Alberta Investments Inc.
Form 424B3
June 27, 2014
Table of Contents

Filed Pursuant to Rule 424(b)(3)
Registration No. 333-196133

U.S. Concrete, Inc.

Offer to Exchange

up to $200,000,000 of

outstanding 8.500% Senior Secured Notes due 2018

for

up to $200,000,000 of

8.500% Senior Secured Notes due 2018

that have been registered

under the Securities Act of 1933, as amended

The exchange offer will expire at 5:00 p.m., New York City Time, on July 29, 2014, unless we extend the exchange offer. We do not currently intend to extend the exchange offer.

We are offering to exchange up to $200,000,000 aggregate principal amount of our new 8.500% Senior Secured Notes due 2018 (the Exchange Notes), which have been registered under the Securities Act of 1933, as amended (the Securities Act), for an equal principal amount of our outstanding 8.500% Senior Secured Notes due 2018 (the Initial Notes), issued in a private offering on November 22, 2013. We refer to the Exchange Notes and the Initial Notes collectively as the Notes.

The Initial Notes are, and the Exchange Notes will be, jointly and severally and fully and unconditionally guaranteed on a senior secured basis by our existing and future restricted subsidiaries that guarantee obligations under our senior secured asset-based revolving credit facility or that guarantee certain of our other indebtedness or certain indebtedness of our restricted subsidiaries, subject to customary release.

We will exchange all Initial Notes that are validly tendered and not validly withdrawn prior to the closing of the exchange offer for an equal principal amount of the Exchange Notes that have been registered.

You may withdraw tenders of the Initial Notes at any time prior to the expiration of the exchange offer.

The terms of the Exchange Notes to be issued are identical in all material respects to the terms of the Initial Notes, except the Exchange Notes will not contain transfer restrictions, registration rights, or provisions for additional interest.

The Exchange Notes, together with any Initial Notes not exchanged in the exchange offer, will constitute a single class of debt securities under the indenture governing the Notes (the Indenture).

The exchange of the Initial Notes will not be a taxable exchange for United States federal income tax purposes.

We will not receive any proceeds from the exchange offer.

No public market exists for the Initial Notes. We do not intend to list the Exchange Notes on any securities exchange and, therefore, no active public market is anticipated.

See Risk Factors beginning on page 15 for a discussion of factors that you should consider before tendering your Initial Notes.

Each broker-dealer that receives any Exchange Notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Notes. The related letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of the Exchange Notes received in exchange for the Initial Notes where such Initial Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period of 180 days after the completion of the exchange offer (or until all participating broker-dealers have sold all of their Exchange Notes and the exchange offer has been completed), we will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is June 27, 2014.

Table of Contents

This prospectus is part of a registration statement we filed with the Securities and Exchange Commission. In making your investment decision, you should rely only on the information contained or incorporated by reference into this prospectus and in the accompanying letter of transmittal. We have not authorized anyone to provide you with any other information. We are not making an offer to sell these securities or soliciting an offer to buy these securities in any jurisdiction where an offer or solicitation is not authorized or in which the person making that offer or solicitation is not qualified to do so or to anyone whom it is unlawful to make an offer or solicitation. You should not assume that the information contained in this prospectus, as well as the information we previously filed with the Securities and Exchange Commission that is incorporated by reference herein, is accurate as of any date other than its respective date.

TABLE OF CONTENTS

WHERE YOU CAN FIND MORE INFORMATION	ii
INFORMATION INCORPORATED BY REFERENCE	ii
INDUSTRY AND MARKET DATA	ii
CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS	iii
SUMMARY	1
RISK FACTORS	15
USE OF PROCEEDS	39
THE EXCHANGE OFFER	40
RATIO OF EARNINGS TO FIXED CHARGES	47
SELECTED FINANCIAL DATA	48
DESCRIPTION OF OTHER INDEBTEDNESS	49
DESCRIPTION OF THE EXCHANGE NOTES	51
MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES	119
PLAN OF DISTRIBUTION	120
LEGAL MATTERS	121
EXPERTS	121

This prospectus incorporates by reference important business and financial information about us that is not included or delivered with this prospectus. Copies of this information are available without charge to any person to whom this prospectus is delivered, upon written or oral request. Written requests should be directed to U.S. Concrete, Inc., Attention: Investor Relations, 331 North Main Street, Euless, Texas 76039 or by phone by calling (817) 835-4105.

In order to ensure timely delivery of the documents, you must make your requests to us no later than July 22, 2014 (which is five business days prior to the expiration of the exchange offer, unless we extend the exchange offer). In the event that we extend the exchange offer, you must submit your request at least five business days before the expiration date of the exchange offer, as extended.

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

We currently file periodic reports and other information under the Securities Exchange Act of 1934, as amended, or the Exchange Act. Our SEC filings are available to the public over the Internet at the SEC s website at www.sec.gov. You may also read and copy any document we file with the SEC at the SEC s public reference room located at 100 F Street, N.E., Washington D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room and copy charges. Also, using our website, http:// www.us-concrete.com, you can access electronic copies of documents we file with the SEC, including our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K and any amendments to those reports. Information on our website is not incorporated by reference into this prospectus. You may also request a copy of those filings, excluding exhibits, at no cost by writing to U.S. Concrete, Inc., Attention: Investor Relations, 331 North Main Street, Euless, Texas 76039 or by phone by calling (817) 835-4100.

INFORMATION INCORPORATED BY REFERENCE

The SEC allows us to incorporate by reference into this prospectus the information we provide in other documents filed by us with the SEC. The information incorporated by reference is an important part of this prospectus. Any statement contained in a document that is incorporated by reference into this prospectus is automatically updated and superseded if information contained in this prospectus, or information that we later file with the SEC, modifies and replaces this information. We incorporate by reference the following documents that we have filed with the SEC:

- our Annual Report on Form 10-K for the year ended December 31, 2013 filed with the SEC on March 7, 2014, including the portions of our Definitive Proxy Statement on Schedule 14A filed on March 28, 2014 and incorporated therein by reference;

- our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2014 filed with the SEC on May 9, 2014; and

- our Current Reports on Form 8-K filed with the SEC on May 16, 2014 and May 22, 2014.

We are also incorporating by reference additional documents that we file with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act on or after the date of this prospectus through the termination of the offering of the securities offered by this prospectus including any applicable documents we file after the initial date of the registration statement and prior to effectiveness. We are not, however, incorporating by reference any documents or portions thereof, that are not deemed filed with the SEC or any information furnished pursuant to Items 2.02 or 7.01 of Form 8-K or the exhibits relating to such items and furnished pursuant to Item 9.01 of Form 8-K.

You may request a copy of this prospectus or any of the incorporated documents (excluding exhibits, unless the exhibits are specifically incorporated) at no charge to you by writing to U.S. Concrete, Inc., Attention: Investor Relations, 331 North Main Street, Euless, Texas 76039 or by phone by calling (817) 835-4100.

INDUSTRY AND MARKET DATA

We obtained the industry and market data used in, or incorporated by reference into, this prospectus from various third party sources, including periodic industry publications, data compiled by the United States Census Bureau, and industry reports produced by consultants and trade associations. These third party sources generally include a statement that the information contained therein has been obtained from sources believed to be reliable. However, industry and market data is subject to change and cannot always be verified with certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. We have not independently verified any of the data from third-party sources nor have we ascertained the underlying economic assumptions relied upon therein.

Table of Contents

As a result, you should be aware that industry, market and other similar data set forth herein, and estimates and beliefs based on such data, might not be accurate.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements and information in this prospectus may constitute forward-looking statements. These forward-looking statements include, without limitation, statements concerning plans, objectives, goals, projections, strategies, future events or performance, and underlying assumptions and other statements, which are not statements of historical facts. In some cases, you can identify forward-looking statements by terminology such as may, will, should, expect, plan, anticipate, believe, estimate, predict, potential or continue, the negative of such comparable terminology. These forward-looking statements are based on our current expectations and beliefs concerning future developments and their potential effect on us. While management believes that these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting us will be those that we anticipate. All comments concerning our expectations for future revenues and operating results are based on our forecasts for our existing operations and do not include the potential impact of any future acquisitions. Our forward-looking statements involve significant risks and uncertainties (some of which are beyond our control) and assumptions that could cause actual results to differ materially from our historical experience and our present expectations or projections.

Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, those summarized below:

- general economic and business conditions, which will, among other things, affect demand for new residential and commercial construction;
- our ability to successfully identify, manage, and integrate acquisitions;
- the cyclical nature of, and changes in, the real estate and construction markets, including pricing changes by our competitors;
- governmental requirements and initiatives, including those related to mortgage lending or mortgage financing, funding for public or infrastructure construction, land usage, and environmental, health, and safety matters;
- disruptions, uncertainties or volatility in the credit markets that may limit our, our suppliers and our customers access to capital;
- our ability to successfully implement our operating strategy;
- weather conditions;

- our substantial indebtedness and the restrictions imposed on us by the terms of our indebtedness;

- our ability to maintain favorable relationships with third parties who supply us with equipment and essential supplies;

- our ability to retain key personnel and maintain satisfactory labor relations; and

- product liability, property damage, and other claims and insurance coverage issues.

Known material factors that could cause our actual results to differ from those in the forward-looking statements are those described in Risk Factors .

Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise, except as required by federal securities laws.

Table of Contents

SUMMARY

This summary highlights selected information contained elsewhere in this prospectus about us and the exchange offer. This summary does not contain all the information that is important to you. You should read the entire prospectus carefully, including the Risk Factors, as well as the financial statements and related notes thereto incorporated by reference into this prospectus. Unless the context otherwise requires or indicates, all references to U.S. Concrete, USCR, the Company, we, our and us refer to U.S. Concrete, Inc., a Delaware corporation, and its subsidiaries.

Our Company

We are a leading producer of ready-mixed concrete in select geographic markets in the United States. We operate our business through two primary segments: ready-mixed concrete and aggregate products. Ready-mixed concrete is an important building material that is used in the vast majority of commercial, residential and public works construction projects. Aggregates are a raw material used in the production of ready-mixed concrete.

We serve substantially all segments of the construction industry in our select geographic markets. Our customers include contractors for commercial and industrial, residential, street and highway and other public works construction. Concrete product revenue by type of construction activity for the year ended December 31, 2013 was approximately 64% commercial and industrial, 20% residential and 16% street, highway and other public works.

We operate principally in Texas, California and New Jersey/New York, with those markets representing approximately 40%, 35%, and 18%, respectively, of our consolidated revenue for the year ended December 31, 2013. We believe we are well positioned for strong growth in these attractive regions and segments. According to publicly available industry information, the states in which we operate represent a total of 33% of the 2013 consumption of ready-mixed concrete in the United States, which favorably positions us to capture additional market share in this fragmented industry. Total revenue from continuing operations for the year ended December 31, 2013 was $615.0 million, of which we derived approximately 88.7% from our ready-mixed concrete segment, 3.5% from our aggregate products segment (excluding $16.5 million sold internally) and 7.8% from our other operations. For the year ended December 31, 2013, our net loss was $20.1 million and our net loss from continuing operations was $18.4 million.

As of March 31, 2014, we had 112 ready-mixed concrete plants, 970 operated mixer trucks, eight aggregates facilities and one recycled aggregates facility. During the year ended December 31, 2013, our plants and facilities produced approximately 5.2 million cubic yards of ready-mixed concrete and 3.6 million tons of aggregates. We lease two other aggregates facilities to third parties and retain a royalty on production from those facilities.

Our Business

Our ready-mixed concrete segment engages principally in the formulation, preparation and delivery of ready-mixed concrete to our customers job sites. We provide our ready-mixed concrete from our operations in north and west Texas, northern California, New Jersey, New York, Washington, D.C. and Oklahoma. Ready-mixed concrete is a highly versatile construction material that results from combining coarse and fine aggregates, such as gravel, crushed stone and sand, with water, various chemical admixtures and cement. We also provide services intended to reduce our customers overall construction costs by lowering the installed, or in-place, cost of concrete. These services include the formulation of mixtures for specific design uses, on-site and lab-based product quality control, and customized delivery programs to meet our customers needs. We generally do not provide paving or other finishing services, which construction contractors or subcontractors typically perform.

1

Table of Contents

Our ready-mixed concrete products consist of proportioned mixes we produce and deliver in an unhardened plastic state for placement and shaping into designed forms at the job site. Selecting the optimum mix for a job entails determining not only the ingredients that will produce the desired permeability, strength, appearance and other properties of the concrete after it has hardened and cured, but also the ingredients necessary to achieve a workable consistency considering the weather and other conditions at the job site. We believe we can achieve product differentiation for the mixes we offer because of the variety of mixes we can produce, our volume production capacity and our scheduling, delivery and placement reliability. Additionally, we believe our environmentally friendly concrete (EF Technology) initiative, which utilizes alternative materials and mix designs that result in lower carbon dioxide, or CO2 emissions, helps differentiate us from our competitors. We also believe we distinguish ourselves with our value-added service approach that emphasizes reducing our customers overall construction costs by reducing the in-place cost of concrete and the time required for construction.

Our aggregate products segment produces crushed stone, sand and gravel from seven aggregates facilities located in New Jersey and Texas. We sell these aggregates for use in commercial, industrial and public works projects in the markets they serve, as well as consume them internally in the production of ready-mixed concrete in those markets. We produced approximately 3.6 million tons of aggregates during the year ended December 31, 2013, with Texas representing 53% and New Jersey representing 47% of the total production. We believe our aggregates reserves provide us with additional raw material sourcing flexibility and supply availability. In addition, we own sand pit operations in Michigan and one quarry in west Texas which we lease to third parties and receive a royalty based on the volumes produced and sold during the terms of the leases.

