American Realty Capital Trust, Inc.
Form POS AM
November 02, 2009

As filed with the Securities and Exchange Commission on November 2, 2009
Registration No. 333-145949

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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PRE-EFFECTIVE AMENDMENT NO. 1 TO
POST-EFFECTIVE AMENDMENT NO. 6 TO
FORM S-11
FOR REGISTRATION UNDER THE SECURITIES ACT OF 1933
OF SECURITIES OF CERTAIN REAL ESTATE COMPANIES

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AMERICAN REALTY CAPITAL TRUST, INC.
(Exact Name of Registrant as Specified in Its Governing Instruments)
106 York Road
Jenkintown, Pennsylvania 19046
(215) 887-2189
(Address, Including Zip Code and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Nicholas S. Schorsch
AMERICAN REALTY CAPITAL TRUST, INC.
106 York Road
Jenkintown, Pennsylvania 19046
(215) 887-2189
(Name and Address, Including Zip Code and Telephone Number, Including Area Code, of Agent for Service)

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With a Copy to:
Peter M. Fass, Esq.
Proskauer Rose LLP
1585 Broadway
New York, New York 10036-8299
(212) 969-3000

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Approximate Date of Commencement of Proposed Sale to Public: As soon as practicable after the registration statement becomes effective.
If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, check the following box þ

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: o

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If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: o

If delivery of the prospectus is expected to be made pursuant to Rule 434, check, the following box: o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer	o	Accelerated filer	o
Non-accelerated filer	þ (Do not check if a smaller reporting company)	Smaller reporting company	o

This Post-Effective Amendment No. 6 consists of the following:

- Registrant’s final form of Prospectus dated November [__], 2009.
- Part II, included herewith.
- Signatures, included herewith.

AMERICAN REALTY CAPITAL
AMERICAN REALTY CAPITAL TRUST, INC.

Maximum Offering of 150,000,000 Shares of Common Stock

American Realty Capital Trust, Inc. is a Maryland corporation that qualifies as a real estate investment trust, or REIT. We will invest primarily in freestanding, single-tenant retail properties net leased to investment grade and other creditworthy tenants.

We are offering up to 150,000,000 shares of our common stock, $0.01 par value per share, in our primary offering for $10.00 per share, with discounts available for certain categories of purchasers. We also are offering up to 25,000,000 shares pursuant to our distribution reinvestment plan at a purchase price equal to the higher of $9.50 per share or 95% of the estimated value of a share of our common stock. We will offer these shares until January 25, 2011 which is three years after the effective date of this offering. We reserve the right to reallocate the shares of our common stock we are offering between the primary offering and the distribution reinvestment plan. We are registering options to purchase 1,000,000 shares of common stock, as well as the 1,000,000 shares of common stock issuable upon exercise of such options pursuant to our stock option plan for our independent directors.

See “Risk Factors” for a description of some of the risks you should consider before buying shares of our common stock. These risks include the following:

- We may be considered a “blind pool” because we own a limited number of investments and have not identified most of the investments we will make with proceeds from this offering. You will be unable to evaluate the economic merit of our future investments before we make them and there may be a substantial delay in receiving a return, if any, on your investment.
    - There are substantial conflicts among us and our sponsor, advisor, dealer manager and property manager, such as the fact that our principal executive officers own a majority interest in our advisor, our dealer-manager and our property manager, and our advisor and other affiliated entities may compete with us and acquire properties suitable to our investment objectives.
- No public market currently exists, and one may never exist, for shares of our common stock. If you are able to sell your shares, you would likely have to sell them at a substantial discount.
- Until we generate operating cash flow sufficient to pay distributions to our stockholders, we may make distributions from the proceeds of this offering or from borrowings in anticipation of future cash flow, which may constitute a return of capital, reduce the amount of capital we ultimately invest in properties and negatively impact the value of your investment. Until we generate operating cash flow sufficient to pay distributions to stockholders, our Advisor may waive the reimbursement of certain expenses and payment of certain fees.
- If we fail to qualify, or maintain the requirements, to be taxed as a REIT, it would reduce the amount of income available for distribution and limit our ability to make distributions to our stockholders.
- You may not own more than 9.8% in value of the outstanding shares of our stock or more than 9.8% in value or number of shares (whichever is more restrictive) of any class or series of our outstanding shares of stock.
- We may incur substantial debt, which could hinder our ability to pay distributions to our stockholders or could decrease the value of your investment in the event that income on, or the value of, the property securing the debt falls, but we will not incur debt to the extent it will restrict our ability to qualify as a REIT.

- We are dependent on our advisor to select investments and conduct our operations. Adverse changes in the financial condition of our advisor or our relationship with our advisor could adversely affect us.
- We will pay substantial fees and expenses to our advisor, its affiliates and participating broker-dealers, which payments increase the risk that you will not earn a profit on your investment.
- This is a "best efforts" offering and we might not sell all of the shares being offered.
- We are not yet a REIT and may be unable to qualify as a REIT.

These are speculative securities and this investment involves a high degree of risk. You should purchase these securities only if you can afford a complete loss of your investment.

Neither the Securities and Exchange Commission, the Attorney General of the State of New York nor any other state securities regulator has approved or disapproved of our common stock, determined if this prospectus is truthful or complete or passed on or endorsed the merits of this offering. Any representation to the contrary is a criminal offense.

The use of projections in this offering is prohibited. Any representation to the contrary, and any predictions, written or oral, as to the amount or certainty of any future benefit or tax consequence that may flow from an investment in this program is not permitted. All proceeds from this offering are funds held in trust until subscriptions are accepted and funds are released.

