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16,934

Total

9,666,666

14,105,997

Less, current maturities

666,668

16,934

Long-term debt

$

8,999,998

$

14,089,063

Credit Agreement

On September 14, 2011, the Company entered into a Credit Agreement (the 2011 Credit Agreement) with Wells Fargo. Under the terms of the 2011 Credit Agreement, Wells Fargo agreed to provide to the Company a revolving line of credit of up to $45.0 million, subject to a monthly borrowing base calculation. The term of this revolving line of credit was for a period ending on September 14, 2015. Interest on outstanding borrowings under the 2011 Credit Agreement was based on the Wells Fargo prime rate, or LIBOR, depending on the pricing option selected and the Company s leverage ratio, resulting in an effective rate of 3.04% at December 31, 2011.

On December 19, 2012, the Company entered into an Amended and Restated Credit Agreement (the 2012 Credit Agreement) with Wells Fargo. A portion of the amounts received in conjunction with the 2012 Credit Agreement were used to repay in full all of the obligations of the 2011 Credit Agreement. Under the terms of the 2012 Credit Agreement, Wells Fargo agreed to provide to the Company a credit facility of up to $45.0 million, consisting of a revolving credit facility, a term loan facility, and a letter of credit facility. The 2012 Credit Agreement is for a period of five years ending on December 19, 2017. The Company had unused credit capacity of $31.3 million at December 28, 2013. Pursuant to the 2012 Credit Agreement, the financial covenants include a consolidated total leverage ratio, a consolidated fixed charge coverage ratio, and a limitation on annual capital expenditures. As of December 28, 2013 and December 29, 2012, the Company was in compliance with all three financial covenants.

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Supreme Industries, Inc. and Subsidiaries

Notes to Consolidated Financial Statements, Continued

6. LONG-TERM DEBT, Concluded

A portion of the amounts received in conjunction with the 2012 Credit Agreement were used to terminate leases with related parties by exercising options to purchase certain real estate and improvements located in the States of California, Georgia, and Indiana. The aggregate option purchase price related to the terminated leases was $9.5 million and was paid in 2012.

Revolving Credit Facility

The revolving credit facility provides for borrowings of up to $35.0 million. The revolving credit facility bears interest at (i) LIBOR plus a margin which varies from 1.50% to 2.50% based upon a leverage ratio of total indebtedness to trailing four quarter EBITDA or (ii) the higher of (a) the prime rate and (b) the federal funds rate plus 0.50% plus a margin which varies from 0.50% to 1.50% based upon the debt to EBITDA leverage ratio. The revolving credit facility also requires a quarterly commitment fee ranging from 0.20% to 0.50% per annum depending on the Company s financial ratios and based upon the average daily unused portion. The effective interest rate was 2.47% and 2.66% at December 28, 2013 and December 29, 2012, respectively.

Term Loan Facility

The term loan facility provides for borrowings of up to $10.0 million. Effective April 29, 2013, the Company and Wells Fargo entered into a $10.0 million term loan by converting $10.0 million of revolving credit facility borrowings to term debt. The term loan is secured by real estate and improvements, payable in quarterly installments of $166,667 commencing on June 28, 2013, plus interest at prime rate or LIBOR (as defined in the 2012 Credit Agreement), with remaining balance due upon maturity on December 19, 2017. Maturities of the term loan for each of the next four years are as follows: 2014 - $666,668; 2015 - $666,668, 2016 - $833,335, and 2017 - $7,499,995.

On August 9, 2013, the Company entered into an interest rate swap agreement for a portion of the term loan with a notional amount of $5.0 million. The interest rate swap agreement provides for a 3.1% fixed interest rate and matures on December 19, 2017. The Company designated this swap agreement as a cash flow hedge on its variable rate debt and records the fair value of the swap agreement as an asset or liability on the balance sheet, with changes in fair value recognized in other comprehensive income (loss).

