, TDG shall promptly enter into a lease with the Company for a term no less than the remaining portion of the Term (the "**Atmore Facility Lease**"). The Atmore Facility Lease shall be upon

the terms and conditions set forth in Schedule 1 attached hereto and made a part hereof, and upon such other reasonable terms and conditions for leases of comparable facilities located in the Atmore, Alabama area and reasonably satisfactory in all respects to AMI. Prior to entering into such Atmore Facility Lease, Company will pay TDG $0.23 per month per square foot for the use of the space that Company occupies. Such charge will commence when Company takes effective possession of the space by beginning work on improvements required in the space to be utilized, with the actual date to be agreed upon by the board of directors of the Company.

(k) TDG shall be permitted to enter into a lease, license or such other agreement with a third party for a portion of the Atmore Facility (a "**Third Party Lease**") provided the Third Party Lease shall not interfere with Company's performance of the Administrative Services and Additional Services, if any, at the Atmore Facility.

(l) During the Term, TDG shall give prompt written notice (the "**Notice of the Atmore Facility Sale**") to the Company and to AMI of its intention to sell or otherwise transfer TDG's fee title interest in the Atmore Facility (the "**Atmore Facility Sale**") or of TDG's commencing the marketing of the Atmore Facility Sale. Except as otherwise consented to in writing by AMI, the Atmore Facility Sale shall not be consummated less than six (6) months from the date of the Notice of the Atmore Facility Sale. Simultaneously on the date of the Atmore Facility Sale, provided TDG and Company have entered into the Atmore Facility Lease, TDG and the purchaser of the Atmore Facility shall enter into an assignment and assumption agreement of the Atmore Facility Lease in a form reasonably satisfactory to the Company and AMI. In the event TDG and Company have not entered into the Atmore Facility Lease prior to the date of the Atmore Facility Sale, TDG shall cause the purchaser of the Atmore Facility to enter into a lease with the Company for a term no less than the remaining portion of the Term, and upon such other reasonable terms and conditions for leases of comparable facilities located in the Atmore, Alabama area and reasonably satisfactory in all respects to the Company and AMI.

3. **Loaned Employees**.

(m) In addition to the Administrative Services, TDG will cause certain of its employees (the "**Loaned Employees**") to perform work for the benefit of and on behalf of the Company, including but not limited to the day-to-day manufacturing operations of Company (the "**Manufacturing Services**") at the time and places designated, from time to time, by Company. During the Term of this Agreement, the Loaned Employees shall perform work exclusively for the benefit of the Company at TDG's direction and management. The Company has determined the precise tasks, services and assignments that Company needs performed (which may be modified from time to time), and TDG represents and warrants that the Loaned Employees can be trained to and will perform such tasks, services, and assignments, and that TDG and its Affiliates will exclusively manage, administer, and direct such tasks, services, and assignments in accordance with the Company's requirements. TDG, its Affiliates, and any Subcontractors represent and warrant that they and the nature of services to be performed by the Loaned Employees are and will remain in compliance with TDG's collective bargaining agreement currently in effect with the Southern Region Workers United affiliated with Service Employees International Union ("**SEIU**"), and any successor or future collective bargaining agreement between TDG and SEIU (or any other or successor collective bargaining representative(s)) governing the Loaned Employees (collectively, the "**CBAs**"), and with all applicable laws. The Company agrees to avoid intentionally or knowingly engaging in any individual employment-related decisions, actions, or omissions with respect to the Loaned Employees that results in liability to TDG under the CBAs or applicable laws, provided that, for the avoidance of doubt, any action or omission that was originally proposed by or originated from TDG, its Affiliates, and/or Subcontractor, or that was recommended, adjusted, advised, approved, or adopted by any

of their HR personnel (an "**HR Approved Matter**"), shall automatically be deemed to fall outside the scope of this sentence. Notwithstanding anything to the contrary in this Agreement or any other document or agreement, during the Term of this Agreement, TDG represents and warrants, on its own behalf as well as its Affiliates, that they are and shall remain the sole employer of the Loaned Employees, and TDG agrees that neither the Company nor any of the other AMI Indemnitees (as defined herein) are considered an employer of any of the Loaned Employees. During the Term of this Agreement, neither Company nor any other AMI Indemnitees shall have any direct or indirect contractual relationship with the Loaned Employees. TDG shall be an independent contractor of Company for purposes of this Agreement.

(n) TDG shall retain the exclusive right to select, evaluate, hire, train, promote, discipline, and terminate the Loaned Employees; *provided, however*, that, notwithstanding anything in this Agreement to the contrary, TDG shall not cause any Loaned Employee to perform work for or on behalf of TDG or any of its Affiliates without the prior consent of the Company, nor take any action with respect to the dismissal of any Loaned Employees from employment with Company who are managers or supervisors without the prior consent of Company, nor take, continue, or engage in any action or omission with respect to the Loaned Employees that contravenes, or that Company reasonable believes contravenes, this Agreement or the JV Agreement.

(o) During and/or with respect to the Term of this Agreement, TDG and its Affiliates shall comply with, cause the Loaned Employees to comply with, and ensure that TDG's and its Affiliates' employment of the Loaned Employees complies with, all applicable federal, state and local employment, employee benefit, labor, and other laws and regulations, as well as all rules, regulations, policies and procedures of the Company. Company agrees that under no circumstances will it intentionally or knowingly require TDG to perform any Administrative Services or Manufacturing Services outside the scope of this Agreement and the services contemplated hereunder and that would cause TDG to be in violation of its obligations under any collective bargaining agreement then in effect.

4. **Fees and Expenses**.