	Price to Public	Selling Commissions	Dealer Manager Fee	Net Proceeds (Before Expenses)
Primary Offering				
Per Share	$ 10.00	$ 0.70	$ 0.30	$ 9.00
Total Maximum	$ 1,500,000,000	$ 105,000,000	$ 45,000,000	$ 1,350,000,000
Distribution Reinvestment Plan				
Per Share	$ 9.50	$ —	$ —	$ 9.50
Total Maximum	$ 237,500,000	$ —	$ —	$ 237,500,000

The dealer manager of this offering, Realty Capital Securities, LLC, is a member firm of the Financial Industry Regulatory Authority (FINRA), is our affiliate and will offer the shares on a best efforts basis. The minimum investment amount generally is $1,000. See the "Plan of Distribution" section of this prospectus for a description of compensation that may be received by our dealer manger and other broker-dealers in this offering. As of July 1, 2009 we have sold the minimum of 4,500,000 shares of our common stock necessary to release all subscribers' funds from escrow. All subscription payments have been released to us. As of October 20, 2009, we have sold 10,118,192 shares of our common stock.

November __, 2009

SUITABILITY STANDARDS

An investment in our common stock involves significant risk and is only suitable for persons who have adequate financial means, desire a relatively long-term investment and who will not need immediate liquidity from their investment. Initially, we will not have a public market for our common stock, and we cannot assure you that one will develop, which means that it may be difficult for you to sell your shares. This investment is not suitable for persons who require immediate liquidity or guaranteed income, or who seek a short-term investment.

In consideration of these factors, we have established suitability standards for initial stockholders and subsequent purchasers of shares from our stockholders. These suitability standards require that a purchaser of shares have, excluding the value of a purchaser's home, furnishings and automobiles, either:

- a net worth of at least $250,000; or
- a gross annual income of at least $70,000 and a net worth of at least $70,000.

The minimum purchase is 100 shares ($1,000), except in certain states as described below. Purchases in amounts above the $1,000 minimum and all subsequent purchases may be made in whole or fractional shares, again subject to the limitations described below for certain states. You may not transfer fewer shares than the minimum purchase requirement. In addition, you may not transfer, fractionalize or subdivide your shares so as to retain less than the number of shares required for the minimum purchase. In order to satisfy the minimum purchase requirements for retirement plans, unless otherwise prohibited by state law, a husband and wife may jointly contribute funds from their separate IRAs, and jointly meet suitability standards, provided that each such contribution is made in increments of $100.00 or ten (10) whole shares. You should note that an investment in shares of our company will not, in itself, create a retirement plan and that, in order to create a retirement plan, you must comply with all applicable provisions of the Internal Revenue Code.

The minimum purchase for Maine, New York, Tennessee and North Carolina residents is 250 shares ($2,500), except for IRAs which must purchase a minimum of 100 shares ($1,000). The minimum purchase for Minnesota residents is 250 shares ($2,500), except for IRAs and other qualified retirement plans which must purchase a minimum of 200 shares ($2,000). Following an initial subscription for at least the required minimum investment, any investor may make additional purchases in increments of at least 100 shares ($1,000), except for purchases made by residents of Maine and Minnesota, whose additional investments must meet their state's minimum investment amount, and purchases of shares pursuant to our distribution reinvestment plan and automatic purchase plan, which may be in lesser amounts.

Several states have established suitability requirements that are more stringent than the standards that we have established and described above. Shares will be sold only to investors in these states who meet the special suitability standards set forth below:

- Kentucky — Investors must have either (a) a net worth of $250,000 or (b) a gross annual income of at least $70,000 and a net worth of at least $70,000, with the amount invested in this offering not to exceed 10% of the Kentucky investor's liquid net worth.
- Massachusetts, Ohio, Iowa, Pennsylvania and Oregon — Investors must have either (a) a minimum net worth of at least $250,000 or (b) an annual gross income of at least $70,000 and a net worth of at least $70,000. The investor's maximum investment in the issuer and its affiliates cannot exceed 10% of the Massachusetts, Ohio, Iowa, Pennsylvania or Oregon resident's net worth.

- Michigan — Investors must have either (a) a minimum net worth of at least $250,000 or (b) an annual gross income of at least $70,000 and a net worth of at least $70,000. The maximum investment in the issuer and its affiliates cannot exceed 10% of the Michigan resident's net worth.

- Tennessee — In addition to the suitability requirements described above, investors' maximum investment in our shares and our affiliates shall not exceed 10% of the resident's net worth.

- Kansas — In addition to the suitability requirements described above, it is recommended that investors should invest no more than 10% of their liquid net worth in our shares and securities of other real estate investment trusts. "Liquid net worth" is defined as that portion of net worth (total assets minus total liabilities) that is comprised of cash, cash equivalents and readily marketable securities.

- Missouri — In addition to the suitability requirements described above, no more than ten percent (10%) of any one (1) Missouri investor's liquid net worth shall be invested in the securities registered by us for this offering with the Securities Division.

- California — In addition to the suitability requirements described above, investors' maximum investment in our shares will be limited to 10% of the investor's net worth (exclusive of home, home furnishings and automobile).

- Alabama and Mississippi — In addition to the suitability standards above, shares will only be sold to Alabama and Mississippi residents that represent that they have a liquid net worth of at least 10 times the amount of their investment in this real estate investment program and other similar programs.

In all states listed above, net worth is to be determined excluding the value of a purchaser's home, furnishings and automobiles.

Each sponsor, participating broker-dealer, authorized representative or any other person selling shares on our behalf is required to:

- make every reasonable effort to determine that the purchase of shares is a suitable and appropriate investment for each investor based on information provided by such investor to the broker-dealer, including such investor's age, investment objectives, income, net worth, financial situation and other investments held by such investor; and

- maintain records for at least six years of the information used to determine that an investment in the shares is suitable and appropriate for each investor.

In making this determination, your participating broker-dealer, authorized representative or other person selling shares on our behalf will, based on a review of the information provided by you in the subscription agreement (Appendix A), consider whether you:

- meet the minimum income and net worth standards established in your state;

- can reasonably benefit from an investment in our common stock based on your overall investment objectives and portfolio structure;

- are able to bear the economic risk of the investment based on your overall financial situation; and

- have an apparent understanding of:

- the fundamental risks of an investment in our common stock;

- the risk that you may lose your entire investment;

- the lack of liquidity of our common stock;

- the restrictions on transferability of our common stock;

- the background and qualifications of our advisor; and

- the tax consequences of an investment in our common stock.