Letter of Credit Facility

Outstanding letters of credit, related to the Company s workers compensation insurance policies, reduce available borrowings under the 2012 Credit Agreement and aggregated $3.7 million and $3.1 million at December 28, 2013 and December 29, 2012, respectively.

7. RETIREMENT PLAN.

The Company maintains a defined contribution plan which covers substantially all employees of the Company who have reached the age of twenty-one years and have completed thirty days of credited service. The plan provides that eligible employees can contribute from one to fifteen percent of their annual compensation. The Company formerly maintained a policy to match thirty percent of each employee s contributions up to seven percent of the employee s compensation. Effective September 1, 2008, however, the Company temporarily suspended this contribution match. Effective July 30, 2012, the Company reinstated its matching contribution at fifty percent of each employee s contributions up to four percent of the employee s compensation. The Board of Directors may increase or decrease the Company s contribution as business conditions permit. Expense for this plan was $427,119 and $184,275 for the years ended 2013 and 2012, respectively. There was no expense related to the plan for the year ended 2011.

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Supreme Industries, Inc. and Subsidiaries

Notes to Consolidated Financial Statements, Continued

8. STOCKHOLDERS EQUITY

Preferred Stock

The Company is authorized to issue 1,000,000 shares of preferred stock ($1 par value) of which none have been issued. The Board of Directors is vested with the authority to determine and state the designations and relative preferences, limitations, voting rights, if any, and other rights of the preferred shares.

Common Stock

On May 8, 2013, the Company s Board of Directors declared a five percent (5%) stock dividend on its outstanding Class A and Class B Common Stock. Stockholders of record on May 20, 2013 received a stock dividend for each share owned on that date, paid on June 3, 2013. All share and per share data have been adjusted to reflect the stock dividend on a retroactive basis. No dividends were declared or paid during the years ended December 29, 2012 or December 31, 2011.

Convertible Class B Common Stock

Class B Common Stock is convertible into Class A Common Stock on a one-for-one basis. During 2013, 30,834 shares of Class B Common Stock were converted into Class A Common Stock. Holders of Class A Common Stock are entitled to elect one-third of the Board of Directors rounded to the lowest whole number. Holders of Class B Common Stock elect the remainder of the directors.

Stock Options

On January 31, 2001, the Company s Board of Directors approved, and the Company s stockholders subsequently ratified, the 2001 Stock Option Plan under which 891,990 shares of Class A Common Stock were reserved for grant. This plan expired on January 31, 2011. On January 23, 2004, the Company s Board of Directors approved, and the Company s stockholders subsequently ratified, the 2004 Stock Option Plan, as amended, under which 1,297,440 shares of Class A Common Stock were reserved for grant. Under the terms of the stock option plans, both incentive stock options and non-statutory stock options can be granted by a specially designated Stock Awards Committee. The Amended and Restated 2004 Stock Option Plan also allows for awards of common stock including restricted stock awards. Options granted under the stock option plans generally vest and become exercisable in annual installments of 33 1/3% beginning on the first anniversary date, and the options expire five or seven years after the date of grant. The Company generally issues new shares to satisfy stock option exercises.

The following table summarizes the activity for stock options:

	Options	Weighted - Average Exercise Price
Outstanding, December 25, 2010	1,264,951	3.65
Granted		
Exercised	(34,362)	1.41
Expired	(7,754)	6.80
Forfeited	(8,382)	1.44
Outstanding, December 31, 2011	1,214,452	3.71
Granted		
Exercised	(61,744)	1.63
Expired	(13,623)	5.86
Forfeited	(131,287)	4.13
Outstanding, December 29, 2012	1,007,798	3.74
Granted		
Exercised	(115,890)	1.87
Expired	(272,462)	6.29
Forfeited	(84,015)	4.29
Outstanding, December 28, 2013	535,431	2.79

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Supreme Industries, Inc. and Subsidiaries

Notes to Consolidated Financial Statements, Continued

8. STOCKHOLDERS EQUITY, Continued

The total intrinsic value of options exercised during the fiscal years ended 2013, 2012 and 2011 approximated $306,985, $117,975 and $47,152, respectively.