Other products not associated with a reportable segment include our building materials stores, hauling operations, lime slurry, Aridus® rapid-drying concrete technology, brokered product sales, a recycled aggregates operation, and one precast concrete plant.

Competitive Strengths

Large, high quality asset base in attractive markets that are well positioned to benefit from a rebound in construction. Our assets are primarily focused in the Texas / Oklahoma, California and New York / New Jersey / Washington, D.C. markets. Our high quality asset base is comprised of 970 operated mixer trucks in addition to 75 ready-mixed concrete plants and five aggregates facilities in Texas / Oklahoma, 17 ready-mixed concrete plants in California, and 20 ready-mixed concrete plants, three aggregates facilities and one recycled aggregates facility in New York / New Jersey / Washington, D.C. We believe the scale and quality of our asset base, in addition to our product differentiation, on-time deliveries, competitive all-in delivered cost, servicing and reliability differentiate us and allow us to meet the needs of both large and small jobs for a wide range of clients in multiple end-use markets.

Growth in our Texas / Oklahoma markets is largely driven by construction demand in the energy sector; growth in our California market is driven largely by the technology sector; and growth in our New York / New Jersey / Washington, D.C. markets is driven by the financial services and government sectors, respectively. In addition, all of our markets currently exhibit healthy residential trends supported by a number of factors, including population growth, decreases in unemployment, low mortgage and other interest rates, rising home prices and increasing construction activity. We believe that our better-than-average growth is driven by key industry sectors within our markets, which generally benefit from year-round construction.

Favorable exposure to commercial projects with higher margins and barriers to entry. We bid for and routinely win supply contracts for some of the largest, most prestigious commercial projects. Some of the larger commercial projects we have recently worked on include:

The San Francisco Bay Bridge in Oakland, California

2

- Lyndon B. Johnson Expressway in Dallas / Fort Worth, Texas
- World Trade Center Complex in Manhattan, New York
- San Jose Airport Parking Garage in San Jose, California
- San Francisco 49er Stadium in San Francisco, California

These types of projects have higher margins and barriers to entry due to rigorous specifications, increased complexity, high customization requirements and significant volume capacity needs.

We provide alternative solutions for designers and contractors by offering value-added concrete products such as color-conditioned, fiber-reinforced, steel-reinforced and high-performance concrete. We believe this enhances our ability to become exposed to, and win supply contracts for, some of the largest commercial projects that have high barriers to entry.

Long-term customer relationships. Our management and sales personnel develop and maintain successful long-term relationships with our key customers. Customer concentration in our key markets allows us to better serve our new and existing customers with expedited delivery and lower transportation costs and scale efficiencies. Key elements of our customer-focused approach include:

- corporate-level marketing and sales expertise;
- technical service expertise to develop innovative new branded products; and
- training programs that emphasize successful marketing and sales techniques that focus on the sale of high-margin concrete mix designs.

The average length of our top 15 customer relationships is approximately 19 years. Approximately 86% of our top 35 customers have relationships that extend past five years with many customer relationships surpassing 20 years of loyalty. Our customer engagement model results in contractors returning year-after-year to us as a supplier they can trust. Despite our concentrated and loyal customer base, in 2013, no single customer or project accounted for more than 10% of our total revenue. Our broad, yet targeted, customer base enables us to develop an efficient, stable business model and tap into the market in a variety of ways. Our 2013 revenue was split between (1) commercial and industrial, (2) residential and (3) street and highway construction contractors and other public works. We believe that by providing high quality, reliable services and customized products and solutions, we are able to continuously maintain important long-term relationships.

Focus on environmental sustainability. We are a leader in the sustainable concrete market, and we expect domestic and global sustainable demand to continue to grow at attractive rates. In 2008, we initiated EF Technology® which promotes green building and construction. Our EF Technology ready-mixed concrete products replace a portion of the traditional cement components with reclaimed fly ash, slag and other materials that results in lower carbon dioxide emissions. We believe this leads to an environmentally superior and sustainable alternative to traditional ready-mixed concrete for our customers consumption. We believe EF Technology reduces greenhouse gases and landfill space consumption and produces a highly durable product. Customers can also receive Leadership in Energy and Environmental Design, or LEED, credits for the use of this technology.

We believe our use of technology creates a competitive advantage over smaller concrete producers and larger vertically integrated aggregates and cement companies that do not focus on this as a first solution. We are positioned to take advantage of the growing demand for these products which could result in an increase in our revenue and profits and expansion of our operating margins, as these higher-priced value-added products are a lower cost alternative to cement. Today, we are a charter member of the Carbon Leadership Forum and the first ready-mixed concrete company in North America to adopt and receive verified Environmental Product

Table of Contents

Declarations for our concrete mixes, and we employ extensive sustainable operational practices across our enterprise. We are also a supporter of the National Ready Mixed Concrete Association (NRMCA) Green-Star program, a plant-specific certification program that utilizes an environmental management system based on a model of continual improvement.

Conservative balance sheet and ample liquidity. Since 2010, we have refocused our financial objectives and have successfully improved our financial performance. We have hired a new management team with extensive experience in the industry and formed a new board of directors. Our management team has focused on reducing our cost structure while expanding our existing and acquired businesses in our core operating regions to drive strong performance. As a result, since 2010, we have grown revenue, improved profit margins and increased liquidity. In addition to cash proceeds received from our recently completed offering of the Initial Notes, we benefit from significant liquidity through our senior secured asset based revolving credit facility (the Revolving Facility) and cash flow from operations. We believe our conservative balance sheet and liquidity, enhanced by the proceeds from our recent offering of $200.0 million aggregate principal amount of the Initial Notes, will allow us to take advantage of strategic opportunities as well as provide ample cushion against general downturns in economic activity.

Experienced management team. Our senior management team consists of nine executives with an average of 23 years of industry experience and is comprised of individuals with a proven track record in the construction materials industry. Our Chief Executive Officer, William J. Sandbrook, has approximately 21 years of experience in the construction materials industry. Our management team s deep market knowledge enables us to effectively assess potential new opportunities in order to solidify our leading market presence. We will continue to focus on recruiting and retaining motivated and knowledgeable professional managers to continue to develop our business and maintain our leading market position.

Company Strategy

Focus on core operations. We believe our recent, improved financial performance, and the best opportunities for future growth, lie within our core ready-mixed concrete and aggregates businesses. We routinely evaluate our existing assets and business units to ensure we continue to maintain a best-in-class operation. During 2012, we divested the majority of our precast businesses to focus on ready-mixed concrete and aggregates and subsequently realigned our existing business units to better serve our end-user markets and customers. We will continue to invest in our business, both in physical plants and new technologies, and we will continue to evaluate both organic and strategic acquisition opportunities. We believe our focus on optimizing the performance of our ready-mixed concrete segment will continue to differentiate us from our larger, integrated competitors that focus principally on their aggregates or cement segments and treat ready-mixed concrete operations as a downstream outlet for their aggregates or cement products.

Pursue growth. In addition to our general organic growth initiative, we continuously evaluate both acquisition and partnership opportunities. We are focused on both strengthening our positions in existing markets as well as identifying attractive new markets. All of our acquisitions must meet our strict criteria, including fit with our strategic plan, investment return hurdles, capital requirements and attractive market attributes. In our existing markets, we recently completed several acquisitions: Granite/Scara Mix in Staten Island, New York; Colorado River Concrete in west Texas; Bode Companies in San Francisco, California and Bodin Concrete in Dallas, Texas. These acquisitions have allowed us to enhance market share and leverage existing operations and infrastructure. We believe our significant experience, positive reputation and strong management team will allow us to continue our successful track record of identifying opportunities, integrating acquisitions, realizing synergies and enhancing asset value and cash flow.

Manage costs. We are consistently seeking opportunities to reduce costs and to improve margins through our sharp focus on existing operations and new technologies. Additionally, our regional acquisitions allow for

Table of Contents

synergies such as selling, general, and administrative (SG&A) reductions, economies of scale, variable labor savings, and purchasing power. We believe by aggressively managing our cost structure we can best serve our clients with better pricing and continued best-in-class execution.

Our Competitors

The ready-mixed concrete industry is highly competitive. Our leadership position in a market depends largely on the location and operating costs of our plants and prevailing prices in that market. Price is the primary competitive factor among suppliers for small or less complex jobs, such as residential construction. However, the ability to meet demanding specifications for strength or sustainability, timeliness of delivery and consistency of quality and service, in addition to price, are the principal competitive factors among suppliers for large or complex jobs. Our competitors range from small, owner-operated private companies to subsidiaries of operating units of large, vertically integrated manufacturers of cement and aggregates. Our vertically integrated competitors generally have greater financial and marketing resources than we have, providing them with a competitive advantage. Competitors having lower operating costs than we do or having the financial resources to enable them to accept lower margins than we do will have a competitive advantage over us for jobs that are particularly price-sensitive. Competitors having greater financial resources or less financial leverage than we do may be able to invest more in new mixer trucks, ready-mixed concrete plants and other production equipment or pay for acquisitions which could provide them a competitive advantage over us.

We continue to focus on developing new competitive advantages that will differentiate us from our competitors, such as our high-performing, low-CO2 concrete, Aridus rapid-drying concrete technology and EF Technology ready-mixed concrete products. For example, Central Concrete Supply Co., Inc. (Central Concrete), one of our subsidiaries, differentiated itself from its competitors to supply its high-performing, low-CO2 concrete for the new SF Public Utilities Commission (SFPUC) headquarters. During the redesign phase, SFPUC invited Central Concrete to suggest solutions for SFPUC s goal to use a set of concrete mixes that delivered up to 70% cement replacement materials, with no compromises on cost, finish or cure time for the mat foundation, slabs, columns and cores. SFPUC selected Central Concrete for the job in an open bidding process because its six different mixes met SFPUC s demanding specifications by significantly cutting the cement content while delivering a net savings for SFPUC of 7.4 million pounds in CO2 emissions from embodied carbon, nearly 50% better than traditional concrete mixes.

Table of Contents

Organizational Structure

Maintaining multiple brands strengthens our regional positions as we can service both new and established customers. The simplified organizational chart below illustrates our operating companies in our key regions. All of subsidiaries of the Company guarantee the Initial Notes and the Revolving Facility, and upon the issuance of the Exchange Notes, all of the subsidiaries of the Company will guarantee the Exchange Notes.

Corporate Information

We were incorporated under the laws of the State of Delaware in 1997. We conduct our operations through, and our operating assets are owned by, our subsidiaries. Our principal offices are located at 331 North Main Street, Euless, Texas, 76039, and our telephone number is (817) 835-4105. Our website is www.us-concrete.com. Information contained on our website does not constitute a part of this prospectus.

Table of Contents

Summary of the Terms of the Exchange Offer

The summary below includes a description of the principal terms of the exchange offer. Certain of the terms and conditions described below are subject to important limitations and exceptions. Additional information regarding the terms and conditions of the exchange offer and the Exchange Notes can be found under the headings The Exchange Offer and Description of the Exchange Notes.

The Initial Notes	On November 22, 2013, we issued $200.0 million in aggregate principal amount of 8.500% Senior Secured Notes due 2018 to qualified institutional buyers pursuant to Rule 144A under the Securities Act and to certain non-U.S. persons in accordance with Regulation S under the Securities Act under an indenture among us, our subsidiary guarantors and U.S. Bank National Association, as the trustee.
The Exchange Offer	We are offering to exchange up to $200.0 million aggregate principal amount of our 8.500% Senior Secured Notes due 2018 that have been registered under the Securities Act for up to $200.0 million aggregate principal amount of Initial Notes. You may exchange your Initial Notes only by following the procedures described elsewhere in this prospectus under the heading The Exchange Offer Procedures for Tendering Initial Notes.
Registration Rights	We issued the Initial Notes in a private offering on November 22, 2013. In connection with such offering, we and our subsidiary guarantors, entered into a registration rights agreement with the initial purchasers of the Initial Notes (the initial purchasers), which agreement provides for, among other things, this exchange offer.
Resale of Exchange Notes	Based upon interpretive letters written by the SEC, we believe that the Exchange Notes issued in the exchange offer may be offered for resale, resold or otherwise transferred by you without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that:
	You are acquiring the Exchange Notes in the ordinary course of your business;
	You are not participating, do not intend to participate, and have no arrangement or understanding with any person to participate, in the distribution of the Exchange Notes; and

You are not our affiliate, as that term is defined for the purposes of Rule 144A under the Securities Act.

If any of the foregoing are not true and you transfer any Exchange Note without registering the Exchange Note and delivering a prospectus meeting the requirements of the Securities Act, or without an exemption from registration of your Exchange Notes from such requirements, you may incur liability under the Securities Act. We do not assume any responsibility for, and will not indemnify you for, any such liability.