In the case of sales to fiduciary accounts, the suitability standards must be met by the fiduciary account, by the person who directly or indirectly supplied the funds for the purchase of the shares or by the beneficiary of the account. Given

the long-term nature of an investment in our shares, our investment objectives and the relative illiquidity of our shares, our suitability standards are intended to help ensure that shares of our common stock are an appropriate investment for those of you who become investors.

In order to ensure adherence to the suitability standards above, requisite criteria must be met, as set forth in the Subscription Agreement in the form attached hereto as Appendix A. In addition, our advisor and dealer manager must make every reasonable effort to determine that the purchase of our shares (including the purchase of our shares through the automatic purchase plan) is a suitable and appropriate investment for an investor. In making this determination, our advisor and dealer manager will rely on relevant information provided by the investor, including information as to the investor's age, investment objectives, investment experience, income, net worth, financial situation, other investments, and any other pertinent information. Executed Subscription Agreements will be maintained in our records for six years.

RESTRICTIONS IMPOSED BY THE USA PATRIOT ACT AND RELATED ACTS

In accordance with the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended (the USA PATRIOT Act), the units offered hereby may not be offered, sold, transferred or delivered, directly or indirectly, to any "Prohibited Partner,'' which means anyone who is:

- a “designated national,’’ “specially designated national,’’ “specially designated terrorist,’’ “specially designated global terrorist,’’ “foreign terrorist organization,’’ or “blocked person’’ within the definitions set forth in the Foreign Assets Control Regulations of the U.S. Treasury Department;

- acting on behalf of, or an entity owned or controlled by, any government against whom the U.S. maintains economic sanctions or embargoes under the Regulations of the U.S. Treasury Department;

- within the scope of Executive Order 13224 — Blocking Property and Prohibiting Transactions with Persons who Commit, Threaten to Commit, or Support Terrorism, effective September 24, 2001;

- subject to additional restrictions imposed by the following statutes or regulations and executive orders issued thereunder: the Trading with the Enemy Act, the Iraq Sanctions Act, the National Emergencies Act, the Antiterrorism and Effective Death Penalty Act of 1996, the International Emergency Economic Powers Act, the United Nations Participation Act, the International Security and Development Cooperation Act, the Nuclear Proliferation Prevention Act of 1994, the Foreign Narcotics Kingpin Designation Act, the Iran and Libya Sanctions Act of 1996, the Cuban Democracy Act, the Cuban Liberty and Democratic Solidarity Act and the Foreign Operations, Export Financing and Related Programs Appropriation Act or any other law of similar import as to any non-U.S. country, as each such act or law has been or may be amended, adjusted, modified or reviewed from time to time; or

- designated or blocked, associated or involved in terrorism, or subject to restrictions under laws, regulations, or executive orders as may apply in the future similar to those set forth above.

AMERICAN REALTY CAPITAL TRUST, INC.

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All documents that we file (but not those that we furnish) with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of the initial registration statement of which this prospectus is a part and prior to effectiveness of the registration statement will be deemed to be incorporated by reference into this prospectus and will automatically update and supersede the information in this prospectus, and any previously filed document. In addition, all documents that we file (but not those that we furnish) with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and prior to the termination of the offering of Securities hereby will be deemed to be incorporated by reference into this prospectus and will automatically update and supersede the information in this prospectus, any accompanying prospectus supplement and any previously filed document. We will provide to each person, including any beneficial owner, to whom a copy of this prospectus is delivered, a copy of any or all of the information that has been incorporated by reference in this prospectus but not delivered with this prospectus (other than the exhibits to such documents which are not specifically incorporated by reference herein); we will provide this information at no cost to the requester upon written or oral request or by writing to us at the following address:

The Dixie Group, Inc.

2208 S. Hamilton Street

Dalton, Georgia

Telephone: (423) 510-7000

Attn: Starr T. Klein

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PROSPECTUS

THE DIXIE GROUP, INC.

$75,000,000

COMMON STOCK

CLASS C COMMON STOCK

PREFERRED STOCK

We may offer, from time to time, in one or more offerings, up to $75,000,000 in the aggregate of our Common Stock, Class C Common Stock or Preferred Stock (together, the Securities) at prices and on terms that we will determine at the time of the offering. Preferred Stock may be convertible into our Common Stock or Class C Common Stock.

This prospectus describes some of the general terms that may apply to the Securities and the general manner in which they may be offered. The specific terms of the Securities to be offered, and the specific manner in which they may be offered, will be described in a supplement to this prospectus. You should read this prospectus and any prospectus supplement carefully before you invest.

Our executive offices are located at 104 Nowlin Lane, Suite 101, Chattanooga, Tennessee 37421, and our telephone number is (423) 510-7000.

Our Common Stock is listed on The NASDAQ Global Market and trades under the symbol DXYN. As of March 12, 2014, the last reported sale price of our common stock was $15.99 per share.

Investing in our securities involves risk. You should consider carefully these risks together with all of the other information contained in this prospectus and any prospectus supplement before making a decision to purchase our securities. See Risk Factors beginning on page 2 of this prospectus and in our latest annual report on Form 10-K as updated in our future filings with the Securities and Exchange Commission, which are incorporated by reference in this prospectus.

The Securities may be sold directly by us, through agents designated from time to time or to or through underwriters or dealers. For additional information on the methods of sale, you should refer to the section in this prospectus entitled Plan of Distribution. If any underwriters are involved in the sale of any Securities with respect to which this prospectus is being delivered, the names of such underwriters and any applicable commissions or discounts will be set forth in the prospectus supplement. The net proceeds that we expect to receive from such sale will also be set forth in the prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is April 8, 2014.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, or SEC, using a shelf registration process. Under this shelf registration process, we may sell any combination of the Securities in one or more offerings up to a total dollar amount of $75,000,000. This prospectus provides you with a general description of the Securities that we may offer. Each time that we sell Securities under this shelf registration statement, we will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. This prospectus, together with applicable prospectus supplements, includes or incorporates by reference all material information relating to this offering. Please read carefully both this prospectus and any prospectus supplement together with the additional information described below under the heading Where You Can Find More Information.