Information about stock options outstanding and exercisable at December 28, 2013 is as follows:

		Outstanding		Exercisable	
Range of Exercise Prices	**Number Outstanding**	**Weighted - Average Remaining Contractual Life in Years**	**Weighted - Average Exercise Price**	**Number Exercisable**	**Weighted - Average Exercise Price**
5.51 - 6.06	64,076	0.33	5.79	64,076	5.79
5.46	6,811	1.05	5.46	6,811	5.46
4.62 - 5.09	79,596	1.35	4.83	79,596	4.83
1.35	63,773	1.83	1.35	63,773	1.35
1.48 - 1.63	112,700	2.49	1.50	112,700	1.50
2.12 - 2.33	208,475	3.76	2.15	208,475	2.15
	535,431	2.46	2.79	535,431	2.79

At December 28, 2013 and December 29, 2012, the aggregate intrinsic value of options exercisable approximated $1,510,029 and $635,280, respectively. The intrinsic value of all options outstanding at December 28, 2013 and December 29, 2012 was approximately $1,510,029 and $739,586, respectively.

At December 28, 2013 and December 29, 2012, there were exercisable options outstanding to purchase 535,431 and 863,741 shares at weighted average exercise prices of $2.79 and $4.13.

2012 Long-Term Incentive Plan

On May 23, 2012, the Company held its annual meeting of stockholders at which the Company s stockholders approved the 2012 Long-Term Incentive Plan (the Plan) which had previously been approved by the Board of Directors and recommended to the stockholders. The Plan is effective until May 23, 2022; provided, however, any awards issued prior to the Plan s termination will remain outstanding in accordance with their terms. The Plan authorizes the issuance of 1,000,000 shares of the Company s Class A Common Stock with certain officers being limited to receiving grants of 100,000 shares in any one year. Employees, contractors and non-employee directors of the Company and its subsidiaries are eligible to receive awards under the Plan. The following types of awards may be granted under the Plan: (1) stock options (incentive and non-qualified); (2) stock appreciation rights; (3) restricted stock and restricted stock units; (4) dividend equivalent rights; (5) performance awards based on achieving specified performance goals; and (6) other awards.

The following table summarizes the activity for the unvested restricted stock:

	Unvested Restricted Stock	**Weighted - Average Grant Date Fair Value**
Unvested, December 29, 2012		
Granted	145,784	3.98
Vested	(35,353)	3.94
Unvested, December 28, 2013	110,431	3.99

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Supreme Industries, Inc. and Subsidiaries

Notes to Consolidated Financial Statements, Continued

8. STOCKHOLDERS EQUITY, Concluded

All restricted stock remained restricted at December 28, 2013 as the service periods over which the restrictions lapse have not been met. The total fair value of shares vested and recognized as stock-based compensation expense during the year ended December 28, 2013 was $141,847.

Beginning in 2012, as a part of annual director compensation, a stock award is paid to each of the Company s outside directors equal to $27,500 divided by the closing sales price on the grant date. The grants are made in quarterly increments. Shares granted during 2013 and 2012 totaled 33,006 and 28,238, respectively.

Total unrecognized compensation expense related to all share-based awards outstanding at December 28, 2013, is approximately $440,803 and is to be recorded over a weighted-average contractual life of 2.28 years.

As of December 28, 2013, 1,340,465 shares were reserved for the granting of future share-based awards compared to 1,132,179 shares at December 29, 2012.