Each broker-dealer that receives Exchange Notes for its own account in exchange for Initial Notes that were acquired by such broker-dealer

Table of Contents

	as a result of market-making or other trading activities must acknowledge that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of the Exchange Notes. A broker-dealer may use this prospectus for an offer to resell, a resale or any other retransfer of the Exchange Notes. See Plan of Distribution.
Consequences of Failure to Exchange Initial Notes	Initial Notes that are not tendered or that are tendered but not accepted will, following the completion of the exchange offer, continue to be subject to existing restrictions upon transfer. The trading market for Initial Notes not exchanged in the exchange offer may be significantly more limited than at present. Therefore, if your Initial Notes are not tendered and accepted in the exchange offer, it may become more difficult for you to sell or transfer your Initial Notes. Furthermore, you will no longer be able to compel us to register the Initial Notes under the Securities Act and we will not be required to pay additional interest as described in the registration rights agreement. In addition, you will not be able to offer or sell the Initial Notes unless they are registered under the Securities Act (and we will have no obligation to register them, except in limited circumstances), or unless you offer or sell them under an exemption from the requirements of, or a transaction not subject to, the Securities Act.
Expiration of the Exchange Offer	The exchange offer will expire at 5:00 p.m., New York City time on July 29, 2014, unless we decide to extend the expiration date.
Conditions to the Exchange Offer	The registration rights agreement does not require us to accept Initial Notes for exchange if the exchange offer, or the making of any exchange by a holder of the Initial Notes, would violate any applicable law or interpretation of the staff of the SEC. The exchange offer is not conditioned on a minimum aggregate principal amount of Initial Notes being tendered. For additional information regarding the conditions to the exchange offer, see The Exchange Offer Conditions to the Exchange Offer.
Procedures for Tendering Initial Notes	To participate in the exchange offer, you must follow the procedures established by The Depository Trust Company (DTC) for tendering notes held in book-entry form. These procedures for using DTC s Automated Tender Offer Program (ATOP) require that (1) the exchange agent receive, prior to the expiration date of the exchange offer, a computer-generated message known as an agent s message that is transmitted through ATOP, and (2) DTC confirms that: DTC has received instructions to exchange your Initial Notes; and you agree to be bound by the terms of the letter of transmittal.

For more information on accepting the exchange offer and tendering your Initial Notes, see The Exchange Offer Procedures for Tendering Initial Notes.

Table of Contents

Withdrawal Rights	You may withdraw your tender of Initial Notes at any time prior to the expiration of the exchange offer. To withdraw, you must submit a notice of withdrawal to the exchange agent using ATOP procedures before 5:00 p.m., New York City time, on the expiration date of the exchange offer. Please refer to the section in this prospectus entitled The Exchange Offer Withdrawal of Tenders.
Acceptance of Initial Notes and Delivery of Exchange Notes	Subject to certain conditions, we will accept all Initial Notes that are properly tendered in the exchange offer and not withdrawn prior to 5:00 p.m., New York City time, on the expiration date. We will deliver the Exchange Notes promptly after the expiration date. Initial Notes will be validly tendered and not validly withdrawn if they are tendered in accordance with the terms of the exchange offer as detailed under The Exchange Offer Procedures for Tendering Initial Notes and not withdrawn in accordance with the terms of the exchange offer as detailed under The Exchange Offer Withdrawal of Tenders.
United States Federal Income Tax Consequences	We believe that the exchange of Initial Notes for Exchange Notes generally will not be a taxable exchange for federal income tax purposes, but you should consult your tax adviser about the tax consequences of this exchange. See Material U.S. Federal Income Tax Consequences.
Exchange Agent	U.S. Bank National Association, the trustee under the Indenture, is serving as exchange agent in connection with the exchange offer. You should direct questions and requests for assistance, as well as requests for additional copies of this prospectus or the letter of transmittal, to the exchange agent addressed as follows: U.S. Bank National Association, Corporate Trust Services, EP-MN-WS2N, 60 Livingston Avenue, St. Paul, MN 55107, Attn: Specialized Finance. Eligible institutions may make requests by facsimile at (651) 466-7372 and may confirm facsimile delivery by calling (651) 466-5129.
Fees and Expenses	We will bear all expenses related to consummating the exchange offer and complying with the registration rights agreement.
Use of Proceeds	We will not receive any cash proceeds from the issuance of the Exchange Notes. We are making this exchange offer solely to satisfy our obligations under our registration rights agreement.
Regulatory Approvals	Other than those under federal securities laws, there are no federal or state regulatory requirements that we must comply with and there are no approvals that we must obtain in connection with the exchange offer.

Summary Description of the Exchange Notes

The terms of the Exchange Notes are identical in all material respects to those of the Initial Notes, except the Exchange Notes will not contain transfer restrictions, registration rights or provisions for additional interest. The Exchange Notes will evidence the same debt as the Initial Notes, and the Indenture will govern both the Exchange Notes and the Initial Notes. The summary below describes the principal terms of the Exchange Notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The Description of the Exchange Notes section of this prospectus contains a more detailed description of the terms and conditions of the Exchange Notes.

Issuer	U.S. Concrete, Inc.
Exchange Notes Offered	$200.0 million in aggregate principal amount of 8.500% Senior Secured Notes due 2018 registered under the Securities Act.
Maturity Date	December 1, 2018.
Interest	8.500% per annum, payable semi-annually on June 1 and December 1 of each year, commencing on June 1, 2014.
Guarantees	The Exchange Notes will be unconditionally guaranteed on a senior secured basis by each of our existing and future restricted subsidiaries that guarantees any obligations under the Revolving Facility or that guarantees certain of our other indebtedness or certain indebtedness of our restricted subsidiaries (other than future foreign restricted subsidiaries that guarantee only indebtedness incurred by another foreign subsidiary). See Description of the Exchange Notes Guarantees and Certain Covenants Future Subsidiary Guarantors. As of the date of this prospectus, all of our subsidiaries are guarantors.
Ranking	The Exchange Notes and the guarantees will be our and the guarantors senior secured obligations, as applicable. Accordingly, they will be: effectively senior to all of our and the guarantors existing and future unsecured indebtedness to the extent of the value of the collateral (after satisfaction of any obligations secured by a senior lien on such collateral); effectively senior to all of our and the guarantors existing and future obligations under the Revolving Facility to the extent of the value of the Notes Priority Collateral (as defined and described below);

senior in right of payment to any of our and the guarantors future subordinated indebtedness;

equal in right of payment to all of our and the guarantors existing and future senior indebtedness, including our and the guarantors obligations under the Revolving Facility;

equal in priority as to the collateral with respect to our and the guarantors obligations under any future pari passu lien obligations incurred in accordance with the terms of the Indenture;

effectively subordinated to all of our and the guarantors existing and future obligations under the Revolving Facility to the extent of the value of the ABL Priority Collateral (as defined and described below), subject to the ABL Cap Amount (as defined and described below);

effectively subordinated to all of our and the guarantors existing and future indebtedness that is secured by permitted liens on assets that do not constitute collateral to the extent of the value of such assets; and

structurally subordinated to all existing and future indebtedness and other liabilities, including preferred stock, of any non-guarantor subsidiaries.

Collateral

The Exchange Notes and related guarantees will be secured by first-priority liens on certain present and after-acquired property and assets directly owned by us and each of the guarantors, including material owned real property, fixtures, intellectual property, certain equipment, substantially all of our and the guarantors other assets not specifically described as ABL Priority Collateral and all supporting obligations and related books and records and all proceeds and products of the foregoing, in each case, other than the ABL Priority Collateral and subject to Permitted Collateral Liens (as defined below) and certain exceptions (as described in the security documents governing the Exchange Notes (collectively, the Security Documents)). We refer to the assets described in this paragraph as Notes Priority Collateral. Obligations under the Revolving Facility and those in respect of hedging and cash management obligations owed to the lenders (and their affiliates) party to the Revolving Facility (collectively, the Revolving Facility Obligations) will be secured by a second-priority lien on the Exchange Notes Priority Collateral. See Description of the Exchange Notes Security for the Notes.

The Exchange Notes and related guarantees will also be secured by second-priority liens on certain of the present and after-acquired assets directly owned by us and each of the guarantors securing the Revolving Facility Obligations on a first-priority basis, including inventory (including as-extracted collateral), accounts, certain specified mixer trucks, chattel paper, general intangibles, instruments, documents, cash, deposit accounts, securities accounts, commodities accounts, letter of credit rights and all supporting obligations and related books and records and all proceeds and products of the foregoing, in each case, other than the Notes Priority Collateral and subject to permitted liens and certain exceptions, as described in the Security Documents. We refer to the assets described in this paragraph as ABL Priority Collateral. See Description of the Exchange Notes Security for the Notes.

11

Table of Contents

The Exchange Notes will not be and the Revolving Facility Obligations are not secured by the capital stock of any of our subsidiaries.

A material portion of the collateral that will secure the Exchange Notes secures the Revolving Facility Obligations on a first-priority basis and will secure the Exchange Notes on a second-priority basis. The remaining collateral will secure the Exchange Notes on a first-priority basis and also secure the Revolving Facility Obligations on a second-priority basis. See Risk Factors Risks Related to the Exchange Notes, the Exchange Offer and the Collateral There may not be sufficient collateral to pay all or any of the Notes.

The Intercreditor Agreement (as defined below) sets forth the terms on which the agent for the lenders of the Revolving Facility Obligations (the Revolving Facility Agent) and the collateral agent under the Security Documents (the Notes Collateral Agent) are permitted to receive, hold, administer, maintain, enforce and distribute the proceeds of their respective liens upon the collateral.

The Intercreditor Agreement grants (1) to the Revolving Facility Agent, the exclusive right to enforce rights, exercise remedies (including setoff) and make determinations regarding the release or disposition of, or restrictions on, the collateral that secures the Revolving Facility Obligations on a first-priority basis and (2) to the Notes Collateral Agent, the exclusive right to enforce rights, exercise remedies (including setoff) and make determinations regarding the release or disposition of, or restrictions on, the collateral that will secure the Exchange Notes on a first-priority basis, in each case, subject to limitations described therein, which limitations include an access right of the Revolving Facility Agent to exercise remedies in respect of its assets located on real property on which the Notes Collateral Agent has a first-priority lien under the Security Documents. See Description of the Exchange Notes Security for the Notes Intercreditor Agreement.

No appraisal of the value of the collateral was made in connection with the offering of the Initial Notes and no such appraisal will be made in connection with this exchange offer. The value of the collateral at any time will depend on market and other economic conditions, including the availability of suitable buyers for the collateral. The liens on the collateral may be released without the consent of the holders of the Exchange Notes if collateral is disposed of in a transaction that complies with the Indenture and the Security Documents, including in accordance with the Intercreditor Agreement. In the event of a liquidation of the collateral, the proceeds may not be sufficient to satisfy the obligations under the Exchange Notes. See Risk Factors Risks Related to the Exchange Notes, the Exchange Offer and the Collateral There are circumstances, other than repayment or discharge of the Notes, under which the collateral securing the Notes and guarantees may be released automatically, without your consent or the consent of the Trustee, Risk Factors Risks Related to the Exchange Notes,

	the Exchange Offer and the Collateral The Notes are secured by liens on the ABL Priority Collateral that are second in priority to the liens securing the Revolving Facility and any other first-priority lien obligations, and Risk Factors Risks Related to the Exchange Notes, the Exchange Offer and the Collateral There may not be sufficient collateral to pay all or any of the Notes.
Intercreditor Agreement	The Notes Collateral Agent has entered into an intercreditor agreement which governs the relative priorities of the respective security interests in the collateral of the Notes Collateral Agent and the Revolving Facility Agent and certain other matters relating to the administration of security interests (the Intercreditor Agreement). See Description of the Exchange Notes Security for the Notes Intercreditor Agreement for information regarding certain terms of the Intercreditor Agreement.
Optional Redemption	We may redeem some or all of the Exchange Notes at any time on or after December 1, 2015 at the redemption prices listed under Description of the Exchange Notes Optional Redemption, together with any accrued and unpaid interest to the redemption date, and we may redeem some or all of the Exchange Notes at any time prior to December 1, 2015 at a price equal to 100% of the aggregate principal amount thereof plus the make-whole premium described under Description of the Exchange Notes Optional Redemption, together with accrued and unpaid interest, if any, to the date of redemption.
	In addition, we may redeem up to 35% of the original aggregate principal amount of the Exchange Notes until December 1, 2015 with the net cash proceeds of certain equity offerings at the redemption price listed under Description of the Exchange Notes Optional Redemption, plus accrued and unpaid interest, if any, to the date of redemption.
Change of Control	Upon a change of control (as defined under Description of the Exchange Notes Change of Control), we must offer to repurchase the Exchange Notes at 101% of the principal amount of the Exchange Notes, plus accrued and unpaid interest, if any, to the date of repurchase.
Asset Sale Proceeds	If we or any of our restricted subsidiaries engages in certain asset sales, we will be required under certain circumstances to make an offer to purchase the Exchange Notes at 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the repurchase date. See Description of the Exchange Notes Certain Covenants Limitation on Sales of Assets and Subsidiary Stock.
Certain Covenants	The Indenture contains certain covenants that, among other things, limit our ability and the ability of our restricted subsidiaries to:

incur additional debt or issue disqualified stock or preferred stock;

pay dividends or make other distributions, repurchase or redeem our stock or subordinated indebtedness or make certain investments;

- sell assets and issue capital stock of our restricted subsidiaries;
- incur liens;
- allow to exist certain restrictions on the ability of our restricted subsidiaries to pay dividends or make other payments to us;
- enter into transactions with affiliates;
- consolidate, merge or sell all or substantially all of our assets;
- engage in certain sale/leaseback transactions; and
- designate our subsidiaries as unrestricted subsidiaries.

These covenants are subject to a number of important exceptions, limitations and qualifications that are described under Description of the Exchange Notes Certain Covenants.