(p) As consideration for providing the Administrative Services and the Loaned Employees for the Manufacturing Services, Company agrees to bear and to pay TDG's costs incurred by TDG in providing such Administrative Services and Loaned Employees for the Manufacturing Services (the "**Fees**"). The Fees shall equal the sum of Direct Costs plus Overhead Costs. The basis for determining the Fees shall be determined by Company based on a reasonable, *pro rata* allocation methodology to be established by the Company as part of its budgeting process and used consistently from year to year. Such basis shall be modified and adjusted by the Company where necessary or appropriate to reflect fairly and equitably the actual incidence of Direct Costs and Overhead Costs incurred by TDG. "**Direct Costs**" shall mean the sum of all internal and external costs incurred by TDG in providing the Administrative Services and the Manufacturing Services including, but not limited to, allocable salaries and wages, incentives, paid absences, payroll taxes, health care and retirement benefits, regular required pension contributions as part of periodic compensation payments to Loaned Employees pursuant to the CBA then in effect (excluding, for clarity, contributions pursuant to any rehabilitation plan, including the National Retirement Fund's 2010 Rehabilitation Plan, which would be any amounts contributed in excess of the required contributions to the National Retirement Fund pursuant to the CBA), direct costs and expenses incurred in connection with the Administrative Services described in Exhibit A, and reimbursement of documented reasonable out-of-pocket expenses to third parties (i.e., not to any of TDG, its Affiliates or any Subcontractors) ("**Out-of-Pocket Costs**"), with Company's authorization and consent (which may be withheld or

withdrawn by Company at any time in its sole discretion); provided however, that TDG or any such Affiliate or Subcontractor shall obtain Company's written consent prior to incurring, or agreeing to incur, any single or series of related Out-of-Pocket Costs in excess of $2,500. "**Overhead Costs**" shall mean all internal and external indirect costs incurred by the Company in providing the Administrative Services and the Manufacturing Services, and shall include (but are not limited to) reasonable general overhead and facilities charges (for example, office rent, depreciation, maintenance, utilities, and supplies), incurred with Company's authorization and consent (which may be withheld or withdrawn by Company at any time in its sole discretion). Notwithstanding anything to the contrary herein, except as otherwise provided herein, the Fees shall expressly exclude Damages (as defined herein), including but not limited to any legal, accounting, or other professional services fees and costs related thereto, incurred or caused directly or indirectly by TDG, its Affiliates, and/or any Subcontractors with respect to the Loaned Employees, including but not limited to pension, withdrawal, and/or any other labor relations liability (if any); the costs and liabilities referenced in Section 5(a) of this Agreement; and the costs and liabilities associated with the indemnification, defense or hold harmless of the AMI Indemnitees under this Agreement. For the avoidance of doubt, a *pro rata* allocation of costs and expenses incurred in connection with ordinary course labor-related questions related to the Loaned Employees or the interpretation of the CBAs with respect to the Loaned Employees shall be expressly included in any calculation of Fees.

(q) Notwithstanding anything to the contrary in this Agreement, the Fees will under no circumstances result in any profit to TDG or any of its Affiliates.

(r) Any equipment, licenses, seat costs, or related materials purchased by TDG at the specific request of Company for exclusive use by Company shall be paid in full by Company.

(s) In the event that Company requests TDG to perform, and TDG agrees to perform, Additional Services, the Parties shall seek to agree in writing on reasonable compensation to be paid by Company to TDG for any such Additional Services and shall execute an amendment to this Agreement to add such Additional Service as a new Exhibit A to make such Additional Service an "Administrative Service" for all purposes under this Agreement and to modify the Fees accordingly as mutually agreed in writing by Company and TDG.

(t) Subject to the terms and conditions in this Agreement, TDG shall provide Company monthly invoices ("**Invoices**"), which shall set out in reasonable detail the Fees for the Administrative Services and Manufacturing Services performed during the preceding month, together with such supporting documentation of Out-of-Pocket Costs as Company may reasonably request. Company shall pay the amounts in each Invoice that are in compliance with this Agreement within thirty (30) days after the date of the Invoice, except to the extent of any portion thereof being disputed in good faith by Company during the pendency of such dispute.

(u) The prices set out for the Fees are exclusive of normal taxes incurred in the regular course of business. Company shall be responsible for all regular course sales, goods, use, services, excise, value added and other similar transactions taxes imposed or assessed in connection with the provision of the Administrative Services and the Manufacturing Services, but excluding those taxes which are solely measured by TDG's and/or its Affiliates' income, TDG's taxes unrelated to Company, as well as any taxes and/or tax liability incurred or caused directly or indirectly by TDG's, its Affiliates', and/or Subcontractors' acts or omissions, including but not limited to any fines, penalties, interest, costs, liabilities, or other Damages assessed or threatened by any taxing authority. For clarity, Company shall not be responsible for providing TDG additional tax payments on account of tax amounts TDG or its Affiliates may be

required to withhold from the wages and other remuneration of their employees or the Loaned Employees and remit to the government, as same is already encompassed by the Fees.

(v) Company shall pay to TDG its full compensation as set forth in this Section 4 without any deductions made for employee withholding taxes of any kind and shall pay to TDG any and all such employee withholding taxes which TDG is required to collect under applicable law, except as provided in Section 4(f) above.

5. **Responsibility for Wages and Employee Costs**.