Except where the context suggests otherwise, in this prospectus we, us, our, DXYN and the Company refer to The Dixie Group, Inc., a Tennessee corporation, and its subsidiaries.

You should rely only on the information contained or incorporated by reference in this prospectus, any applicable prospectus supplement and any free writing prospectus prepared by us. We have not authorized anyone to provide you with different or additional information. This prospectus, any applicable prospectus supplement and any free writing prospectus prepared by us does not constitute an offer to sell, or a solicitation of an offer to purchase, the Securities offered by such documents in any jurisdiction to or from any person to whom or from whom it is unlawful to make such offer or solicitation of an offer in such jurisdiction. You should not assume that the information contained or incorporated by reference in this prospectus, any prospectus supplement or any free writing prospectus prepared by us is accurate as of any date other than the date on the front cover of such documents. Our business, financial condition, liquidity, results of operations and prospects may have changed since those dates.

This prospectus contains, and any applicable prospectus supplement may contain, summaries of certain provisions contained in some of the documents described herein and therein, but reference is made to the actual documents for complete information. All of the summaries are qualified in their entirety by the actual documents. Copies of some of the documents referred to have been filed or incorporated by reference as exhibits to the registration statement of which this prospectus is a part and you may obtain copies of those documents as described below under Where You Can Find More Information.

THE DIXIE GROUP, INC.

Our business consists principally of marketing, manufacturing and selling carpet and rugs to high-end residential and commercial customers through our various sales forces and brands. A small portion of our manufacturing capacity is used to provide carpet and yarn related services to other manufacturers.

Our business is concentrated in areas of the soft floorcovering markets where innovative styling, design, color, quality and service, as well as limited distribution, are welcomed and rewarded. Fabrica , Masland , and Dixie Home brands have a significant presence in the high-end residential soft floorcovering markets. Our Masland Contract and Avant brands participate in the upper end specified commercial marketplace. Dixie International sells all of our brands outside of the North American market. We believe our brands are well known, highly regarded and complementary; by being differentiated, we offer meaningful alternatives to the discriminating customer.

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RISK FACTORS

Investing in the Securities involves risks. You should consider carefully the risks described under Risk Factors in our most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q (which descriptions are incorporated by reference herein), as well as the other information contained or incorporated by reference in this prospectus or in any prospectus supplement hereto before making a decision to invest in the Securities. Please also see the section entitled Where You Can Find More Information below.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and any accompanying prospectus supplement, together with other documents and information incorporated by reference into this prospectus, contain certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. Such statements are based on assumptions and expectations that may not be realized and are inherently subject to risks, uncertainties and other factors, many of which cannot be predicted with accuracy and some of which might not even be anticipated. Although we believe the expectations reflected in these forward-looking statements are based on reasonable assumptions, future events and actual results, performance, transactions or achievements, financial and otherwise, may differ materially from the results, performance, transactions or achievements expressed or implied by the forward-looking statements contained in or contemplated by this prospectus or any prospectus supplement. Any forward-looking statements should be considered in light of the risks and uncertainties referred to in Part I, Item 1A Risk Factors in our Annual Report on Form 10-K for the year ended December 28, 2013.

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USE OF PROCEEDS

Unless otherwise specified in the applicable prospectus supplement for any offering of the Securities, the net proceeds we receive from the sale of these securities will be used for general corporate purposes, which may include:

- reducing or refinancing outstanding debt;
- financing possible acquisitions; and
- working capital and liquidity needs.

Pending such use, we may temporarily invest net proceeds in readily marketable, short-term, interest-bearing investments, including money market accounts.

If the proceeds from a particular offering of the Securities will be used for a specific purpose, we will describe the use of proceeds in the applicable prospectus supplement.

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DESCRIPTION OF EQUITY SECURITIES

The following is a summary of the rights and preferences of our Equity Securities and related provisions of our restated charter, as amended, or our Charter, and bylaws, as amended, or our Bylaws, which are exhibits to the registration statement that of which this prospectus is a part. While we believe that the following description covers the material terms of our capital stock, the description may not contain all of the information that is important to you. We encourage you to read carefully this entire prospectus, our Charter and Bylaws and the other documents we refer to herein for a more complete understanding of our capital stock. See Where You Can Find More Information.

Under our Charter, we are authorized to issue a total of: (1) 80,000,000 shares of Common Stock having a par value of $3 per share, (2) 16,000,000 shares of Class B Common Stock having a par value of $3 per share, (3) 200,000,000 shares of Class C Common Stock having a par value of $3 per share, and (4) 16,000,000 shares of Preferred Stock.

As of February 28, 2014, (1) 12,453,166 shares of Common Stock were outstanding, (2) 866,876 shares of Class B Common Stock were outstanding, (3) no shares of Class C Common Stock, and (4) no shares of Preferred Stock were outstanding. All outstanding shares of Common Stock are fully paid and nonassessable. The Common Stock is listed on The NASDAQ Global Market.

Certain Provisions That May Have an Anti-Takeover Effect

Our Charter and Bylaws, and certain portions of Tennessee law, contain certain provisions that may have an anti-takeover effect.

Anti-Takeover Provisions in Our Charter and Bylaws. Our Charter contains provisions that may make it more difficult for a potential acquirer to acquire us by means of a transaction that is not negotiated with our Board of Directors. These provisions could delay or prevent entirely a merger or acquisition that our shareholders consider favorable. These provisions may also discourage acquisition proposals or have the effect of delaying or preventing entirely a change in control, which could harm our stock price.

Our Charter provides that our Board of Directors may issue preferred stock, having rights, preferences and powers determined by the Board of Directors, without shareholder approval. Some of the rights and preferences of these shares of preferred stock could be superior to the rights and preferences of shares of our Common Stock and Class C Common Stock. Accordingly, the issuance of new shares of preferred stock may adversely affect the rights of the holders of shares of our Common Stock and Class C Common Stock.