Book Entry Form	The Exchange Notes will be issued in book-entry form only and will be represented by one or more global notes in definitive, fully registered, book-entry form, deposited with, or on behalf of, DTC and registered in the name of a nominee of DTC. Beneficial interests in any of the Exchange Notes will be shown on, and transfers will be effected only through, records maintained by DTC or its nominee and any such interest may not be exchanged for certificated notes except in limited circumstances.
Absence of a Public Market for the Exchange Notes	There is no established trading market for the Initial Notes. We do not intend to apply for a listing of the Exchange Notes on any securities exchange or an automated dealer quotation system. Accordingly, there can be no assurance as to the development or liquidity of any market for the Exchange Notes. The initial purchasers have advised us that they

	currently intend to make a market in the Initial Notes, and when issued, the Exchange Notes. However, they are not obligated to do so, and any market-making with respect to the Exchange Notes may be discontinued without notice in their sole discretion. See Risk Factors Risks Related to the Exchange Notes, the Exchange Offer and the Collateral An active trading market for the Notes does not exist and may not develop.
Denominations	The Exchange Notes will be issued in denominations of $2,000 and integral multiples of $1,000 in excess thereof.
Trustee	U.S. Bank National Association
Governing Law	The Indenture is governed by, and the Exchange Notes will be governed by, the laws of the State of New York.
Risk Factors	You should carefully consider the information set forth under the heading Risk Factors in this prospectus, as well as the other information included in or incorporated by reference into this prospectus before deciding whether to invest in the Exchange Notes and participate in the exchange offer.

Table of Contents

RISK FACTORS

Participating in the exchange offer and any investment in the Notes involves a high degree of risk. You should carefully consider the risks described below and all of the information contained or incorporated by reference in this prospectus before deciding whether to participate in the exchange offer. The risks and uncertainties described below and in such incorporated documents are not the only risks and uncertainties that we face and the risks described below are not necessarily presented in order of importance. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also materially and adversely affect our business operations. If any of those risks actually occur, our business, financial position, results of operations and cash flows could suffer. In such a case, you may lose all or part of your investment. The risks discussed below also include forward-looking statements, and our actual results may differ substantially from those discussed in these forward-looking statements. See Cautionary Statement Concerning Forward-Looking Statements.

Risks Related to Our Business

Tightening of mortgage lending or mortgage financing requirements could adversely affect the residential construction market and reduce the demand for new home construction.

Commencing in 2006, the mortgage lending and mortgage finance industries experienced significant instability due to, among other things, defaults on subprime loans and adjustable rate mortgages. In light of these events, lenders, investors, regulators and other third parties have questioned the adequacy of lending standards and other credit requirements for a variety of loan programs. This has led to reduced investor demand for mortgage loans and mortgage-backed securities, reduced market values for those securities, tightened credit requirements, reduced liquidity, increased credit risk premiums and increased regulatory actions. Deterioration in credit quality among subprime and other loans has caused many lenders to eliminate subprime mortgages and other loan products that do not conform to the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, Federal Housing Administration or Veterans Administration standards. While mortgage lending conditions have improved since 2010, fewer loan products and tighter loan qualifications continue to make it difficult for some categories of borrowers to finance the purchase of new homes. In general, these developments have been a significant factor in the downturn of, and have delayed the recovery of, the housing market.

Approximately 20% of our revenue for the year ended December 31, 2013 was from residential construction contractors. While mortgage lending conditions have slightly improved and lending volumes have increased since 2010, tightening of mortgage lending or mortgage financing requirements could adversely affect the ability to obtain credit for some borrowers, or reduce the demand for new home construction, which could have a material adverse effect on our business and results of operations. Another downturn in new home construction could also adversely affect our customers focused in residential construction, possibly resulting in slower payments, higher default rates in our accounts receivable, and an overall increase in working capital.

Our net revenue attributable to street, highway and other public works projects could be negatively impacted by a decrease or delay in governmental spending.

During the year ended December 31, 2013, approximately 16% of our ready-mixed concrete revenue was from street, highway and other public works projects. Construction activity on streets, highways and other public works projects is directly related to the amount of government funding available for such projects, which is affected by budget constraints currently being experienced by federal, state and local governments. In addition, if the U.S. government budget process results in a prolonged shutdown or reductions in government spending, we may experience delayed orders, delayed payments, and declines in revenues, profitability, and cash flows. Reduced levels of governmental funding for public works projects or delays in that funding could adversely affect our business, financial condition, results of operations and cash flows.

Table of Contents

There are risks related to our internal growth and operating strategy.

Our ability to generate internal growth will be affected by, among other factors, our ability to:

- attract new customers;
- differentiate ourselves in a competitive market by emphasizing new product development and value added services;
- hire and retain employees; and
- reduce operating and overhead expenses.

Our inability to achieve internal growth could materially and adversely affect our business, financial condition, results of operations, liquidity, and cash flows.

One key component of our operating strategy is to operate our businesses on a decentralized basis, with local or regional management retaining responsibility for day-to-day operations, profitability and the internal growth of the individual business. If we do not implement and maintain proper overall business controls, this decentralized operating strategy could result in inconsistent operating and financial practices and our overall profitability could be adversely affected.

Our failure to successfully identify, manage and integrate acquisitions could reduce our earnings and slow our growth.

We have recently completed several acquisitions and, on an ongoing basis, as part of our strategy to pursue growth opportunities, we continue to evaluate strategic acquisition opportunities that have the potential to support and strengthen our business. There is intense competition for acquisition opportunities in our industry. Competition for acquisitions may increase the cost of, or cause us to refrain from, completing acquisitions. Our ability to complete acquisitions is dependent upon, among other things, the willingness of acquisition candidates we identify to sell; our ability to obtain financing or capital, if needed, on satisfactory terms; and, in some cases, regulatory approvals. The investigation of acquisition candidates and the negotiation, drafting and execution of relevant agreements, disclosure documents and other instruments will require substantial management time and attention and substantial costs for accountants, attorneys and others. If we fail to complete any acquisition for any reason, including events beyond our control, the costs incurred up to that point for the proposed acquisition likely would not be recoverable.

Potential acquisition targets may be in geographic regions in which we do not currently operate, which could result in unforeseen operating difficulties and difficulties in coordinating geographically dispersed operations, personnel and facilities. In addition, if we enter into new geographic markets, we may be subject to additional and unfamiliar legal and regulatory requirements. Compliance with regulatory requirements may impose substantial additional obligations on us and our management, cause us to expend additional time and resources in compliance activities and increase our exposure to penalties or fines for non-compliance with such additional legal requirements. Our recently completed acquisitions and any future acquisitions could cause us to become involved in labor, commercial or regulatory disputes or litigation related to any new enterprises and could require us to invest further in operational, financial and management information systems and to attract, retain, motivate and effectively manage local or regional management and additional employees. Upon completion of an acquisition, key members of the management of the acquired company may resign, which would require us to attract and retain new management and could make it difficult to maintain customer relationships. Our inability to effectively manage the integration of our completed and future acquisitions could prevent us from realizing expected rates of return on an acquired business and could have a material and adverse effect on our business, financial condition, results of operations, liquidity, and cash flows.

Our business is seasonal and subject to adverse weather.

Since our business is primarily conducted outdoors, erratic weather patterns, seasonal changes and other weather-related conditions affect our business. Adverse weather conditions, including hurricanes and tropical

Table of Contents

storms, cold weather, snow, and heavy or sustained rainfall, reduce construction activity, restrict the demand for our products, and impede our ability to efficiently deliver concrete. Adverse weather conditions could also increase our costs and reduce our production output as a result of power loss, needed plant and equipment repairs, delays in obtaining permits, time required to remove water from flooded operations, and similar events. In addition, severe drought conditions can restrict available water supplies and restrict production. Consequently, these events could adversely affect our business, financial condition, results of operations, liquidity, and cash flows.

Our operating results may vary significantly from one reporting period to another and may be adversely affected by the cyclical nature of the markets we serve.

The relative demand for our products is a function of the highly cyclical construction industry. As a result, our revenue may be adversely affected by declines in the construction industry generally and in our regional markets. Our results also may be materially affected by:

- the level of commercial and residential construction in our regional markets, including reductions in the demand for new residential housing construction below current or historical levels;
- the availability of funds for public or infrastructure construction from local, state and federal sources;
- unexpected events that delay or adversely affect our ability to deliver concrete according to our customers requirements;
- changes in interest rates and lending standards;
- changes in the mix of our customers and business, which result in periodic variations in the margins of jobs performed during any particular quarter;
- the timing and cost of acquisitions and difficulties or costs encountered when integrating acquisitions;
- the budgetary spending patterns of customers;
- increases in construction and design costs;
- power outages and other unexpected delays;
- our ability to control costs and maintain quality;

employment levels; and

regional or general economic conditions.

As a result, our operating results in any particular quarter may not be indicative of the results that you can expect for any other quarter or for the entire year. Furthermore, negative trends in the ready-mixed concrete industry or in our geographic markets could have material adverse effects on our business, financial condition, results of operations, liquidity, and cash flows.

We may lose business to competitors who underbid us, and we may be otherwise unable to compete favorably in our highly competitive industry.

Our competitive position in a given market depends largely on the location and operating costs of our plants and prevailing prices in that market. Price is the primary competitive factor among suppliers for small or less complex jobs, principally in residential construction. However, timeliness of delivery and consistency of quality and service, as well as price, are the principal competitive factors among suppliers for large or complex jobs. Concrete manufacturers like us generally obtain customer contracts through local sales and marketing efforts directed at general contractors, developers, governmental agencies and homebuilders. As a result, we depend on local relationships. We generally do not have long-term sales contracts with our customers.

Table of Contents

Our competitors range from small, owner-operated private companies to subsidiaries or operating units of large, vertically integrated manufacturers of cement and aggregates. Our vertically integrated competitors generally have greater manufacturing, financial and marketing resources than we have, providing them with competitive advantages. Competitors having lower operating costs than we do or having the financial resources to enable them to accept lower margins than we do will have competitive advantages over us for jobs that are particularly price-sensitive. Competitors having greater financial resources or less financial leverage than we do to invest in new mixer trucks, build plants in new areas or pay for acquisitions also will have competitive advantages over us.

We depend on third parties for concrete equipment and supplies essential to operate our business.

We rely on third parties to sell or lease property, plant and equipment to us and to provide us with supplies, including cement and other raw materials, necessary for our operations. We cannot assure you that our favorable working relationships with our suppliers will continue in the future. Also, there have historically been periods of supply shortages in the concrete industry, particularly in a strong economy.

If we are unable to purchase or lease necessary properties or equipment, our operations could be severely impacted. If we lose our supply contracts and receive insufficient supplies from third parties to meet our customers needs or if our suppliers experience price increases or disruptions to their business, such as labor disputes, supply shortages or distribution problems, our business, financial condition, results of operations, liquidity, and cash flows could be materially and adversely affected.

Residential construction and related demand for ready-mixed concrete increased in both 2012 and 2013. While cement prices increased as a result of this increased demand, cement supplies were at levels that indicated a very low risk of cement shortages in most of our markets. Should demand increase substantially beyond our current expectations, we could experience shortages of cement in future periods, which could adversely affect our operating results by decreasing sales of ready-mixed concrete and increasing our costs of raw materials.

Our net revenue attributable to infrastructure projects could be negatively impacted by a decrease or delay in governmental spending.

Our business depends, in part, on the level of governmental spending on infrastructure projects in our markets. Reduced levels of governmental funding for public works projects or delays in that funding could adversely affect our business, financial condition, results of operations, liquidity, and cash flows.

We are dependent on information technology to support many facets of our business.

If our information systems are breached or destroyed or fail due to cyber-attack, unauthorized access, natural disaster, or equipment breakdown, our business could be interrupted, proprietary information could be lost or stolen, and our reputation could be damaged. We take measures to protect our information systems from such occurrences, but we cannot assure you that our efforts will always prevent them. Our business could be negatively affected by any such occurrences.

The departure of key personnel could disrupt our business.

We depend on the efforts of our officers and, in many cases, on senior management of our businesses. Our success will depend on retaining our officers and senior-level managers. We need to ensure that key personnel are compensated fairly and competitively to reduce the risk of departure of key personnel to our competitors or other industries. To the extent we are unable to attract or retain qualified management personnel, our business, financial condition, results of operations, liquidity, and cash flows could be materially and adversely affected. We do not carry key personnel life insurance on any of our employees.

Table of Contents

Shortages of qualified employees may harm our business.

Our ability to provide high-quality products and services on a timely basis depends on our success in employing an adequate number of skilled plant managers, technicians and drivers. Like many of our competitors, we experience shortages of qualified personnel from time to time. We may not be able to maintain an adequate skilled labor force necessary to operate efficiently and to support our growth strategy, and our labor expenses may increase as a result of a shortage in the supply of skilled personnel.

Collective bargaining agreements, work stoppages and other labor relations matters may result in increases in our operating costs, disruptions in our business and decreases in our earnings.

As of March 31, 2014, approximately 32% of our employees were covered by collective bargaining agreements, which expire between 2014 and 2018. Our inability to negotiate acceptable new contracts or extensions of existing contracts with these unions could cause work stoppages by the affected employees. In addition, any new contracts or extensions could result in increased operating costs attributable to both union and nonunion employees. If any such work stoppages were to occur, or if other of our employees were to become represented by a union, we could experience a significant disruption of our operations and higher ongoing labor costs, which could materially and adversely affect our business, financial condition, results of operations, liquidity, and cash flows. Also, labor relations matters affecting our suppliers of cement and aggregates could adversely impact our business from time to time.