(w) While, and with respect to the time period while, any employees of TDG or any of its Affiliates or Subcontractors are providing the Administrative Services to Company or any Loaned Employees are performing Manufacturing Services for the Company:

(i) such employees and Loaned Employees will remain full-time regular employees of TDG or such Affiliate or such Subcontractor, as applicable, and shall not be deemed to be employees of Company or any other AMI Indemnitees for any purpose;

(ii) such employees and Loaned Employees shall remain under the sole direction, control and supervision of TDG or its Affiliate or Subcontractor, as applicable (and not of Company);

(iii) TDG or such Affiliate or Subcontractor, as applicable, as well as any other TDG Indemnitors, shall be solely responsible for the payment and provision of all wages, bonuses, commissions, employee benefits, other remuneration, and the withholding and payment of all applicable taxes, interest, fines, assessments, fees and/or costs relating to such employees and Loaned Employees; and

(iv) TDG or such Affiliate or Subcontractor, as applicable, as well as any other TDG Indemnitors, shall be solely liable and responsible to the Loaned Employees, their bargaining representatives, any government agencies, and any other similar person or entity, for any and all past, present, and future payments, contributions, obligations, negotiations, bargaining responsibilities, agreements, understandings, liabilities, and other Damages (as defined below), including but not limited to withdrawal liability, contribution liability, rehabilitation liability, payment of wages, manner of discharge, unfair labor practice charges, injunctions, labor strife, neutrality agreements, as provided in, associated with, or arising from the past, present, or future CBAs, collective bargaining representative(s), and pension or other defined benefit or defined contribution plan(s), governing, applicable to, or related to the Loaned Employees.

(x) With respect to any employees of Company:

(i) such employees will remain employees of Company and shall not be deemed to be employees of TDG for any purpose;

(ii) such employees shall remain under the sole direction, control and supervision of Company (and not of TDG); and

(iii) Company shall be solely responsible for the payment and provision of all wages, bonuses, commissions, employee benefits, and the withholding and payment of all applicable taxes relating to such employees.

6. **No Partnership or Joint Venture**. In performing the Administrative Services and the Manufacturing Services pursuant to this Agreement, TDG will be an independent contractor of Company, and this Agreement will not be deemed to create a partnership, joint venture, or other arrangement between the Parties.

7. **Term and Termination**.

(a) The initial term of this Agreement shall commence on the date hereof and shall terminate on the fifth (5^{th}) anniversary of the date of this Agreement (the "**Initial Term**"); provided that this Agreement shall automatically renew for successive additional two (2) year periods (each a "**Renewal Term**" and, together with the Initial Term, the "**Term**"), unless either Party notifies the other Party in writing of its intention not to renew this Agreement at least ninety (90) days prior to expiration of the Initial Term or any Renewal Term, as the case may be.

(b) This Agreement may be terminated:

(i) at any time by the mutual written consent of the Parties;

(ii) at any time by either Party by written notice to the other Party in the event that (A) there shall be any law that makes the transactions contemplated by this Agreement illegal or otherwise prohibited; or (B) any governmental authority shall have issued a governmental order restraining or enjoining the transactions contemplated by this Agreement and such governmental order shall have become final and non-appealable;

(iii) by TDG upon one hundred eighty (180) days prior written notice to Company following (A) the termination of the JV Agreement; or (B) if AMI or TruCor acquires all of the membership interests in Company owned by the other such party in accordance with the terms of the JV Agreement or the Operating Agreement; or

(iv) by either Party immediately if the other Party liquidates, dissolves, or shall be adjudicated insolvent, or has filed against it a petition in bankruptcy or for reorganization that is not dismissed or stayed within sixty (60) days, or voluntarily files a petition in bankruptcy or for reorganization or takes advantage of any insolvency act or proceeding, including an assignment for the benefit of creditors, or commits any other act of bankruptcy.

(a) Notwithstanding any termination of this Agreement, TDG shall be entitled to any Fees payable to TDG pursuant to Section 4 hereof in accordance with the terms thereof to the extent such Fees were actually earned or incurred prior to termination. Sections 5, 6, 7(c), 9, 12 and 14 through 23 of this Agreement shall remain operative and in full force and effect regardless of any termination of this Agreement.

8. **Force Majeure.** TDG shall not be liable for any interruption, delay or failure to perform any obligation under this Agreement when such interruption, delay or failure is due to causes beyond its reasonable control, including any strikes, lockouts, acts of any government, riot, insurrection or other hostilities, embargo, fuel or energy shortage, fire, flood, acts of God or general inability (not specific to TDG or its Affiliates) to obtain necessary labor, materials or utilities, but in each case only to the extent beyond TDG's reasonable control. In any such event, TDG's obligations hereunder shall be postponed for such time as its performance is suspended or delayed on account thereof and it shall have no liability to Company in connection therewith. TDG will promptly notify Company, in writing, upon learning of the occurrence of such event of force majeure. Upon the cessation of the force majeure event, TDG will resume its performance promptly.

9. **Confidentiality Obligations.**

(c) TDG and Company each acknowledge that each Party has previously obtained from the other Party, and during the Term of this Agreement it and its employees may obtain or be provided with information of the other Party which is non-public and economically valuable to such Party and is proprietary or confidential in nature, including, but not limited to, written or oral information regarding technical and scientific information, business operations and plans, sales and marketing strategies, pricing, present or prospective customers, vendors, customer requirements and other business and technical information that has been classified or marked as confidential (collectively, "**Confidential Information**").

(d) Notwithstanding the foregoing, Confidential Information does not include information which (i) is already known to the receiving Party at the time of disclosure by the disclosing Party; (ii) is or becomes publicly known through no wrongful act of the receiving Party; (iii) is independently developed by the receiving party without benefit of the disclosing Party's Confidential Information; (iv) is received by the receiving Party from a third party without restriction and without breach of an obligation of confidentiality; or (v) relates to the Loaned Employees' employment with or other services provided to TDG, its Affiliates, Subcontractors, and/or Company .