Our charter provides that holders of Class B Common Stock are entitled to 20 votes per share. As of February 28, 2014, there were 866,875 shares of Class B Common Stock outstanding, principally beneficially owned by Daniel K. Frierson, his son, D. Kennedy Frierson, Jr., and members of their family, representing approximately 58.2% of the eligible number of votes that may be cast with respect to any matter to be voted on by shareholders. Our Charter restricts transfers of shares of Class B Common Stock to parties other than our Company or those having specified relationships to the current holders.

As a result, holders of Class B Common Stock, particularly Daniel K. Frierson, will have significant influence over the management and affairs of our Company and over all matters requiring shareholder approval, including election of directors and significant corporate transactions, such as a merger or other sale of our Company or its assets, and further, holders of our Common Stock and Class C Common Stock will have a limited ability to influence corporate matters for the foreseeable future.

Our Charter provides that holders of Class C Common Stock are entitled to 1/20th vote per share. No shares of Class C Common Stock are outstanding.

Anti-Takeover Provisions in the Tennessee Business Corporation Act. In addition to certain of the provisions in our Charter discussed above, the state of Tennessee has adopted statutes that can have an

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anti-takeover effect and may delay or prevent a tender offer or takeover attempt that a shareholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares.

Business Combination Act. The Tennessee Business Combination Act, or Business Combination Act, provides that an interested shareholder, defined as any person or entity that beneficially owns 10% or more of the voting power of any class or series of the then outstanding voting stock in a resident domestic corporation like our Company, cannot engage in a business combination with the resident domestic corporation unless the combination (i) takes place at least five years after the interested shareholder first acquired 10% or more of the voting powers of any class or series of the then outstanding voting stock of the resident domestic corporation, and (ii) either (a) is approved by the holders of at least two-thirds of the voting shares of the resident domestic corporation not beneficially owned by an interested shareholder or (b) satisfies certain fairness conditions specified in the Business Combination Act. These fairness conditions include, among others, the requirement that the per share consideration received in any such business combination by each of the shareholders is equal to the highest of (x) the highest per share price paid by the interested shareholder during the preceding five-year period for shares of the same class or series plus interest thereon from such date at a treasury bill rate less the aggregate amount of any cash dividends paid and the market value of any dividends paid other than in cash since such earliest date, up to the amount of such interest, (y) the highest preferential amount, if any, such class or series is entitled to receive on liquidation, or (z) the market value of the shares on either the date the business combination is announced or the date when the interested shareholder reaches the 10% threshold, whichever is higher, plus interest thereon less dividends as noted above.

A business combination with an interested shareholder can proceed without the five year moratorium if the business combination was approved by the resident domestic corporation s board of directors before the interested shareholder became an interested shareholder or if the transaction in which the interested shareholder became an interested shareholder was approved by the resident domestic corporation s board of directors. Further, the Business Combination Act does not apply when the resident corporation enacts a charter or bylaw amendment removing itself entirely from the Business Combination Act. Such a charter or bylaw amendment must be approved by holders of a majority of the shares held for one year or more prior to the vote. The amendment may not take effect for at least two years after the vote. We have not adopted a charter or bylaw amendment removing ourselves from coverage under the Business Combination Act.

For purposes of the Business Combination Act, a business combination generally includes:

- mergers, consolidations, or share exchanges;
- sales, leases, exchanges, mortgages, pledges, or other transfers of assets representing 10% or more of the aggregate market value of consolidated assets, the aggregate market value of outstanding shares, or consolidated net income of such resident domestic corporation;
- issuances or transfers of shares from the resident domestic corporation to the interested shareholder;
- plans of liquidation or dissolution proposed by the interested shareholder;
- transactions in which the interested shareholder s proportionate share of the outstanding shares of any class of securities is increased; or
- financing arrangements pursuant to which the interested shareholder, directly or indirectly, receives a benefit, except proportionately as a shareholder.

The Business Combination Act further provides an exemption from liability for resident domestic corporations and officers and directors of resident domestic corporations who do not approve proposed business combinations or charter or bylaw amendments removing their corporations from the Business Combination Act s coverage as long as the officers and directors act with a good faith belief that the proposed business combination or charter or bylaw amendments would adversely affect such resident domestic corporation s employees, customers, suppliers or the communities in which their corporation operates if these factors are permitted to be considered by the board of directors under the charter.

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Tennessee Control Share Acquisition Act. The Tennessee Control Share Acquisition Act, or TCSAA, takes away the voting rights of a purchaser s shares any time an acquisition of shares in a Tennessee corporation, as defined in the TCSAA, brings the purchasers voting power to 20%, $33^{1/3}$%, or more than 50% of all voting power in such corporation. The purchaser s voting rights can be maintained or re-established only by a majority vote of all the shares entitled to vote generally with respect to the election of directors other than those shares owned by the acquirer and the officers and inside directors of the corporation. The TCSAA applies only to a corporation that has adopted a provision in its charter or bylaws declaring that the TCSAA will apply. Our Charter and Bylaws have not adopted such a provision, and therefore we are not subject to the TCSAA.

Greenmail Act. The Tennessee Greenmail Act, or TGA, applies to any corporation chartered under the laws of the state of Tennessee that has a class of voting stock registered or traded on a national securities exchange or registered with the SEC pursuant to Section 12(g) of the Exchange Act. Because our Common Stock is traded on The NASDAQ Global Market, we are subject to the TGA. The TGA provides that it is unlawful for any corporation or a subsidiary of a corporation to purchase, either directly or indirectly, any of its shares at a price above the market value, as defined in the TGA, from any person who holds more than 3% of the class of the securities to be purchased if the person has held the shares for less than two years, unless either the purchase is first approved by the affirmative vote of a majority of the outstanding shares of each class of voting stock issued or the corporation makes an offer, of at least equal value per share, to all holders of shares of the class.