Participation in multi-employer defined benefit plans may impact our financial condition, results of operations and cash flows.

We contribute to 18 multi-employer defined benefit plans, which are subject to the requirements of the Pension Protection Act of 2006 (the PPA). For multi-employer defined benefit plans, the PPA established new funding requirements or rehabilitation requirements, additional funding rules for plans that are in endangered or critical status, and enhanced disclosure requirements to participants regarding a plan s funding status. The Worker, Retiree, and Employer Recovery Act of 2008 (the WRERA) provided some funding relief to defined benefit plan sponsors affected by recent market conditions. The WRERA allowed multi-employer plan sponsors to elect to freeze their current funded status at the same funding status as the preceding plan year (for example, a calendar year plan that was not in critical or endangered status for 2008 was able to elect to retain that status for 2009), and sponsors of multi-employer plans in endangered or critical status in plan years beginning in 2008 or 2009 were allowed a three-year extension of funding improvement or rehabilitation plans (extending the timeline for these plans to achieve their goals from 10 years to 13 years, or from 15 years to 18 years for seriously endangered plans). A number of the multi-employer pension plans to which we contribute are underfunded and are currently subject to funding improvement or rehabilitation requirements. Additionally, if we were to withdraw partially or completely from any plan that is underfunded, we would be liable for a proportionate share of that plan s unfunded vested benefits. Based on the information available from plan administrators, we believe that our portion of the contingent liability in the case of a full or partial withdrawal from or termination of several of these plans or the inability of plan sponsors to meet the funding or rehabilitation requirements would be material to our financial condition, results of operations and cash flows.

Our overall profitability is sensitive to price changes and minor variations in sales volumes.

Generally, our customers are price-sensitive. Prices for our products are subject to changes in response to relatively minor fluctuations in supply and demand, general economic conditions and market conditions, all of which are beyond our control. Because of the fixed-cost nature of our business, our overall profitability is sensitive to price changes and minor variations in sales volumes.

Instability in the financial and credit sectors may impact our business and financial condition in ways that we currently cannot predict.

Adverse or worsening economic trends could have a negative impact on our suppliers and our customers and their financial condition and liquidity, which could cause them to fail to meet their obligations to us and

Table of Contents

could have a material adverse effect on our revenue, income from operations and cash flows. The uncertainty and volatility of the financial and credit sectors could have further impacts on our business and financial condition that we currently cannot predict or anticipate.

Turmoil in the global financial system could have an impact on our business and our financial condition. Accordingly, our ability to access the capital markets could be restricted or be available only on unfavorable terms. Limited access to the capital markets could adversely impact our ability to take advantage of business opportunities or react to changing economic and business conditions and could adversely impact our ability to execute our long-term growth strategy. Ultimately, we could be required to reduce our future capital expenditures substantially. Such a reduction could have a material adverse effect on our revenue, income from operations and cash flows.

If one or more of the lenders under our Revolving Facility, which provides for aggregate commitments of up to $125.0 million, subject to a borrowing base, were to become unable or unwilling to perform their obligations under that facility, our borrowing capacity could be reduced. Our inability to borrow additional amounts under our Revolving Facility could limit our ability to fund our future operations and growth.

Governmental regulations, including environmental regulations, may result in increases in our operating costs and capital expenditures and decreases in our earnings.

A wide range of federal, state and local laws, ordinances and regulations apply to our operations, including the following matters:

- land usage;
- street and highway usage;
- noise levels; and
- health, safety and environmental matters.

In many instances, we must have various certificates, permits or licenses in order to conduct our business. Our failure to maintain required certificates, permits or licenses or to comply with applicable governmental requirements could result in substantial fines or possible revocation of our authority to conduct some of our operations. Delays in obtaining approvals for the transfer or grant of certificates, permits or licenses, or failure to obtain new certificates, permits or licenses, could impede the implementation of any acquisitions.

Governmental requirements that impact our operations include those relating to air quality, solid and hazardous waste management and cleanup and water quality. These requirements are complex and subject to change. Certain laws, such as the U.S. law known as Superfund, can impose strict liability in some cases without regard to negligence or fault, including for the conduct of or conditions caused by others, or for our acts that complied with all applicable requirements when we performed them. Our compliance with amended, new or more stringent requirements, stricter interpretations of existing requirements, or the future discovery of environmental conditions may require us to make unanticipated material expenditures. In addition, we may fail to identify, or obtain indemnification for, environmental liabilities of acquired businesses. We generally do not maintain insurance to cover environmental liabilities.

Our operations are subject to various hazards that may cause personal injury or property damage and increase our operating costs.

Operating mixer trucks, particularly when loaded, exposes our drivers and others to traffic hazards. Our drivers are subject to the usual hazards associated with providing services on construction sites, while our plant personnel are subject to the hazards associated with moving and storing large quantities of heavy raw materials. Operating hazards can cause personal injury and loss of life, damage to or destruction of property, plant and

Table of Contents

equipment and environmental damage. Although we conduct training programs designed to reduce these risks, we cannot eliminate these risks. We maintain insurance coverage in amounts we believe are consistent with industry practice; however, this insurance may not be adequate to cover all losses or liabilities we may incur in our operations, and we may not be able to maintain insurance of the types or at levels we deem necessary or adequate, or at rates we consider reasonable. A partially or completely uninsured claim, if successful and of sufficient magnitude, could have a material adverse effect on us.

The insurance policies we maintain are subject to varying levels of deductibles. Losses up to the deductible amounts are accrued based on our estimates of the ultimate liability for claims incurred and an estimate of claims incurred but not reported. If we were to experience insurance claims or costs above our estimates, our business, financial condition, results of operations, liquidity, and cash flows might be materially and adversely affected.

We may incur material costs and losses as a result of claims that our products do not meet regulatory requirements or contractual specifications.

Our operations involve providing products that must meet building code or other regulatory requirements and contractual specifications for durability, stress-level capacity, weight-bearing capacity and other characteristics. If we fail or are unable to provide products meeting these requirements and specifications, material claims may arise against us and our reputation could be damaged. In the past, we have had significant claims of this kind asserted against us that we have resolved. There currently are claims, and we expect that in the future there will be additional claims, of this kind asserted against us. If a significant product-related claim or claims are resolved against us in the future, that resolution may have a material adverse effect on our business, financial condition, results of operations, liquidity, and cash flows.

Some of our plants are susceptible to damage from earthquakes, for which we have a limited amount of insurance.

We maintain only a limited amount of earthquake insurance and, therefore, we are not fully insured against earthquake risk. Any significant earthquake damage to our plants could materially and adversely affect our business, financial condition, results of operations, liquidity, and cash flows.

Increasing insurance claims and expenses could lower our profitability and increase our business risk.

The nature of our business subjects us to product liability, property damage, personal injury claims and workers compensation claims from time to time. Increased premiums charged by insurance carriers may further increase our insurance expense as coverage expires or otherwise cause us to raise our self-insured retention. If the number or severity of claims within our self-insured retention increases, we could suffer losses in excess of our reserves. An unusually large liability claim or a string of claims based on a failure repeated throughout our mass production process may exceed our insurance coverage or result in direct damages if we were unable or elected not to insure against certain hazards because of high premiums or other reasons. In addition, the availability of, and our ability to collect on, insurance coverage is often subject to factors beyond our control. Further, allegations relating to workers compensation violations may result in investigations by insurance regulatory or other governmental authorities, which investigations, if any, could have a direct or indirect material adverse effect on our ability to pursue certain types of business which, in turn, could have a material adverse effect on our business, financial position, results of operations, liquidity, and cash flows.

Risks Related to the Exchange Notes, the Exchange Offer and the Collateral

Your failure to participate in the exchange offer may have adverse consequences.

If you do not exchange your Initial Notes for Exchange Notes pursuant to the exchange offer, you will continue to be subject to the restrictions on transfer of your Initial Notes, as set forth in the legend on your Initial Notes. The restrictions on transfer of your Initial Notes arise because we sold the Initial Notes in private

Table of Contents

offerings. In general, the Initial Notes may not be offered or sold, unless registered under the Securities Act or pursuant to an exemption from, or in a transaction not subject to, such registration requirements.

After completion of the exchange offer, holders of Initial Notes who do not tender their Initial Notes in the exchange offer will no longer be entitled to any exchange or registration rights under the registration rights agreement, except in limited circumstances. The tender of Initial Notes under the exchange offer will reduce the principal amount of the currently outstanding Initial Notes. Due to the corresponding reduction in liquidity, this may have an adverse effect upon, and increase the volatility of, the market price of any currently outstanding Initial Notes that you continue to hold following completion of the exchange offer. See The Exchange Offer.

You must comply with the exchange offer procedures in order to receive new, freely tradable Exchange Notes.

Delivery of the Exchange Notes in exchange for the Initial Notes tendered and accepted for exchange pursuant to the exchange offer will be made if the procedures for tendering the Initial Notes are followed. We are not required to notify you of defects or irregularities in tenders of Initial Notes for exchange. See The Exchange Offer.

Some holders who exchange their Initial Notes may be deemed to have received restricted securities, and these holders will be required to comply with the registration and prospectus delivery requirements in connection with any resale transaction.

If you exchange your Initial Notes in the exchange offer for the purpose of participating in a distribution of the Exchange Notes, you may be deemed to have received restricted securities and, if so, will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction.

The consummation of the exchange offer may not occur.

We are not obligated to complete the exchange offer under certain circumstances. See The Exchange Offer Conditions to the Exchange Offer. Even if the exchange offer is completed, it may not be completed on the schedule described in this prospectus. Accordingly, holders participating in the exchange offer may have to wait longer than expected to receive their Exchange Notes. You may be required to deliver prospectuses and comply with other requirements in connection with any resale of the Exchange Notes.

An active trading market for the Exchange Notes may not develop.

There is no existing market for the Exchange Notes. The Exchange Notes will not be listed on any securities exchange. There can be no assurance that a trading market for the Exchange Notes will ever develop or will be maintained. Further, there can be no assurance as to the liquidity of any market that may develop for the Exchange Notes, your ability to sell your Exchange Notes or the price at which you will be able to sell your Exchange Notes. Future trading prices of the Exchange Notes will depend on many factors, including prevailing interest rates, our financial condition and results of operations, the then-current ratings assigned to the Exchange Notes, the market for similar securities and the results of our competitors. In addition, if a large amount of Initial Notes are not tendered or are tendered improperly, the limited amount of Exchange Notes that would be issued and outstanding after we consummate this exchange offer would reduce liquidity and could lower the market price of those Exchange Notes.

Any trading market that develops would be affected by many factors independent of and in addition to the foregoing, including:

our operating performance and financial condition;

time remaining to the maturity of the Notes;

Table of Contents

outstanding amount of the Notes;

the terms related to optional redemption of the Notes; and

level, direction and volatility of market interest rates generally.

Our substantial indebtedness could adversely affect our financial condition and prevent us from fulfilling our obligations under the Notes and our other indebtedness.

We have and will continue to have a significant amount of indebtedness. As of December 31, 2013, we had $200.0 million of outstanding senior indebtedness represented by the Initial Notes. During 2013, we and certain of our subsidiaries entered into the 2013 Loan Agreement (as defined below in Description of Other Indebtedness), which provides for aggregate commitments of up to $125.0 million, subject to a borrowing base, under the Revolving Facility. As of March 31, 2014, we had no outstanding borrowings under the Revolving Facility.

The negative covenants in the Exchange Notes will, and the negative covenants in the Revolving Facility do, allow us to incur additional indebtedness from other sources in certain circumstances.

As a result of our existing indebtedness and our capacity to incur additional indebtedness, we are, and anticipate continuing to be, a highly leveraged company. A significant portion of our cash flow will be required to pay interest and principal on our outstanding indebtedness, and we may be unable to generate sufficient cash flow from operations, or have future borrowings available under our Revolving Facility, to enable us to repay our indebtedness, including the Notes, or to fund other liquidity needs. This level of indebtedness could have important consequences to holders of the Notes, including the following:

it requires us to use a significant percentage of our cash flow from operations for debt service and the repayment of our indebtedness, including indebtedness we may incur in the future, and such cash flow may not be available for other purposes;

it limits our ability to borrow money or sell stock to fund our working capital, capital expenditures, acquisitions and debt service requirements;

our interest expense could increase if interest rates in general increase because a portion of our indebtedness bears interest at floating rates;

it may limit our flexibility in planning for, or reacting to, changes in our business and future business opportunities;

we are more highly leveraged than some of our competitors, which may place us at a competitive disadvantage;

- it may make us more vulnerable to a downturn in our business or the economy;
- it may increase our cost of borrowing;
- it may restrict us from exploiting business opportunities;
- the debt service requirements of our indebtedness could make it more difficult for us to make payments on the Notes and our other indebtedness; and
- there would be a material adverse effect on our business and financial condition if we were unable to service our indebtedness or obtain additional financing, as needed.

We may not be able to generate sufficient cash flows to meet our debt service obligations and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.

Our ability to make payments on and to refinance our indebtedness, including the Notes, and to fund planned capital expenditures will depend on our ability to generate cash from our operations in the future. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control.