(e) All such Confidential Information shall at all times be and remain the exclusive property of the disclosing Party and shall be retained by the receiving Party in trust and in confidence, used by the parties hereto in connection with their obligations under this Agreement, shall not be discussed or made available by either Party to any party not a party hereto; provided, however, that each of parties hereto may disclose such Confidential Information (i) to its attorneys, professional advisors, accountants, independent auditors or affiliates on a confidential and "need-to-know" basis (collectively, a Party's "**Representatives**") (provided that (A) they are informed of the confidential nature of this Agreement and its contents and (B) each Party shall be responsible for any breach of this Agreement by its Representatives), (ii) to any financing source of such Party (collectively, a Party's "**Financing Sources**") (provided that (A) they are informed of the confidential nature of this Agreement and its contents and (B) each Party shall be responsible for any breach of this Agreement by its Financing Sources), (iii) in connection with a judicial, administrative or regulatory proceeding in which a Party hereto or any of their respective Representatives are involved or as requested or required by regulatory authority or otherwise by law, so long as in the case of this clause (iii) the disclosing Party (A) promptly notifies the other parties hereto thereof (to the extent permitted by law or the rules governing the process requiring such disclosure), (B) uses reasonable efforts to consult with the non-disclosing Party on the advisability of taking steps to resist or narrow such request, and (C) if disclosure is required or deemed advisable, use reasonable efforts to cooperate with the non-disclosing parties, at its expense, in any attempt that it may make to obtain an order or other reliable assurance that confidential treatment will be accorded to the information so disclosed, (iv) in connection with any Required Disclosure (subject to the provisions therein relating to Required Disclosure), and (v) in connection with the enforcement of rights under this Agreement.

(f) Upon expiration or termination of this Agreement, the receiving Party agrees, upon written request, to either return or destroy the disclosing Party's Confidential Information in its or its employees', agents', or Representatives' possession, including any notes, reports, analysis and other materials (in whatever form or medium) which were produced by the

receiving Party (or its employees, agents, or Representatives) and which include any of the disclosing Party's Confidential Information.

(g) From the date hereof until one year after the termination of this Agreement (the "**Restricted Period**"), except as provided below, neither Party shall, and shall not cause or permit any of its Affiliates to, directly or indirectly, hire or solicit any person who is or was employed by the Company or the other Party, or encourage any such employee to leave such employment or hire any such employee who has left such employment, provided, that nothing in this Section 9(e) shall prevent a Party or its Affiliate from hiring (i) any such employee whose employment has been terminated by the other Party or the Company, as applicable, or (ii) after one hundred eighty (180) days from the date of termination of employment, any such employee whose employment has been terminated by the employee. Notwithstanding anything to the contrary herein, in the event of TDG or its Affiliates' actual, imminent, or announced bankruptcy, cessation of all or substantially all operations, and/or insolvency; AMI's exercise or contemplated exercise of the Buy-Sell option as provided in the JV Agreement; and/or the actual, imminent, or announced termination of the Loaned Employees by TDG and/or its Affiliates (each, a "**TDG Protectable Interest Lapse**"), this Section 9(e) shall not apply to the Company or any other AMI Indemnitees and the Company's or any other AMI Indemnitee's solicitation and hiring of any Loaned Employee(s) shall not be a violation of this Section 9(e).

(h) Each Party acknowledges that the restrictions contained in Section 9(e) are reasonable and necessary to protect the legitimate interests of the other Party and constitute a material inducement to the other Party to enter into this Agreement and consummate the transactions contemplated hereby. In the event that any covenant contained in Section 9(e) should ever be adjudicated to exceed the time, geographic, product, service, or other limitations permitted by applicable Law in any jurisdiction, then any court is expressly empowered to reform such covenant, and such covenant shall be deemed reformed, in such jurisdiction to the maximum time, geographic, or other limitations permitted by applicable Law. The covenants contained in Section 9(e) and each provision thereof are severable and distinct covenants and provisions. The invalidity or unenforceability of any such covenant or provision as written shall not invalidate or render unenforceable the remaining covenants or provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such covenant or provision in any other jurisdiction.

10. **Representations and Warranties**.

(a) TDG represents and warrants to Company and to AMI that: (i) it is duly qualified to do business and is in good standing in every jurisdiction in which such qualification is required for purposes of this Agreement, except where the failure to be so qualified, in the aggregate, would not reasonably be expected to adversely affect its ability to perform its obligations under this Agreement; and (ii) this Agreement has been executed and delivered by TDG and (assuming due authorization, execution and delivery by Company) constitutes the legal, valid and binding obligation of TDG, enforceable against TDG in accordance with its terms, except as may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws and equitable principles related to or affecting creditors' rights generally or the effect of general principles of equity.