Tennessee Investor Protection Act. The Tennessee Investor Protection Act, or TIPA, applies to tender offers and the other takeover offers directed at corporations, such as Dixie Group, that have substantial assets in Tennessee and that are either incorporated in or have a principal office in Tennessee. Pursuant to TIPA, an offeror making a takeover offer for an offeree company who beneficially owns 5% or more of any class of equity securities of the offeree company, any of which was purchased within one year prior to the proposed takeover offer, is required to announce publicity its intentions, make a full, fair and effective disclosure of such intention to the persons from whom the offeror intends to acquire such securities, and file a registration statement with the Tennessee Commissioner of Commerce and Insurance, or the Commissioner, and the offeree company. When the offeror intends to gain control of the offeree company, the registration statement must indicate any plans the offeror has for the offeree company. The takeover offer must be made to holders of record or beneficial owners in the state of Tennessee on substantially the same terms as made to those holders or owners who reside outside the state. The Commissioner may require additional information concerning the takeover offer and may hold hearings. TIPA does not apply to an offer that the offeree company s board of directors recommends to shareholders and which has been made on substantially equal terms to all shareholders.

In addition to requiring the offeror to file a registration statement with the Commissioner, TIPA requires the offeror and the offeree company to deliver to the Commissioner all solicitation materials used in connection with the takeover offer. TIPA prohibits fraudulent, deceptive, or manipulative acts or practices by either the offeror or the offeree company and gives the Commissioner standing to apply for equitable relief to the Chancery Court of Davidson County, Tennessee, or to any other chancery court having jurisdiction whenever it appears to the Commissioner that the offeror, the offeree company or any of their respective affiliates has engaged in or is about to engage in a violation of TIPA. Upon proper showing, the chancery court may grant injunctive relief. TIPA further provides civil liabilities and criminal penalties for violations.

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COMMON STOCK

Dividends

Holders of Common Stock and Class C Common Stock are entitled to participate ratably (based on the number of shares held) if and when the Board of Directors declares dividends on shares of Common Stock out of funds legally available for dividends. No dividend may be declared and paid to holders of Class B Common Stock unless an equal or greater dividend per share has been paid to holders of Common Stock and Class C Common Stock.

Voting Rights

Holders of Common Stock are entitled to one vote for each share held of record on all matters voted on by shareholders, including the election of directors.

Liquidation Rights

In the event of our liquidation, dissolution or winding-up, holders of Common Stock, Class C Common Stock and Class B Common Stock have the right to a ratable portion of assets remaining after satisfaction in full of the prior rights of our creditors, all liabilities, and any liquidation preferences of any outstanding shares of Preferred Stock.

Transfer Agent and Registrar

The transfer agent and registrar for shares of the Common Stock is Computershare Investor Services.

CLASS C COMMON STOCK

Dividends

Holders of Class C Common Stock and Common Stock are entitled to participate ratably (based on the number of shares held) in dividends when the Board of Directors declares dividends on shares of Common Stock out of funds legally available for dividends. No dividend may be declared and paid to holders of Class B Common Stock unless an equal or greater dividend per share has been paid to holders of Class C Common Stock and Common Stock.

Voting Rights

Holders of Class C Common Stock are entitled to $1/20^{th}$ vote per share.

Liquidation Rights

In the event of our liquidation, dissolution or winding-up, holders of Class C Common Stock, Common Stock and Class B Common Stock have the right to a ratable portion of assets remaining after satisfaction in full of the prior rights of our creditors, all liabilities, and any liquidation preferences of any outstanding shares of Preferred Stock.

PREFERRED STOCK

The following outlines some of the provisions of the Preferred Stock that we may offer from time to time. The specific terms of a series of Preferred Stock will be described in the applicable prospectus supplement relating to that series of Preferred Stock. The following description of the Preferred Stock and any description of Preferred Stock in a prospectus supplement may not be complete and is subject to and qualified in its entirety by reference to the articles of amendment to the Charter relating to the particular series of Preferred Stock, which we will file with the SEC in connection with the issuance of any Preferred Stock.

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General

Under our Charter, our Board of Directors is authorized, without shareholder approval, to adopt resolutions providing for the issuance of up to 16,000,000 shares of Preferred Stock in one or more series.

For each series of Preferred Stock, the Board of Directors may fix the rights, preferences and powers of the series. The Board of Directors will fix these terms by resolution adopted before we issue any shares of the series of Preferred Stock. We may also reopen a previously issued series of Preferred Stock and issue additional Preferred Stock of that series.

The prospectus supplement relating to the particular series of Preferred Stock will contain a description of the specific terms of that series as fixed by the Board of Directors, including, as applicable:

- the offering price at which we will issue the Preferred Stock;
- the title, designation of number of shares and stated value of the Preferred Stock;
- the dividend rate or method of calculation, the payment dates for dividends and the place or places where the dividends will be paid, whether dividends will be cumulative or noncumulative, and, if cumulative, the dates from which dividends will begin to cumulate;
- any conversion or exchange rights;
- whether the Preferred Stock will be subject to redemption and the redemption price and other terms and conditions relative to the redemption rights;
- any liquidation rights;
- any sinking fund provisions;
- any voting rights; and
- any other rights, preferences, privileges, limitations and restrictions that are not inconsistent with the terms of our Charter.

Subject to the rights of the holders of any series of Preferred Stock, the number of authorized shares of any series of Preferred Stock may be increased or decreased, but not below the number of shares of that series then outstanding, by resolution adopted by our Board of Directors.

When we issue and receive payment for shares of Preferred Stock, the shares will be fully paid and nonassessable, and for each share issued, a sum equal to the stated value will be credited to our Preferred Stock account. Unless otherwise specified in a prospectus supplement relating to a particular series of Preferred Stock, holders of Preferred Stock will not have any preemptive or subscription rights to acquire more of our stock, and each series of Preferred Stock will rank on a parity in all respects with each other series of Preferred Stock.

The rights of holders of the Preferred Stock offered may be adversely affected by the rights of holders of any shares of Preferred Stock that may be issued in the future. Our Board of Directors may cause shares of Preferred Stock to be issued in public or private transactions for any proper corporate purposes and may include issuances to obtain additional financing in connection with acquisitions, and issuances to officers, directors and employees pursuant to benefit plans.

Redemption

If so specified in the applicable prospectus supplement, a series of Preferred Stock may be redeemable at any time, in whole or in part, at our option or the holders option, and may be mandatorily redeemed.

Any restriction on the repurchase or redemption by us of our Preferred Stock while we are in arrears in the payment of dividends will be described in the applicable prospectus supplement.