Table of Contents

Our business may not generate sufficient cash flow from operations and future sources of capital under the Revolving Facility or otherwise may not be available to us in an amount sufficient to enable us to pay our indebtedness, including the Notes, or to fund our other liquidity needs. If we complete an acquisition, our debt service requirements could increase. We may need to refinance or restructure all or a portion of our indebtedness, including the Notes, on or before maturity. We may not be able to refinance any of our indebtedness, including the Revolving Facility and the Notes, on commercially reasonable terms, or at all. If we cannot service our indebtedness, we may have to take actions such as selling assets, seeking additional equity, reducing or delaying capital expenditures, strategic acquisitions, investments and alliances or restructuring or refinancing our indebtedness, including the Notes. We may not be able to effect such actions, if necessary, on commercially reasonable terms, or at all.

Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. In the absence of such cash flows and resources, we could face substantial liquidity problems and might be required to sell material assets or operations to attempt to meet our debt service and other obligations. The 2013 Loan Agreement and the Indenture restrict our ability to conduct asset sales and/or use the proceeds from asset sales. We may not be able to consummate these asset sales to raise capital or sell assets at prices and on terms that we believe are fair and any proceeds that we do receive may not be adequate to meet any debt service obligations then due. See Description of Other Indebtedness and Description of the Exchange Notes Certain Covenants Limitation on Sales of Assets and Subsidiary Stock. If we cannot meet our debt service obligations, the holders of our debt may accelerate our debt and, to the extent such debt is secured, foreclose on our assets. In such an event, we may not have sufficient assets to repay all of our debt.

We may still be able to incur significantly more debt or make certain restricted payments in the future. This could intensify already-existing risks related to our indebtedness.

The terms of the Indenture and the 2013 Loan Agreement contain restrictions on our and the guarantors ability to incur additional indebtedness. However, these restrictions are subject to a number of important qualifications and exceptions and the indebtedness incurred in compliance with these restrictions could be substantial. Accordingly, we or the guarantors could incur significant additional indebtedness in the future, much of which could constitute secured, senior or pari passu indebtedness. As of March 31, 2014, our Revolving Facility provided for unused borrowing capacity of up to $96.6 million (after taking into account $11.3 million of undrawn letters of credit). All of those borrowings are secured on a first-priority basis by the assets that secure the Notes on a second-priority basis. We also have the ability to incur additional secured indebtedness that has priority over the Notes on these assets.

The Indenture permits us to incur certain additional secured debt, including debt that shares in the collateral (and debt that has priority to the Notes in certain collateral) and allows our non-guarantor subsidiaries to incur additional debt that would be structurally senior to the Notes, and the Indenture does not prevent us from incurring other liabilities that do not constitute indebtedness as defined in the Indenture. See Description of the Exchange Notes Certain Covenants Limitation on Indebtedness. If we incur any additional indebtedness that ranks equally with the Notes, including any additional Notes, the holders of that debt will be entitled to share ratably with you in any proceeds distributed in connection with any insolvency, liquidation, reorganization, dissolution or other winding up of our company. This may have the effect of reducing the amount of proceeds paid to you.

The Indenture also, under certain circumstances, allows us to designate some of our restricted subsidiaries as unrestricted subsidiaries. Those unrestricted subsidiaries will not be subject to many of the restrictive covenants in the Indenture and therefore will be able to incur indebtedness beyond the limitations specified in the Indenture and engage in other activities in which restricted subsidiaries may not engage. If new debt is added to our current debt levels, the related risks that we and the guarantors now face could intensify. See Description of Other Indebtedness and

Description of the Exchange Notes.

Table of Contents

We may also consider investments in joint ventures or acquisitions, which may increase our indebtedness. Moreover, although the 2013 Loan Agreement and the Indenture contain restrictions on our ability to make restricted payments, including the declaration and payment of dividends, we will be able to make substantial restricted payments under certain circumstances. See Description of the Exchange Notes .

The amount of borrowings permitted under our Revolving Facility may fluctuate significantly, which may adversely affect our liquidity, results of operations and financial position.

The amount of borrowings permitted at any time under our Revolving Facility is limited to a periodic borrowing base valuation of, among other things, our accounts receivable, inventory, and mixer trucks. As a result, our access to credit under our Revolving Facility is potentially subject to significant fluctuations depending on the value of the borrowing base eligible assets as of any measurement date, as well as certain discretionary rights of the administrative agent of our Revolving Facility in respect of the calculation of such borrowing base value. Our inability to borrow under, or the early termination of, our Revolving Facility may adversely affect our liquidity, results of operations and financial position.

Our variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase significantly.

Borrowings under our Revolving Facility are at variable rates of interest and expose us to interest rate risk. If interest rates increase, our debt service obligations on the variable rate indebtedness could increase even though the amount borrowed remains the same, and our net income and cash flows, including cash available for servicing our indebtedness, would correspondingly decrease.

Repayment of our debt, including the Notes, is dependent on cash flow generated by our subsidiaries.

We are a holding company and substantially all of our tangible assets are owned by our subsidiaries. As such, repayment of our indebtedness, to a certain degree, is dependent on the generation of cash flow by our subsidiaries (including any subsidiaries that are not guarantors) and their ability to make such cash available to us, by dividend, loan, debt repayment or otherwise. Unless they are guarantors of the Notes, our subsidiaries do not have any obligation to pay amounts due on the Notes or to make funds available for that purpose. Our subsidiaries may not be able to, or be permitted to, make distributions or other payments to enable us to make payments in respect of the Notes. Each of our subsidiaries is a distinct legal entity and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from our subsidiaries. While the terms of the Indenture and the 2013 Loan Agreement limit the ability of certain of our subsidiaries to incur consensual restrictions on their ability to pay dividends or make other intercompany payments, these limitations are subject to important qualifications and exceptions. See Description of the Exchange Notes Certain Covenants Limitation on Restrictions on Distributions from Restricted Subsidiaries. In the event that we do not receive distributions or other payments from our subsidiaries, we may be unable to make required payments on the Notes. The Notes are not secured by the capital stock of our subsidiaries. See The Notes are not secured by the capital stock of any of our subsidiaries, which may affect the ability to foreclose on assets below.

We may be unable to refinance our indebtedness.

We may need to refinance all or a portion of our indebtedness, including the 2013 Loan Agreement and the Notes, before maturity. We cannot assure you that we will be able to refinance any of our indebtedness on commercially reasonable terms or at all or that we will be able to obtain sufficient funds to enable us to repay or refinance our debt obligations on commercially reasonable terms, or at all.

A lowering or withdrawal of the ratings assigned to our debt securities by rating agencies may increase our future borrowing costs and reduce our access to capital.

Our debt currently has a non-investment grade rating, and any rating assigned could be lowered or withdrawn entirely by a rating agency if, in that rating agency s judgment, future circumstances relating to the

Table of Contents

basis of the rating, such as adverse changes, so warrant. Consequently, real or anticipated changes in our credit ratings will generally affect the market value of the Notes. Credit ratings are not recommendations to purchase, hold or sell the Notes. Additionally, credit ratings may not reflect the potential effect of risks relating to the structure of the Notes.

Our debt agreements may restrict our ability to operate our business and to pursue our business strategies.

The 2013 Loan Agreement and the Indenture impose, and future financing agreements are likely to impose, operating and financial restrictions on our activities. These restrictions require us to comply with or maintain certain financial tests and limit or prohibit our ability to, among other things:

- incur additional indebtedness or issue disqualified stock or preferred stock;
- pay dividends or make other distributions, repurchase or redeem our stock or subordinated indebtedness or make certain investments;
- prepay, redeem or repurchase certain debt;
- sell assets and issue capital stock of our restricted subsidiaries;
- incur liens;
- enter into agreements restricting our restricted subsidiaries ability to pay dividends, make loans to other U.S. Concrete entities or restrict the ability to provide liens;
- enter into transactions with affiliates;
- consolidate, merge or sell all or substantially all of our assets;
- engage in certain sale/leaseback transactions; and
- with respect to the Indenture, designate our subsidiaries as unrestricted subsidiaries.

The restrictive covenants in the 2013 Loan Agreement also require us to maintain specified financial ratios and satisfy other financial condition tests in certain circumstances. See Description of Other Indebtedness.

These restrictions on our ability to operate our business could seriously harm our business by, among other things, limiting our ability to take advantage of financing, merger and acquisition and other corporate opportunities.

Various risks, uncertainties and events beyond our control could affect our ability to comply with these covenants and maintain these financial tests. Failure to comply with any of the covenants in our existing or future financing agreements could result in a default under those agreements and under other agreements containing cross-default provisions. A default would permit lenders to accelerate the maturity of the debt under these agreements and to foreclose upon any collateral securing the debt. Under these circumstances, we might not have sufficient funds or other resources to satisfy all of our obligations, including our obligations under the Notes. In addition, the limitations imposed by financing agreements on our ability to incur additional debt and to take other actions might significantly impair our ability to obtain other financing. We cannot assure you that we will be granted waivers or amendments to these agreements if for any reason we are unable to comply with these agreements, or that we will be able to refinance our debt on terms acceptable to us, or at all. In addition, an event of default under the 2013 Loan Agreement would permit the lenders under our Revolving Facility to terminate all commitments to extend further credit under that facility. Furthermore, if we were unable to repay the amounts due and payable under our Revolving Facility, those lenders could proceed against the collateral granted to them to secure that indebtedness.

As a result of these restrictions, we may be:

- limited in how we conduct our business;

Table of Contents

unable to raise additional debt or equity financing to operate during general economic or business downturns; or

unable to compete effectively or to take advantage of new business opportunities.

These restrictions, along with restrictions that may be contained in agreements evidencing or governing other future indebtedness, may affect our ability to grow in accordance with our growth strategy.

Our failure to comply with the covenants contained in the 2013 Loan Agreement, the Indenture or any other indebtedness, including as a result of events beyond our control, could result in an event of default which could materially and adversely affect our operating results and our financial condition and, as a result, we may not be able to make payments on the Notes.

The Revolving Facility contains certain covenants, including compliance with a fixed charge coverage ratio if our Availability (as defined in the 2013 Loan Agreement) falls below a certain threshold. In addition, the Revolving Facility requires us to comply with various operational and other covenants. See Description of Other Indebtedness for a discussion of the financial covenants contained in the 2013 Loan Agreement. Agreements governing our other indebtedness may also contain various covenants. If there were an event of default under any of our debt instruments that was not cured or waived, the holders of the defaulted debt could cause all amounts outstanding with respect to the debt to be due and payable immediately. Our assets and cash flow may not be sufficient to fully repay all obligations under our outstanding debt instruments, either upon maturity or if accelerated upon an event of default. If we were required to repurchase the Notes or any of our other debt securities upon a change of control, we may not be able to refinance or restructure the payments on those debt securities. If, as or when required, we are unable to repay, refinance or restructure our indebtedness under, or amend the covenants contained in, the 2013 Loan Agreement, the lenders thereunder could elect to terminate their commitments thereunder, cease making further loans and institute foreclosure proceedings against the ABL Priority Collateral, which also secures the Notes on a second-priority basis. If, as or when required, we are unable to repay, refinance or restructure our indebtedness under, or amend the covenants contained in, the Indenture, the holders of the Notes could institute foreclosure proceedings against the Notes Priority Collateral, which also secures our obligations under the Revolving Facility on a second-priority basis. Any such actions could force us into bankruptcy or liquidation.

Moreover, the 2013 Loan Agreement provides the lenders considerable discretion to impose reserves or availability blocks, which could materially impair the amount of borrowings that would otherwise be available to us. There can be no assurance that the lenders under the Revolving Facility will not take such actions during the term of that facility and, further, were they to do so, the resulting impact of such actions could materially and adversely impair our ability to make interest payments on the Notes, among other matters.

Claims of holders of the Notes will be structurally subordinated to all obligations of our existing and future subsidiaries that are not and do not become guarantors of the Notes.

The Notes are fully and unconditionally guaranteed by each of our existing and future restricted subsidiaries that guarantees any obligations under our Revolving Facility or that guarantees certain of our other indebtedness or indebtedness of any guarantor (other than future foreign subsidiaries that guarantee only indebtedness of other foreign subsidiaries). Our subsidiaries that do not guarantee the Notes, including any future foreign restricted subsidiaries that guarantee only indebtedness incurred by another foreign subsidiary and any subsidiaries that we designate as unrestricted, will have no obligation, contingent or otherwise, to pay amounts due under the Notes or to make any funds available to pay those amounts, whether by dividend, distribution, loan or other payment. Claims of holders of the Notes will be structurally subordinated to all indebtedness and other obligations and liabilities of any nonguarantor subsidiary such that in the event of insolvency, liquidation, reorganization, dissolution or other winding up of any such nonguarantor subsidiary, all of that subsidiary s creditors (including trade creditors) would be entitled to payment in full out of that subsidiary s assets before we would be entitled to any payment.

Table of Contents

In addition, our subsidiaries that provide, or will provide, guarantees of the Notes will be automatically released from those guarantees upon the occurrence of certain events, including the following:

- the designation of that subsidiary guarantor as an unrestricted subsidiary in accordance with the terms of the Indenture;
- the release or discharge of any guarantee or indebtedness that resulted in the creation of the guarantee of the Notes by such subsidiary guarantor (other than a release or discharge as a result of the payment of such indebtedness);
- the sale or other disposition of that subsidiary guarantor or the sale or other disposition of substantially all of the assets of the subsidiary guarantor, in each case, other than to us or another subsidiary guarantor and as permitted by the Indenture;
- satisfaction and discharge of the Indenture as described in the section titled Description of the Exchange Notes Satisfaction and Discharge or our exercise of our legal defeasance option or covenant defeasance option as described in the section titled Description of the Exchange Notes Defeasance.