(b) TDG represents and warrants to Company and to AMI that, with respect to the property currently owned by TDG in Atmore, Alabama containing approximately 275,000 square feet and further described on Exhibit B hereto (the "**Atmore Facility**") that: (i) it possesses good marketable fee title to the Atmore Facility, subject only to matters affecting title, whether of record or known by Landlord on the date hereof to exist, including all mortgages and superior leasehold interests; (ii) it is authorized to make the agreements and covenants set forth

in this Agreement; (iii) that the provisions of this Agreement do not or will not conflict with or violate the provisions of existing or future agreements between TDG and third parties, including, without limitation, that certain Loan Agreement made by TDG and The Dixie Group, Inc. in favor of AmeriState Bank in the principal amount of $10,000,000.00 dated October 26, 2020 and that certain Loan Agreement made by TDG and The Dixie Group, Inc. in favor of Greater Nevada Credit Union in the principal amount of $15,000,000.00 dated October 29, 2020 (collectively, the "**Loan Agreements**"); (iv) the certificate of occupancy allows Company to use and enjoy the Atmore Facility for the Administrative Services and the Additional Services, if any; (v) provided TDG is the owner of the Atmore Facility, and except as otherwise set forth in any lease between the Company and TDG, the Atmore Facility is and will continue to be in compliance with all applicable laws, including all construction, environmental, asbestos, health and safety laws covering the disabled, *provided that*, except as otherwise provided for herein (including but not limited to, for clarity, the provisions in this Agreement regarding the allocation of costs, expenses, and liabilities associated with the Manufacturing Services, Administrative Services, Additional Services, Loaned Employees, and other labor or employment related issues), any costs, expenses or liabilities related to the operation of the Company shall be borne by the Company; and (vi) provided TDG is the owner of the Atmore Facility, the Atmore Facility is and will continue to be free and clear of all tenants and occupants that would have an effect on Company's ability to perform the Administrative Services and Additional Services, if any.

(c) Company represents and warrants to TDG that: (i) it is duly qualified to do business and is in good standing in every jurisdiction in which such qualification is required, except where the failure to be so qualified, in the aggregate, would not reasonably be expected to adversely affect its ability to perform its obligations under this Agreement; and (ii) this Agreement has been executed and delivered by Company and (assuming due authorization, execution, and delivery by TDG) constitutes the legal, valid and binding obligation of Company, enforceable against Company in accordance with its terms, except as may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws and equitable principles related to or affecting creditors' rights generally or the effect of general principles of equity.

11. **Disclaimer.** EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 10 OF THIS AGREEMENT, (I) NEITHER TDG NOR ANY PERSON ON TDG'S BEHALF HAS MADE OR MAKES ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WHATSOEVER, EITHER ORAL OR WRITTEN, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NON-INFRINGEMENT, WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED; AND (II) COMPANY ACKNOWLEDGES THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR WARRANTY MADE BY TDG, OR ANY OTHER PERSON ON TDG'S BEHALF, EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT.

12. **Indemnification**.

(i) Subject to terms and conditions of this Agreement, TDG and TDG's present and future successors and assigns (collectively, the "**TDG Indemnitors**") shall, jointly and severally, at their expense and at all times, indemnify, defend and hold completely harmless the Company, as well as AMI, and all of AMI's present and future, direct and indirect, Affiliates, and all of their (including, but not limited to, AMI's and such Affiliates') present and future, direct and indirect directors, members, managers, officers, owners, employees, employee benefit plans, fiduciaries, administrators, insurers, agents, successors, and assigns (collectively,

including but not limited to Company and AMI, the "**AMI Indemnitees**") from and against any and all claims, causes of action, complaints, charges, investigations, audits, demands, threats, damages, losses, liabilities, penalties, fines, assessments, equitable or other remedies, interest, costs and expenses, including but not limited to, reasonable attorneys' fees and expenses (collectively "**Damages**") arising out of or resulting from (i) any breach of any representation or warranty as set forth in Section 10 of or elsewhere in this Agreement, (ii) any breach of any term, condition, covenant or agreement of any of the TDG Indemnitors under this Agreement, (iii) any of the TDG Indemnitors' gross negligence or willful misconduct, or the violation of applicable law or the breach of a contractual obligation by any of the TDG Indemnitors, including, but not limited to, their respective officers, directors, employees, contractors, subcontractors, representatives, agents, successors or assigns, or (iv) TDG's collective bargaining obligation to and contractual relationship with the Southern Region Workers United affiliated with SEIU, as well as any successor or future union or collective bargaining representative, including but not limited to, any pension withdrawal liability under the Employee Retirement Income Security Act of 1974, breaches of the CBAs, unfair labor practices under the National Labor Relations Act, and grievances and arbitrations under the CBAs. Except as otherwise provided herein and except for any HR Approved Matter, to the extent that any plant manager or other supervisory employee of the Company directs the Loaned Employees to perform services or engage in other acts in breach of the terms of the CBA (if any) then in effect, any such Damages shall be excluded from the indemnity in this Section 12(a) the Company.

(j) Subject to terms and conditions of this Agreement, Company shall, at its expense and at all times, indemnify, defend and hold completely harmless TDG, as well as TruCor, and all of TDG's present and future, direct and indirect, Affiliates, and all of their (including, but not limited to, TDG's and such Affiliates') present and future, direct and indirect directors, members, shareholders, managers, directors, officers, owners, employees, employee benefit plans, fiduciaries, administrators, insurers, agents, successors, and assigns (each, a "**TDG Indemnitee**") and the AMI Indemnitees from and against all Damages arising out of or resulting from (i) any breach of any representation or warranty of Company as set forth in Section 10 or elsewhere in this Agreement, (ii) any breach of any term, condition, covenant or agreement of Company under this Agreement, (iii) any of the Company's gross negligence or willful misconduct, or the violation of applicable law or the breach of a contractual obligation by the Company, including but not limited to, its officers, directors, employees, contractors, subcontractors, representatives, agents, successors or assigns, and (iv) any claim arising from any action, conduct or omission by any Loaned Employee at any time during the Term of this Agreement reasonably understood to be risks within the ordinary course of operating a manufacturing facility, including, but not limited to, the negligence or the willful or intentional misconduct of a Loaned Employee and occupational safety and health compliance; provided that Company shall have no obligation to indemnify, defend nor hold harmless any of the TDG Indemnitees with respect to any breach, claim, issue, or other matter covered or arising under Section 12(a), or caused by or as the result of, whether directly or indirectly, the actions, conduct, and/or omissions by any TDG Indemnitee that is not a Loaned Employee.