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Any partial redemptions of Preferred Stock will be made in a way that our Board of Directors decides is equitable.

Unless we default in the payment of the redemption price, dividends will cease to accrue after the redemption date of shares of Preferred Stock called for redemption and all rights of holders of these shares will terminate, except for the right to receive the redemption price.

Dividends

Holders of each series of Preferred Stock will be entitled to receive cash dividends when, as and if declared by our Board of Directors out of funds legally available for dividends. The rates and dates of payment of dividends will be set forth in the applicable prospectus supplement relating to each series of Preferred Stock. Dividends will be payable to holders of record of Preferred Stock as they appear on our books on the record dates fixed by the Board of Directors. Dividends on any series of Preferred Stock may be cumulative or noncumulative.

We may not declare, pay or set apart funds for payment of dividends on a particular series of Preferred Stock unless full dividends on any other series of Preferred Stock that ranks equally with or senior to the series of Preferred Stock have been paid or sufficient funds have been set apart for payment for either of the following:

all prior dividend periods of the other series of Preferred Stock that pay dividends on a cumulative basis; or

the immediately preceding dividend period of the other series of Preferred Stock that pays dividends on a noncumulative basis.

Partial dividends declared on shares of any series of Preferred Stock and other series of Preferred Stock ranking on an equal basis as to dividends will be declared pro rata. A pro rata declaration means that the ratio of dividends declared per share to accrued dividends per share will be the same for both series of Preferred Stock.

Liquidation Preference

In the event of our liquidation, dissolution or winding-up, holders of each series of our Preferred Stock will have the right to receive distributions upon liquidation in the amount described in the applicable prospectus supplement relating to each series of Preferred Stock, plus an amount equal to any accrued and unpaid dividends. These distributions will be made before any distribution is made on the Common Stock, Class C Common Stock or Class B Common Stock or on any securities ranking junior to the Preferred Stock upon liquidation, dissolution or winding-up.

If the liquidation amounts payable relating to the Preferred Stock of any series and any other securities ranking on a parity regarding liquidation rights are not paid in full, the holders of the Preferred Stock of these series and other securities will have the right to a ratable portion of our available assets, up to the full liquidation preference. Holders of these series of Preferred Stock or other securities will not be entitled to any other amounts from us after they have received their full liquidation preference.

Voting Rights

The holders of shares of Preferred Stock will have no voting rights, except:

as otherwise stated in the applicable prospectus supplement;

as otherwise stated in the amendment to our Charter establishing the series; or

as required by applicable law.

Governing Law

The Preferred Stock will be governed by Tennessee law.

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PLAN OF DISTRIBUTION

Sales of our Securities

We may sell the Securities separately or together:

- through one or more underwriters or dealers in a public offering and sale by them;
- directly to investors;
- through agents; or
- through a combination of any of these methods of sale.

We may sell the Securities offered pursuant to this prospectus and any accompanying prospectus supplements to or through one or more underwriters or dealers or we may sell the Securities to investors directly or through agents. Each prospectus supplement, to the extent applicable, will describe the number and terms of the Securities to which such prospectus supplement relates, the name or names of any underwriters or agents with whom we have entered into arrangements with respect to the sale of such Securities, the public offering or purchase price of such Securities and the net proceeds we will receive from such sale. Any underwriter or agent involved in the offer and sale of the Securities will be named in the applicable prospectus supplement. We may sell Securities directly to investors on our own behalf in those jurisdictions where we are authorized to do so.

Underwriters may offer and sell the Securities at a fixed price or prices, which may be changed from time to time, at market prices prevailing at the time of sale, at prices related to the prevailing market prices or at negotiated prices. We also may, from time to time, authorize dealers or agents to offer and sell these Securities upon such terms and conditions as may be set forth in the applicable prospectus supplement. In connection with the sale of any of these Securities, underwriters may receive compensation from us in the form of underwriting discounts or commissions and may also receive commissions from purchasers of the Securities for whom they may act as agent. Underwriters may sell the Securities to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters or commissions from the purchasers for which they may act as agents.

Securities may also be sold in one or more of the following transactions: (a) block transactions (which may involve crosses) in which a broker-dealer may sell all or a portion of the Securities as agent but may position and resell all or a portion of the block as principal to facilitate the transaction; (b) purchases by a broker-dealer as principal and resale by the broker-dealer for its own account pursuant to a prospectus supplement; (c) a special offering, an exchange distribution or a secondary distribution in accordance with applicable Nasdaq Stock Market or other stock exchange rules; (d) ordinary brokerage transactions and transactions in which a broker-dealer solicits purchasers; (e) sales at the market to or through one or more market makers or into an existing trading market, on an exchange or otherwise, for Securities; and (f) sales in other ways not involving market makers or established trading markets, including direct sales to purchasers or negotiated transactions. Broker-dealers may also receive compensation from purchasers of the Securities which is not expected to exceed that customary in the types of transactions involved.

We will set forth in a prospectus supplement the terms of the offering of Securities, including:

- the name or names of any agents or underwriters, if any;
- the purchase price of the Securities being offered and the proceeds we will receive from the sale;

any over-allotment or other options under which underwriters may purchase additional Securities from us;

any agency fees or underwriting discounts and other items constituting agents or underwriters compensation;

any initial public offering price;

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any discounts or concessions allowed or reallowed or paid to dealers; and

any securities exchanges on which such Securities may be listed.

If we use underwriters for a sale of Securities, the underwriters will acquire the Securities for their own account. The underwriters may resell the Securities in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The obligations of the underwriters to purchase the Securities will be subject to the conditions set forth in the applicable underwriting agreement. The underwriters will be obligated to purchase all the Securities of the series offered if they purchase any of the Securities of that series. We may use underwriters with whom we have a material relationship. We will describe in the prospectus supplement naming the underwriter the nature of any such relationship.