If any subsidiary guarantee is released, no holder of the Notes will have a claim as a creditor against that subsidiary, and the indebtedness and other liabilities, including trade payables and preferred stock, if any, whether secured or unsecured, of that subsidiary will be structurally senior to the claim of any holders of the Notes. See Description of the Exchange Notes Guarantees.

The Indenture also permits us to designate certain of our subsidiaries as unrestricted subsidiaries, which subsidiaries would not be subject to the restrictive covenants in the Indenture. This means that these entities would be able to engage in many of the activities the Indenture restricts for us and our restricted subsidiaries, such as incurring substantial additional debt (secured or unsecured), making investments, selling, encumbering or disposing of substantial assets, entering into transactions with affiliates and entering into mergers or other business combinations among other activities. These actions could be detrimental to our ability to make payments when due and to comply with our other obligations under the Notes, and could reduce the amount of our assets that would be available to satisfy your claims should we default on the Notes. In addition, the initiation of bankruptcy or insolvency proceedings or the entering of a judgment against these entities, or their default under their other credit arrangements, will not result in a cross-acceleration of the Notes.

The Notes are secured by liens on the ABL Priority Collateral that are second in priority to the liens securing the Revolving Facility and any other first-priority lien obligations.

The Revolving Facility Obligations are secured by first-priority liens on the ABL Priority Collateral. The Notes and related guarantees have a second-priority lien on the ABL Priority Collateral. The Notes are also secured by first-priority liens on the Notes Priority Collateral. The Revolving Facility Obligations are secured by a second-priority lien on the Notes Priority Collateral.

With respect to the assets that constitute ABL Priority Collateral, the Notes are effectively junior to the Revolving Facility Obligations to the extent of the value of those assets, subject to certain limitations. See Description of the

Exchange Notes Security for the Notes Intercreditor Agreement. The Indenture also permits us to incur additional indebtedness secured by the ABL Priority Collateral on a basis senior to the Notes. The borrowings under our Revolving Facility and any such future indebtedness will be higher in priority as to the ABL Priority Collateral than the security interests on the same collateral securing the Notes and the guarantees. The rights of the holders of the Notes with respect to the collateral securing the Notes are limited pursuant to the terms of the Intercreditor Agreement. Under the terms of the Intercreditor Agreement and the Security Documents, the proceeds of any collection, sale, disposition or other realization in connection with the exercise of remedies against the ABL Priority Collateral (including distributions of cash, securities or other property on account of the value of such collateral in a bankruptcy, insolvency, reorganization or similar proceedings) will be applied first to repay any amounts due under the Revolving Facility (subject to the ABL Cap Amount) and other first-priority lien obligations, including any post-petition interest with respect thereto, certain hedging obligations relating to obligations under the Revolving Facility and certain cash management obligations of ours and the guarantors owed to the lenders under the Revolving Facility before the holders of the Notes receive any proceeds from the ABL Priority Collateral. Thus, the Notes and the guarantees are effectively subordinated to our and the guarantors indebtedness under the Revolving Facility and other first-priority lien obligations, as well as certain hedging and cash management obligations, with respect to the ABL Priority Collateral, to the extent of the value of the ABL Priority Collateral (subject to the ABL Cap Amount). Under the Intercreditor Agreement, the lenders under the Revolving Facility have the ability to restrict your right to proceed against the ABL Priority Collateral, subject to certain limitations and exceptions.

The ABL Priority Collateral secures the Notes on a second-priority basis and is subject to any and all exceptions, defects, encumbrances, liens and other imperfections as may be or have been accepted by the lenders under the Revolving Facility and any other holders of first-priority liens on such collateral from time to time, whether existing on or after the date the Notes were issued. The existence of such exceptions, limitations, imperfections and liens could adversely affect the value of such collateral.

There may not be sufficient collateral to pay all or any of the Notes.

The value at any time of the collateral securing the Notes will depend on market and other economic conditions, including the availability of suitable buyers. No appraisal of the value of the collateral was made in connection with the offering of the Initial Notes and no such appraisal will be made in connection with the exchange offer. The book value of our assets may not be indicative of the fair market value of such assets, which could be substantially lower. By their nature, some or all of the pledged assets may be illiquid and may have no readily ascertainable market value. The value of the assets pledged as collateral for the Notes could be impaired in the future as a result of changing economic conditions, our failure to implement our business strategy, competition or other future trends. In the event of a foreclosure, liquidation, bankruptcy or similar proceeding, the proceeds from any sale or liquidation of the collateral may not be sufficient to pay our obligations under the Notes, in full or at all, together with our obligations under any other indebtedness that is secured on an equal and ratable basis by a first-priority lien on the collateral.

The security interests in the collateral also are subject to practical problems generally associated with the realization of security interests in collateral. For example, the consent of a third party may be required to obtain or enforce a security interest in a contract. We cannot assure you that any such consent could be obtained. We also cannot assure you that the consents of any third parties will be given when and if required to facilitate a foreclosure on such assets. Accordingly, the Notes Collateral Agent may not have the ability to foreclose upon those assets and the value of the collateral may be significantly impaired. See also, The Notes are not secured by the capital stock of any of our subsidiaries, which may affect the ability to foreclose on assets.

Accordingly, there may not be sufficient collateral to pay all of the amounts due on the Notes. Any claim for the difference between the amount, if any, realized by holders of the Notes from the sale of collateral securing the Notes and the obligations under the Notes will rank equally in right of payment with all of our other unsecured unsubordinated indebtedness and other obligations, including trade payables.

To the extent that third parties enjoy prior liens, such third parties may have rights and remedies with respect to the property subject to such liens that, if exercised, could adversely affect the value of the collateral. The Indenture does not require that we maintain a current level of collateral or maintain a specific ratio of indebtedness to asset values. Releases of collateral from the liens securing the Notes are permitted under some circumstances. See Description of the Exchange Notes Security for the Notes Release of Collateral and There are circumstances, other than repayment or discharge of the Notes, under which the collateral securing the Notes and guarantees may be released automatically, without your consent or the consent of the Trustee.

The Security Documents generally allow us and our subsidiaries to remain in possession of, retain exclusive control over, freely operate, and collect, invest and dispose of any income from, the collateral that secures the

Table of Contents

Notes. In addition, to the extent we sell any assets that constitute collateral, the proceeds from any such sale will be subject to the first-priority or second-priority lien, as applicable, that secure the Notes to which the underlying assets were subject. In addition, if we sell any of our assets that do not constitute Notes Priority Collateral and, with the proceeds from such sale, purchase assets that would not constitute collateral, the holders of the Notes would not receive a security interest in such purchased assets.

There are circumstances, other than repayment or discharge of the Notes, under which the collateral securing the Notes and guarantees may be released automatically, without your consent or the consent of the Trustee.

Under various circumstances, all or a portion of the collateral may be released automatically, including:

- in whole upon:
  - satisfaction and discharge of the Indenture as described in Description of the Exchange Notes Satisfaction and Discharge ; or
  - our exercise of our legal defeasance option or covenant defeasance option as described in Description of the Exchange Notes Defeasance ;
- in part, as to any property that (1) is sold, transferred or otherwise disposed of by us or any subsidiary guarantor (other than to us or another subsidiary guarantor) in a transaction not prohibited by the Indenture at the time of such sale, transfer or disposition or (2) is owned or at any time acquired by a subsidiary guarantor that has been released from its guarantee in accordance with the Indenture, concurrently with the release of such guarantee;
- in whole or in part, as applicable, upon any release, sale or disposition (other than in connection with a cancellation or termination of the Revolving Facility) of ABL Priority Collateral pursuant to the terms of the Revolving Facility and the related security documents, subject to certain exceptions, resulting in the release of the lien on such ABL Priority Collateral; and
- in whole or in part with the consent of the holders holding 66 2/3% or more of the principal amount of the Notes outstanding.

In addition, upon certain sales of the assets that comprise ABL Priority Collateral, we are required to repay amounts outstanding under the Revolving Facility, prior to repayment of any of our other indebtedness, including the Notes, with the proceeds of such collateral disposition.

The Indenture also permits us to designate one or more of our restricted subsidiaries that is a guarantor of the Notes as an unrestricted subsidiary. If we designate a subsidiary guarantor as an unrestricted subsidiary for purposes of the Indenture, all of the liens on any collateral owned by such subsidiary or any of its subsidiaries and any guarantees of the Notes by such subsidiary or any of its subsidiaries will be released under the Indenture. Designation of an unrestricted subsidiary will reduce the aggregate value of the collateral securing the Notes to the extent that liens on the assets of the unrestricted subsidiary and its subsidiaries are released. In addition, the creditors of the unrestricted subsidiary and its subsidiaries will have a senior claim on the assets of such unrestricted subsidiary and its subsidiaries.

In most cases we have control over the collateral, and the sale of particular assets by us could reduce the pool of assets securing the Notes.

The Security Documents generally allow us and the guarantors to remain in possession of, to retain exclusive control over, to freely operate and to collect, invest and dispose of any income from, the collateral securing the Notes. For example, so long as no default or event of default under the 2013 Loan Agreement or the Indenture would result therefrom, we may, among other things, without any release or consent by the Trustee, conduct ordinary course activities with respect to the collateral, such as selling, abandoning, or otherwise disposing of the collateral and making ordinary course cash payments (including repayments of indebtedness).

To the extent we sell or take actions that reduce the value of the collateral, it will reduce the pool of assets securing the Notes and the guarantees. Under certain circumstances we may be required to offer to repurchase the Notes with the proceeds from the sale of our assets. See Description of the Exchange Notes Certain Covenants Limitation on Sales of Assets and Subsidiary Stock.

The Intercreditor Agreement limits the rights of the holders of the Notes and their control with respect to the ABL Priority Collateral.

Under the terms of the Intercreditor Agreement, at any time that any obligations secured by first-priority liens on the ABL Priority Collateral are outstanding, any actions that may be taken in respect of the ABL Priority Collateral, including the ability to cause the commencement of enforcement proceedings against such collateral and to control the conduct of such proceedings, and the approval of amendments to and waivers of past defaults under, the related collateral documents, will be at the direction of the holders of the obligations secured by first-priority liens, including the Revolving Facility Obligations. The holders of the obligations secured by first-priority liens on the ABL Priority Collateral, including the Revolving Facility Obligations, will direct all such actions with respect to the ABL Priority Collateral, for so long as such obligations are outstanding. As a result, the Notes Collateral Agent under the Security Documents does not have the ability to control or direct such actions with respect to such collateral, even if the rights of the holders of Notes are adversely affected. Additionally, to the extent such collateral is released from securing the first-priority lien obligations (except in connection with the termination of the Revolving Facility), the second-priority liens securing the Notes will also automatically be released, subject to certain exceptions. See Description of the Exchange Notes Security for the Notes.

In addition, because the holders of the obligations secured by first-priority liens on the ABL Priority Collateral, including the Revolving Facility Obligations, control the disposition of such collateral, such holders could decide not to proceed against the ABL Priority Collateral, regardless of whether there is a default under the documents governing such indebtedness or under the Indenture. In such an event, subject to certain limited exceptions, the only remedy available to the holders of the Notes would be to sue for payment on the Notes and the related guarantees. The Indenture and the Intercreditor Agreement contain certain other provisions benefiting the holders of the obligations secured by first-priority liens on the ABL Priority Collateral, including the Revolving Facility Obligations, including provisions prohibiting the Notes Collateral Agent from objecting, following the filing of a bankruptcy petition, to a number of important matters regarding the ABL Priority Collateral or to certain financings to be provided to us. After such filing, the value of this collateral could materially deteriorate and holders of the Notes would be unable to raise an objection. In addition, the right of the holders of obligations secured by first-priority liens on the ABL Priority Collateral to foreclose upon and sell such collateral upon the occurrence of an event of default also would be subject to limitations under applicable bankruptcy laws if we or any of our subsidiaries become subject to a bankruptcy proceeding. In addition, the Intercreditor Agreement gives the holders of first-priority liens on the ABL Priority Collateral the right to access and to use the Notes Priority Collateral that secures the Notes to allow those holders to protect the ABL Priority Collateral and to process, store and dispose of the ABL Priority Collateral.

In addition, in the event of any insolvency or liquidation proceeding, if the lenders under the Revolving Facility desire to permit the use of cash collateral or to permit any debtor-in-possession (DIP) financing, the Notes Collateral Agent will, subject to certain exceptions, not be permitted to raise any objection to such cash collateral use or DIP financing. The Intercreditor Agreement limits the right of the Notes Collateral Agent to seek relief from the automatic stay in an insolvency proceeding or to seek or accept adequate protection from a bankruptcy court even though such holders rights with respect to the collateral are being affected. See Description of the Exchange Notes Intercreditor Agreement.

31

Table of Contents

The imposition of certain permitted liens will cause the assets on which such liens are imposed to be excluded from the collateral securing the Notes and the related guarantees. There are certain other categories of property that are also excluded from the collateral securing the Notes and the related guarantees.

The Indenture permits certain liens in favor of third parties to secure additional debt, including purchase money indebtedness and capitalized lease obligations, and any property or assets subject to such liens will be automatically excluded from the collateral securing the Notes and the related guarantees to the extent the agreements governing such indebtedness prohibit additional liens or require the consent of any third party to the imposition of such additional liens. Our ability to incur purchase money indebtedness and capitalized lease obligations is subject to the limitations as described under the caption Description of the Exchange Notes Certain Covenants Limitation on Indebtedness.