(k) EXCEPT IN THE CASE OF GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OR TO THE EXTENT AWARDED TO A THIRD PARTY, IN NO EVENT SHALL EITHER PARTY OR THEIR REPRESENTATIVES BE LIABLE TO THE OTHER PARTY FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO ANY BREACH OF THIS AGREEMENT, REGARDLESS OF (A) WHETHER SUCH DAMAGES WERE FORESEEABLE, (B) WHETHER OR NOT THE OTHER PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND (C) THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND

NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

(l) In the event of TDG, its Affiliates', or a Subcontractor's bankruptcy, cessation of all or substantially all operations, and/or insolvency; AMI's exercise of the Buy-Sell option as provided in the JV Agreement; and/or the termination of the Loaned Employees by TDG its Affiliates, and/or Subcontractors, TDG, its Affiliates, Subcontractors, and the other TDG Indemnitors represent, warrant, and agree that they shall, jointly and severally, remain solely responsible and liable for any and all payments, contributions, obligations, liabilities, or other Damages as provided in, associated with, or arising from the past, present, and future CBAs, collective bargaining representative(s), pension or other defined benefit or defined contribution plan(s), governing, applicable to, or related to their employees and/or any Loaned Employees, including but not limited to withdrawal, contribution, rehabilitation, and other liability with respect to any and all multiemployer pension plans to which TDG, its Affiliates, Subcontractors, or any other TDG Indemnitors contribute on behalf of the Loaned Employees.

13. **Insurance**. At all times during the Term of this Agreement, each Party shall procure and maintain, at its sole cost and expense, at least the following types and amounts of insurance coverage:

(b) TDG shall secure and maintain (i) general commercial liability insurance (which shall have limits of not less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) in the aggregate), (ii) employment practices liability insurance with limits and amounts as unanimously determined by the board of directors of the Company, and (iii) excess liability insurance (which shall have a limit of not less than Ten Million Dollars ($10,000,000.00) in the aggregate) protecting TDG against any loss, cost, damage, expense (including but not limited to attorneys' fees and expenses), or other Damages customarily insured against by comparable businesses, and which shall include any and all endorsements and riders available extending any applicable claims periods (including but not limited to beyond the covered time period). All such policies shall name Company and AMI additional insureds and shall be carried with such companies reasonably satisfactory to AMI and Company.

(c) Company shall secure and maintain (i) general commercial liability (which shall have limits of not less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) in the aggregate), and (ii) excess liability (which shall have a limit of not less than Ten Million Dollars ($10,000,000.00) in the aggregate), protecting Company against any loss, cost, damage, expense, or other Damages customarily insured against by comparable businesses. All such policies shall name TDG and AMI as an additional insured and shall be carried with such companies reasonably satisfactory to Company.

14. **Survival.** Subject to the limitations and other provisions of this Agreement: (a) the representations and warranties of the Parties contained herein shall survive the Closing for a period of twelve months from the Closing Date or the date the Party discovers the breach of such representation or warranty (whichever occurs last); and (b) the covenants and other agreements of the Parties contained herein shall survive expiration or termination of this Agreement only with respect to the time period prior to termination and to give proper effect to their respective intent. All other provisions of this Agreement will not survive the expiration or earlier termination of this Agreement.

15. **Assignment; Successors and Assigns, etc.** No Party may make any assignment of this Agreement or any interest herein, by operation of law or otherwise, without the prior written consent of the other Party and without such consent any attempted transfer or assignment shall be null and of no effect. This Agreement shall inure to the benefit of and be binding upon

the Parties and their respective successors, executors, administrators, heirs and permitted assigns. The AMI Indemnitees and TDG Indemnitees are each express intended third-party beneficiaries of this Agreement, and are the sole intended third-party beneficiaries of this Agreement.

16. **Notices**. All notices, requests, demands and other communications required or permitted hereunder will be in writing and, if mailed by prepaid first class mail or certified mail, return receipt requested, will be deemed to have been received on the earlier of the date shown on the receipt or three (3) business days after the postmarked date thereof. In addition, notices hereunder may be delivered by hand, in which event the notice will be deemed effective when delivered, or by overnight courier, in which event the notice will be deemed to have been received on the next business day following delivery to such courier. Finally, notices hereunder may be delivered by facsimile or electronic mail transmission; if sent by facsimile transmission, such notice will be deemed to have been received on the next business day following dispatch and acknowledgment of receipt by the recipient's facsimile machine; and if sent by electronic mail transmission, such notice will be deemed to have been received on the next business day following such successful transmission. All notices and other communications under this Agreement will be given to the Parties at the following addresses:

(m) If to Company:

Rigid Core Manufacturing, LLC
Attention: Kennedy Frierson
475 Reed Road
Dalton, GA 30720-6307
Email: kennedy.frierson@dixiegroup.com

and

Rigid Core Manufacturing, LLC
[address to be provided]

With a copy (which shall not constitute notice) to:

Rigid Core Manufacturing, LLC
[address to be provided]

(n) If to TDG:

TDG Operations, LLC
475 Reed Road
Dalton, GA 30720-6307
Attn: Kennedy Frierson, Manager
Email: kennedy.frierson@dixiegroup.com

with a copy (which shall not constitute notice) to:

Miller & Martin, PLLC
832 Georgia Avenue, Suite 1200
Chattanooga, Tennessee 37402
Attn: John F. Henry, Esq.
Email: john.henry@millermartin.com

(o) If to AMI:

Alabama Manufacturing Investment LLC
[address to be provided]

with a copy (which shall not constitute notice) to:

Golenbock Eiseman Assor Bell & Peskoe LLP
711 Third Avenue, 17th Floor
New York, NY 10017
Attn: Richard S. Kaplan, Esq.
Email: rkaplan@golenbock.com

In calculating time periods for notice, when a period of time measured in days, weeks, months, years or other measurement of time is prescribed for the exercise of any privilege or the discharge of any duty, the first day shall not be counted but the last day shall be counted. Either Party may change the address to which notice is to be sent by written notice to the other Party in accordance with this Section.