Underwriters, dealers or agents may receive compensation in the form of discounts, concessions or commissions from us or from our purchasers (as their agents in connection with the sale of Securities). These underwriters, dealers or agents may be considered to be underwriters under the Securities Act. As a result, discounts, commissions or profits on resale received by the underwriters, dealers or agents may be treated as underwriting discounts and commissions. The prospectus supplement accompanying this prospectus will identify any such underwriter, dealer or agent, and describe any compensation received by them from us. Any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers may be changed from time to time. Unless otherwise indicated in a prospectus supplement, an agent will be acting on a best efforts basis and a dealer will purchase Securities as a principal, and may then resell the Securities at varying prices to be determined by the dealer.

Underwriters, dealers and agents may be entitled to indemnification by us against certain civil liabilities, including liabilities under the Securities Act, or to contribution with respect to payments made by the underwriters, dealers or agents, under agreements between us and the underwriters, dealers and agents.

We may grant underwriters who participate in the distribution of the Securities an option to purchase additional Securities to cover over-allotments, if any, in connection with the distribution or otherwise.

To facilitate the offering of the Securities, certain persons participating in the offering may engage in transactions that stabilize, maintain, or otherwise affect the price of the Securities. This may include over-allotments or short sales of the Securities, which involve the sale by persons participating in the offering of more Securities than we sold to them. In these circumstances, these persons would cover such over-allotments or short positions by making purchases in the open market or by exercising their over-allotment option, if any. In addition, these persons may stabilize or maintain the price of the Securities by bidding for or purchasing Securities in the open market or by imposing penalty bids, whereby selling concessions allowed to dealers participating in the offering may be reclaimed if Securities sold by them are repurchased in connection with stabilization transactions. The effect of these transactions may be to stabilize or maintain the market price of the Securities at a level above that which might otherwise prevail in the open market. These transactions, if commenced, may be discontinued at any time.

Any person participating in a distribution of the Securities covered by this prospectus will be subject to the applicable provisions of the Exchange Act and the rules and regulations thereunder. Regulation M of the Exchange Act may limit the timing of purchases and sales of Securities by such person. In addition, Regulation M may restrict the ability of any person engaged in the distribution of the Securities to engage in market-making activities with respect to our Securities for a period of up to five business days before the distribution.

Fees and Commissions

In compliance with the guidelines of the Financial Industry Regulatory Authority, Inc. (FINRA), the maximum aggregate discounts, commissions, agency fees or other items constituting underwriting compensation to be received by any FINRA member or independent broker-dealer will not exceed 8% of the aggregate offering price of the Securities offered pursuant to this prospectus and any applicable prospectus supplement.

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VALIDITY OF THE SECURITIES

Unless otherwise indicated in the applicable prospectus supplement, the validity of the securities issued by us will be passed upon for us by Miller & Martin PLLC, Chattanooga, Tennessee. Any underwriters will also be advised about legal matters by their own counsel, who will be identified in the prospectus supplement.

EXPERTS

The consolidated financial statements of The Dixie Group, Inc. appearing in The Dixie Group, Inc. s Annual Report (Form 10-K) for the year ended December 28, 2013, and the effectiveness of The Dixie Group, Inc. s internal control over financial reporting as of December 28, 2013, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their reports thereon, included therein, and incorporated herein by reference. Such consolidated financial statements are, and audited financial statements to be included in subsequently filed documents will be, incorporated herein by reference in reliance upon the reports of Ernst & Young LLP pertaining to such financial statements and the effectiveness of our internal control over financial reporting as of the respective dates (to the extent covered by consents filed with the Securities and Exchange Commission) given on the authority of such firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly, and current reports, proxy statements and other information with the SEC. You may read and copy any reports or other information that we file with the SEC at the SEC s Public Reference Room located at 100 F Street, N.E., Washington D.C. 20549. You may also receive copies of these documents upon payment of a duplicating fee, by writing to the SEC s Public Reference Room. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room in Washington D.C. Our SEC filings, including our registration statement, are also available to you, free of charge, on the SEC s website at http://www.sec.gov.

INCORPORATION BY REFERENCE

The SEC allows us to incorporate by reference into this prospectus the information in documents we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus and should be read with the same care. When we update the information contained in documents that have been incorporated by reference, by making future filings with the SEC, the information incorporated by reference in this prospectus is considered to be automatically updated and superseded. In other words, in all cases, if you are considering whether to rely on information contained in this prospectus or information incorporated by reference into this prospectus, you should rely on the information contained in the document that was filed later. We incorporate by reference the documents listed below and any additional documents we file with the SEC in the future under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934, as amended, as well as filings after the date of the initial registration statement and prior to effectiveness of the registration statement, until all of the offerings by means of this prospectus are complete:

Annual Report on Form 10-K for the year ended December 28, 2013, filed on March 12, 2014;

Current Reports on 8-K as filed with the Commission on January 21, 2014;

The portions of our Proxy Statement, filed on March 12, 2014, expressly incorporated into our Annual Report on Form 10-K for the year ended December 28, 2013; and

The description of our Common Stock set forth in our registration statement filed with the SEC pursuant to Section 12 of the Exchange Act and any amendment or report filed for the purpose of updating any such description.

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All documents that we file (but not those that we furnish) with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of the initial registration statement of which this prospectus is a part and prior to effectiveness of the registration statement will be deemed to be incorporated by reference into this prospectus and will automatically update and supersede the information in this prospectus, and any previously filed document. In addition, all documents that we file (but not those that we furnish) with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and prior to the termination of the offering of Securities hereby will be deemed to be incorporated by reference into this prospectus and will automatically update and supersede the information in this prospectus, any accompanying prospectus supplement and any previously filed document. We will provide to each person, including any beneficial owner, to whom a copy of this prospectus is delivered, a copy of any or all of the information that has been incorporated by reference in this prospectus but not delivered with this prospectus (other than the exhibits to such documents which are not specifically incorporated by reference herein); we will provide this information at no cost to the requester upon written or oral request or by writing to us at the following address:

The Dixie Group, Inc.

2208 S. Hamilton Street

Dalton, Georgia 30721

Telephone: (423) 510-7000

Attn: Starr T. Klein

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2,500,000 Shares

Common Stock

Prospectus

May , 2014

Wells Fargo Securities

Raymond James