In addition, certain categories of assets are excluded from the collateral securing the Notes and the related guarantees, as described in the Security Documents. Excluded assets include, among other things:

- the capital stock of direct and indirect subsidiaries;
- leasehold interests in real property (except to the extent required to perfect a security interest in as-extracted collateral included in the collateral) and the proceeds thereof;
- while any Revolving Facility Obligations remain outstanding, those assets that would constitute ABL Priority Collateral but as to which the Revolving Facility Agent has not required a lien;
- items as to which a security interest cannot be granted without violating contract rights or applicable law;
- vehicles and other assets subject to a certificate of title (unless otherwise included in the ABL Priority Collateral); and
- other assets included in the definition of Excluded Assets. See Description of the Exchange Notes Certain Definitions.

Moreover, we will not be required to add any asset to the Collateral if the cost and/or burden of taking a security interest in such asset outweighs the benefits to be afforded thereby. If an event of default occurs and the Notes are accelerated, the Notes and the related guarantees will rank equally with the holders of other unsubordinated and unsecured indebtedness of the relevant entity with respect to such excluded property and junior to holders of indebtedness secured by a lien on such excluded assets. To the extent the claims of the holders of the Notes exceed the value of the assets securing the Notes and other liabilities, claims related to the excluded assets will rank equally with the claims of the holders of any other unsecured indebtedness. As a result, if the value of the assets pledged as security for the Notes is less than the value of the claims of the holders of the Notes, those claims may not be satisfied in full before the claims of our unsecured creditors are paid.

The Notes are not secured by the capital stock of any of our subsidiaries, which may affect the ability to foreclose on assets.

The Notes are not secured by a pledge of the stock of our direct and indirect subsidiaries. As a result, it may be more difficult, costly and time-consuming for holders of our Notes to foreclose on the assets of our subsidiaries, and the proceeds realized upon any such foreclosure could be significantly less than those that would have been received upon any sale of the capital stock of such subsidiary. Substantially all of our tangible assets are owned by our subsidiaries.

State law may limit the ability of the Notes Collateral Agent to foreclose on the real property and improvements included in the collateral.

The Notes are secured by, among other things, liens on owned real property and improvements in multiple U.S. jurisdictions. The laws of those states may limit the ability of the Notes Collateral Agent and the holders of

Table of Contents

the Notes to foreclose on the improved real property collateral located in those states. Laws of those states govern the perfection, enforceability and foreclosure of mortgage liens against real property interests that secure debt obligations such as the Notes. These laws may impose procedural requirements for foreclosure different from and necessitating a longer time period for completion than the requirements for foreclosure of security interests in personal property. Debtors may have the right to reinstate defaulted debt (even if it has been accelerated) before the foreclosure date by paying the past due amounts and a right of redemption after foreclosure. Governing laws may also impose security first and one form of action rules which can affect the ability to foreclose or the timing of foreclosure on real and personal property collateral regardless of the location of the collateral and may limit the right to recover a deficiency following a foreclosure.

The holders of the Notes, the Trustee and the Notes Collateral Agent also may be limited in their ability to enforce a breach of the no liens covenant. Some decisions of state courts have placed limits on a lender s ability to accelerate debt secured by real property upon breach of covenants prohibiting the creation of certain junior liens or leasehold estates or a secured lender may need to demonstrate that enforcement is reasonably necessary to protect against impairment of the lender s security or to protect against an increased risk of default. Although the foregoing court decisions may have been preempted, at least in part, by certain federal laws, the scope of such preemption, if any, is uncertain. Accordingly, a court could prevent the Trustee, the Notes Collateral Agent and the holders of the Notes from declaring a default and accelerating the Notes by reason of a breach of this covenant, which could have a material adverse effect on the ability of holders to enforce the covenant.

Your rights in the collateral may be adversely affected by the failure to create or perfect security interests in certain collateral on a timely basis or in certain collateral acquired in the future.

The Notes and the guarantees are secured on a first-priority basis by the Notes Priority Collateral, subject to certain exceptions and permitted collateral liens, and on a second-priority basis by the ABL Priority Collateral subject to certain exceptions and permitted liens. See Description of the Exchange Notes Security for the Notes. Applicable law requires that a security interest in certain tangible and intangible assets can only be properly perfected and its priority retained through certain actions undertaken by the secured party. The liens on the collateral securing the Notes may not be perfected with respect to the Notes if we or the Notes Collateral Agent fail to take the actions necessary to perfect those liens. In addition, there can be no assurance that the lenders under our Revolving Facility will take all actions necessary to create and properly perfect security interests in the ABL Priority Collateral, which may result in the loss of the priority of the security interest in favor of the holders of the Notes to which they would otherwise have been entitled. If a security interest is not perfected with respect to any portion of the collateral, the Notes and the guarantee may not be effectively secured by such collateral.

Applicable law requires that certain property and rights acquired after the grant of a general security interest can only be perfected at the time such property and rights are acquired and identified. We have limited obligations to perfect the security interest in the collateral in favor of the holders of the Notes. The Trustee or the Notes Collateral Agent may not monitor, and we may not inform the Trustee or the Notes Collateral Agent of, any future acquisition of property and rights that constitute collateral and, as a result, the necessary action may not be taken to properly perfect the security interest in such after acquired collateral. The Notes Collateral Agent will have no obligation to monitor the acquisition of additional property or rights that constitute collateral or the perfection of any security interest in favor of the Notes against third parties. Furthermore, certain actions are required to be taken periodically to maintain certain security interests granted in the collateral, and a failure to do so may result in the loss of the security interest in the collateral or the priority of the security interest in favor of the holders of the Notes against third parties.

The collateral is subject to casualty risks and potential environmental liabilities.

We maintain insurance or otherwise insure against hazards in a manner appropriate and customary for our business. There are, however, certain losses, including those due to fires, earthquakes, severe weather conditions

Table of Contents

and other natural disasters, that may be uninsurable or not economically insurable, in whole or in part. Insurance proceeds may not compensate us fully for our losses. We generally do not maintain insurance to cover environmental liabilities.

If there is a complete or partial loss of any of the collateral, the insurance proceeds may not be sufficient to satisfy all of our secured obligations, including the Notes, the related guarantees and the Revolving Facility Obligations.

In the event of a total or partial loss to any of our facilities, certain items of equipment or inventory may not be easily replaced. Accordingly, even though there may be insurance coverage, the extended period needed to manufacture or obtain replacement units or inventory could cause significant delays and any such delay could further decrease the value of the other collateral.

Moreover, the Notes Collateral Agent may need to evaluate the impact of potential liabilities before determining to foreclose on collateral consisting of real property because secured creditors that hold a security interest in real property may, in limited circumstances, be held liable under environmental laws for the costs of remediating the release or threatened release of hazardous substances at such real property. Consequently, such agent may decline to foreclose on such collateral or exercise remedies in respect thereof if it does not receive indemnification to its satisfaction from the holders of the Notes. Under certain circumstances where the Notes Collateral Agent fails to qualify for liability exemptions available to secured creditors, cleanup costs could become a liability of the Notes Collateral Agent, and, if the holders of the Notes have agreed to indemnify the Notes Collateral Agent, such holders of the Notes could be required to help repay those costs. If the holders of the Notes have agreed to this indemnification without sufficient limitations and such costs were to become high enough, such holders of the Notes could be required to pay the Notes Collateral Agent an amount that is greater than the amount such holders of the Notes paid for the Notes.

Federal and state fraudulent transfer laws may allow a court, under specific circumstances, to void the guarantees or the grant or perfection of liens on collateral and, if that occurs, you may not receive any payments on the Notes.

Federal and state fraudulent transfer and conveyance statutes may apply to the issuance of the Notes, the incurrence of the guarantees of the Notes and the grant and perfection of liens on collateral. Under the federal bankruptcy law and comparable provisions of state fraudulent transfer laws, the Notes or the guarantees thereof (or the grant or perfection of liens on collateral securing any such obligations) could be voided as a fraudulent transfer or conveyance, or claims in respect of the Notes or any guarantee could be subordinated to our and the guarantors other debts, if we or any of the guarantors, as applicable, (1) issued the Initial Notes, incurred the guarantees or granted or perfected the liens with the intent of hindering, delaying or defrauding creditors or (2) received less than reasonably equivalent value or fair consideration for the either issuing the Initial Notes, incurring the guarantees or granting or perfecting the liens and, in the case of (2) only, one of the following is also true at the time thereof:

- we or any of the guarantors, as applicable, were insolvent or rendered insolvent by reason of the issuance of the Initial Notes, the incurrence of the guarantees, or the grant and perfection of liens on collateral;

- the issuance of the Initial Notes or the incurrence of the guarantees left us or any of the guarantors, as applicable, with an unreasonably small amount of capital or assets to carry on business or any transactions;

we or any of the guarantors intended to, or believed that we or such guarantor would, incur debts beyond our or the guarantor s ability to pay as they mature; or

we or any of the guarantors were a defendant in an action for money damages, or had a judgment for money damages docketed against us or the guarantor if, in either case, the judgment is unsatisfied after final judgment.

Table of Contents

As a general matter, value is given for a transfer or an obligation if, in exchange for the transfer or obligation, property is transferred or a valid antecedent debt is secured or satisfied. A court would likely find that a guarantor did not receive reasonably equivalent value or fair consideration for its guarantee to the extent that the guarantor did not obtain a reasonably equivalent benefit directly or indirectly from the issuance of the Initial Notes. The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a guarantor would be considered insolvent if:

- the sum of its debts, including contingent liabilities and unliquidated liabilities, was greater than the fair saleable value of all of its assets;
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

We cannot assure you as to what standard a court would apply in determining whether a guarantor would be considered to be insolvent or, regardless of the standard that a court uses, we cannot be certain as to whether the Notes or the guarantees would be subordinated to our or any of our guarantors other debt. If a court determined that we or any of the guarantors were insolvent after giving effect to the issuance of the Initial Notes, the incurrence of a guarantee or the grant or perfection of a lien, it could void the payment obligations under the Notes, that guarantee or the lien or subordinate the Notes or that guarantee to our or the applicable guarantor s presently existing and future indebtedness or require you to return any payments received with respect to such guarantee. Further, the avoidance of the Notes could result in an event of default with respect to our and our subsidiaries other debt that could result in acceleration of that debt.

Finally, as a court of equity, the bankruptcy court may subordinate the claims in respect of the Notes to other claims against us under the principle of equitable subordination, if the court determines that: (1) the holder of Notes engaged in some type of inequitable conduct; (2) that inequitable conduct resulted in injury to our other creditors or conferred an unfair advantage upon the holders of Notes; and (3) equitable subordination is not inconsistent with the provisions of Title 11 of the United States Code (the Bankruptcy Code).

The amount that can be collected under any future guarantees will be limited.

Any future guarantee will be limited to the maximum amount that can be guaranteed by a particular guarantor without rendering the future guarantee, as it relates to that future guarantor, voidable. In general, the maximum amount that can be guaranteed by a particular future guarantor may be significantly less than the principal amount of the Notes.

Bankruptcy laws may limit your ability to realize value from the collateral.

The right of the Notes Collateral Agent to repossess and dispose of the collateral upon the occurrence of an event of default under the Indenture is likely to be significantly impaired by applicable bankruptcy law if a bankruptcy case were to be commenced by or against us before the Notes Collateral Agent repossessed and disposed of the collateral. Upon the commencement of a case under the Bankruptcy Code, an automatic stay goes into effect which, among other things, will prohibit (1) a secured creditor such as the Notes Collateral Agent from repossessing its security from a debtor in a bankruptcy case, or from disposing of security repossessed from such debtor, without bankruptcy court approval, which may not be given, (2) the commencement or continuation of any action or proceeding against the debtor that was or could have been commenced before the commencement of the bankruptcy case to recover a claim against the debtor that arose before the commencement of the bankruptcy case; (3) any act to create, perfect or enforce any lien against property of the bankruptcy estate and (4) any act to collect or recover a claim against the debtor that arose before the commencement of the bankruptcy case. Moreover, the Bankruptcy Code permits the debtor to continue to retain and use collateral even

Table of Contents

though the debtor is in default under the applicable debt instruments, provided that the secured creditor is given adequate protection. The meaning of the term adequate protection may vary according to circumstances, but it is intended in general to protect the value of the secured creditor s interest in the collateral as of the commencement of the bankruptcy case and may include cash payments or the granting of additional security if and at such times as the bankruptcy court in its discretion determines that the value of the secured creditor s interest in the collateral is declining during the pendency of the bankruptcy case. A bankruptcy court may determine that a secured creditor may not require compensation for a diminution in the value of its collateral if the value of the collateral exceeds the debt it secures.

In view of the lack of a precise definition of the term adequate protection and the broad discretionary power of a bankruptcy court, it is impossible to predict:

- whether payment under the Notes would be made following commencement of and during a bankruptcy case;
- how long payments under the Notes could be delayed following commencement of and during a bankruptcy case;
- whether or when the Notes Collateral Agent could repossess or dispose of the collateral;
- the value of the collateral at the time of the bankruptcy petition; or
- whether or to what extent holders of the Notes would be compensated for any delay in payment or loss of value of the collateral through the requirement of adequate protection.

A creditor may seek relief from the stay from the bankruptcy court to take any of the acts described above that would otherwise be prohibited by the automatic stay. The bankruptcy court has broad di