17. **Waiver**. No failure on the part of a Party to exercise, and no delay in exercising, any right, power or privilege of a Party hereunder shall operate as a waiver thereof. The waiver by a Party of any breach of this Agreement by the other Party shall not be effective unless in writing, and no such waiver shall operate or be construed as a waiver of the same or another breach on a subsequent occasion.

18. **Titles**. The titles, captions and headings contained in this Agreement are for convenience of reference only and shall not affect the meaning, construction or interpretation of any provisions of this Agreement.

19. **Counterparts**. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf), or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

20. **Amendment**. This Agreement may be amended or modified only by a written instrument signed by duly authorized representatives of Company, TDG and AMI.

21. **Governing Law; Submission to Jurisdiction**. This Agreement shall be governed in all respects by the laws of the State of Delaware, without giving effect to any conflicts or choice of law principles which otherwise might be applicable. Any legal suit, action, or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby shall be instituted in the federal courts of the United States of America or the courts of the State of Georgia in each case located in the City of Atlanta, and each Party irrevocably submits to the non-exclusive jurisdiction of such courts in any such suit, action, or proceeding.

22. **JURY TRIAL WAIVER**. The Parties acknowledge that the right to trial by jury is a constitutional one, but that it may be waived. Each of the Parties, after consulting (or having the opportunity to consult) with counsel of its choice, knowingly, voluntarily and intentionally waives any right to trial by jury in any action or other legal proceeding arising out of or relating to this Agreement, including any document or correspondence pertaining to this Agreement.

23. **Construction**. Each Party and its counsel have reviewed this Agreement and have been provided the opportunity to revise this Agreement and, accordingly, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall

not be employed in the interpretation of this Agreement. Instead, the language of all parts of this Agreement shall be construed as a whole, and according to its fair meaning, and not strictly for or against either Party. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed followed by the words "without limitation." When used in this Agreement, words such as "herein", "hereinafter", "hereof", "hereto", and "hereunder" shall refer to this Agreement as a whole, unless the context clearly requires otherwise. The use of the words "either" and "any" shall not be exclusive. The use of "or," "and," or "and/or" shall be interchangeable as necessary, unless the context clearly requires otherwise.

24. **Entire Agreement**. This Agreement, including all exhibits hereto, and the JV Agreement, embodies the entire agreement between, and the understanding of, the Parties in respect of the subject matter contained herein.

[***Remainder of page intentionally left blank***.
Signature page immediately follows.]

IN WITNESS WHEREOF, the Parties have executed, or caused to be executed, this Agreement, as of the date first above written.

TDG: TDG OPERATIONS, LLC

By: _____
Name: _____
Title: _____

COMPANY: RIGID CORE MANUFACTURING, LLC

By: _____
Name: _____
Title: _____

AMI: ALABAMA MANUFACTURING INVESTMENT, LLC

By: _____
Name: _____
Title: _____

EXHIBIT A

4064109.21

4064109.23

Administrative Services

A. General Services. TDG will provide Company general administrative, accounting and record-keeping services required for the operation of the Business, including, without limitation:

1. ***accounts payable*** — processing all invoices, charging the proper accounts and preparing checks;
2. ***invoicing*** — pricing shipments and preparing and mailing invoices;
3. ***accounts receivable*** — maintaining records of billings and collections;
4. ***payroll*** — maintenance of all payroll accounting systems;
5. ***tax reporting and returns*** — preparation of or management of external relationship with accounting firm in preparation of all Federal, State and local Company tax returns, other external tax reports;
6. ***books and records*** — review and assistance to Company in the maintenance of financial and other books and records (all of which will be maintained by Company) and a cost system for Company's facilities;
7. ***audit*** — audit support services relating to annual accounting audit;
8. ***accounting and financial statements/periodic reports***—accounting support services to assist in the maintenance of a system of accounting for Company and the preparation of audited and unaudited balance sheets, statements of income and results of operations and cash flows;
9. ***legal***—management of external legal law firm relationship involving the drafting and reviewing contracts, agreements and other documents, legal consultation and opinions, maintaining corporate books and records, litigation management, regulatory compliance, and legal issues related to labor and employment issues; and
10. ***general administrative*** — such other general administrative services as are required by Company.

B. Insurance and Risk Management Services. TDG will provide Company with insurance and risk management services, including the evaluation of insurance needs, policies and risks, management of brokers, placement of coverages, supervision over claims, and support of compliance functions.

C. Information Technology, Cybersecurity and Data Protection Services. TDG will provide all information technology, cybersecurity and data protection services required to support the day-to-day activities of Company, including computer operations, data input, systems and programming and technical support. Company will provide, at its own expense, all computer hardware, terminal equipment, personal computers and peripheral equipment required for the ordinary conduct of the business of Company. Company shall be responsible for all computer software licensing and third party consulting fees and maintenance costs, including, without limitation, the costs associated with accounting and enterprise resource planning software, production, scheduling and inventory management software, and all other third party license and seat costs.

The Fees associated with the information technology services will include time spent by TDG personnel in the development and maintenance of production scheduling, inventory control systems, cost and cost control systems, quality control information systems and payroll and accounts payable systems. However, any amounts incurred by TDG for third party support of the foregoing will be passed through to Company.

D. Human Resources ("HR") Services. TDG shall provide Company with HR services, including but not limited to assistance with staffing and recruitment, training and employee development, advice and establishment of policies for employee compensation and benefits, discipline, termination, and employee and labor relations support, as well as advice and recommendations approving, disapproving, and/or modifying HR related decisions.

EXHIBIT B

TRACT 1

COMMENCING FROM THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 25, TOWNSHIP 1 NORTH, RANGE 5 EAST, ESCAMBIA COUNTY, ALABAMA; THENCE RUN WEST A DISTANCE OF 214.84 FEET, MORE OR LESS, TO A 1/2" IRON REBAR WITH CAP (CA#604) FOR THE POINT OF BEGINNING; THENCE RUN SOUTH 00°17'59" EAST A DISTANCE OF 1135.35 FEET TO A 5/8" IRON REBAR WITH CAP (LS#21460) TO THE NORTH RIGHT-OF-WAY OF BYRNE DRIVE (60' WIDE RIGHT-OF-WAY); THENCE RUN SOUTH 88°03'01" WEST ALONG SAID RIGHT-OF-WAY A DISTANCE OF 1003.26 FEET TO A 5/8" IRON REBAR WITH CAP (LS#21460); THENCE LEAVING SAID RIGHT-OF-WAY NORTH 00°16'57" WEST A DISTANCE OF 614.51 FEET TO A 5/8" IRON REBAR WITH CAP (CA#156); THENCE RUN NORTH 00°19'29" WEST A DISTANCE OF 790.50 FEET TO A 5/8" IRON REBAR WITH CAP (CA#156) TO THE SOUTH RIGHT-OF-WAY INDUSTRIAL PARK NORTH PERIMETER ROAD (60' WIDE RIGHT-OF-WAY); THENCE RUN NORTH 89°54'38" EAST ALONG SAID SOUTH RIGHT-OF-WAY A DISTANCE OF 792.95 FEET TO A 5/8" IRON REBAR WITH CAP (CA#156); THENCE RUN NORTH 88°21'04" EAST ALONG SAID SOUTH RIGHT-OF-WAY A DISTANCE OF 210.16 FEET TO A 5/8" IRON REBAR WITH CAP (LS#21460); THENCE LEAVING SAID SOUTH RIGHT-OF-WAY SOUTH 00°17'27" EAST A DISTANCE OF 242.81 FEET TO A 1/2" IRON REBAR WITH CAP (CA#604); SAID DESCRIBED PARCEL CONTAINING 31.98 ACRES, MORE OR LESS.

TRACT 2

COMMENCING FROM THE NORTHEAST CORNER OF SECTION 25, TOWNSHIP 1 NORTH, RANGE 5 EAST, ESCAMBIA COUNTY, ALABAMA; THENCE RUN SOUTH 89°43'02" WEST A DISTANCE OF 986.60 FEET TO A POINT; THENCE RUN SOUTH 02°50'09" WEST A DISTANCE OF 251.89 FEET TO A 1/2" IRON REBAR WITH CAP (LS#21466) ON THE WEST RIGHT-OF-WAY OF SWIFT MILL ROAD (60' WIDE RIGHT-OF-WAY) FOR THE POINT OF BEGINNING; THENCE RUN SOUTH 02°54'33" WEST ALONG SAID RIGHT-OF-WAY A DISTANCE OF 871.58 FEET TO A 1/2" IRON REBAR WITH CAP (LS#21466) LYING ON THE NORTH RIGHT-OF-WAY OF BRYNE DRIVE (60' WIDE RIGHT-OF-WAY); THENCE RUN SOUTH 88°02'30" WEST ALONG SAID NORTH RIGHT-OF-WAY A DISTANCE OF 472.82 FEET TO A 5/8" IRON REBAR WITH CAP (LS#21460); THENCE LEAVING SAID NORTH RIGHT-OF-WAY NORTH 00°17'59" WEST A DISTANCE OF 884.79 FEET TO A POINT, SAID POINT LYING SOUTH 89°47'55" EAST A DISTANCE OF 0.90 FEET FROM A 1/2" IRON REBAR WITH CAP (LS#21466); THENCE RUN NORTH 89°47'55" EAST A DISTANCE OF 521.41 FEET TO THE POINT OF BEGINNING; SAID DESCRIBED PARCEL CONTAINING 10.01 ACRES, MORE OR LESS.

Schedule 1

Leased Premises Approximately 275,000 square feet of space in the Atmore Facility or such other amount of space agreed to by TDG and AMI.

Base Rent $2.18 per square foot

Additional Rent Real estate taxes and operating costs attributable to the Leased Premises, including a pro rata allocation of the cost of hazard insurance.

TDG's Improvements TDG, at TDG's sole cost and expense, shall perform all improvements necessary to deliver the Leased Premises to the Company in the condition determined by the Company's board of directors.

The Company's Work The Company, at the Company's sole cost and expense, shall be permitted to perform all improvements necessary for the operation of the Company.

Rent Commencement Date The Company shall commence paying Base Rent and Additional Rent on the date TDG delivers the Leased Premises to the Company with TDG's Improvements fully completed.