9. INCOME TAXES.

Federal and State income tax expense (benefit) from continuing operations consist of the following:

		2013		2012		2011
Federal:						
Current	$	1,439,346	$	665,615	$	(91,975)
Deferred		1,253,385		372,886		
		2,692,731		1,038,501		(91,975)
State:						
Current		360,800		(150,354)		(309,025)
Deferred		(194,216)		(1,198,337)		
		166,584		(1,348,691)		(309,025)
Total	$	2,859,315	$	(310,190)	$	(401,000)

Deferred tax assets and deferred tax liabilities were as follows:

	2013	2012
Deferred tax assets:		
Receivables	$ 20,020	$ 38,500
Inventories	937,161	1,544,285
Accrued liabilities	1,687,924	1,560,629
State net operating losses and credit carryforwards	1,615,046	1,269,848
Other	186,864	170,050
Total deferred tax assets	4,447,015	4,583,312
Deferred tax liabilities:		
Depreciation	(3,862,862)	(2,919,247)
Prepaids and other	(817,871)	(838,614)
Total deferred tax liabilities	(4,680,733)	(3,757,861)
Net deferred tax assets (liabilities)	$ (233,718)	$ 825,451

At December 28, 2013, the Company had state tax loss carryforwards of approximately $21 million available to offset future taxable income, expiring in various amounts through December 31, 2032.

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Supreme Industries, Inc. and Subsidiaries

Notes to Consolidated Financial Statements, Continued

9. INCOME TAXES, Concluded

A reconciliation of the tax provision for income taxes from continuing operations at the U.S. Statutory rate (34% in 2013, 35% in 2012 and 34% in 2011) to the effective income tax expense rate as reported is as follows:

	2013	2012	2011
U.S. Federal statutory rate	34.0%	35.0%	34.0%
State income taxes, net of federal benefit	1.2	2.9	(16.1)
Tax-exempt underwriting income of wholly-owned small captive insurance subsidiary	(2.4)		
Domestic production deduction	(1.8)	(2.6)	
Research and development tax credits	(1.1)		(11.7)
Alternative fuel tax credit	(0.4)		(6.9)
Stock-based compensation	0.1	0.3	(2.8)
Change in valuation allowance		(39.8)	(28.4)
Other, net	1.2	1.5	0.2
Effective Tax Rate	30.8%	(2.7)%	(31.7)%

Uncertain Tax Positions

The Company recognizes income tax benefits only when it is more likely than not that the tax position will be allowed upon examination by taxing authorities, which is presumed to occur. The amount of such tax benefit recorded is the largest amount that is more likely than not to be allowed. A reconciliation of the change in the unrecognized tax benefits for the three years ended December 28, 2013 is as follows:

Unrecognized tax benefits at December 26, 2010	$	1,040,054
Gross increases - tax positions in prior periods		80,558
Lapse of statute of limitations		(401,000)
Unrecognized tax benefits at December 31, 2011		719,612
Gross increases - tax positions in prior periods		22,430
Lapse of statute of limitations		(222,431)
Unrecognized tax benefits at December 29, 2012		519,611
Gross increases - tax positions in prior periods		197,310
Lapse of statute of limitations		(57,921)
Unrecognized tax benefits at December 28, 2013	$	659,000

The entire balance of approximately $659,000 at December 28, 2013 relates to unrecognized tax positions that, if recognized, would affect the annual effective tax rate. The Company is subject to U.S. federal income tax as well as various state taxes. The Company is no longer subject to examination by federal taxing authorities for the fiscal year ended 2009 and earlier. The Company does not expect the total amount of unrecognized tax benefits to significantly increase or decrease over the next twelve months. Interest and penalties related to income tax matters are recognized in income tax expense. Interest and penalties accrued for, and recognized during, the fiscal years ended 2013, 2012, and 2011 were immaterial.

10. COMMITMENTS AND CONTINGENCIES.

Lease Commitments and Related Party Transactions

The Company leases certain office and manufacturing facilities under operating lease agreements which expire at various dates from November 2014 through April 2016. Previously, certain lease agreements were with related parties for which related party rent expense was approximately $658,000 in 2012 and $683,000 for the fiscal year ending 2011. The Company exercised its options to purchase these related party leased facilities during 2012, as described in Note 6.

Rent expense under all operating leases aggregated $96,066, $733,340, and $758,834 for the fiscal years ended 2013, 2012, and 2011, respectively.

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Supreme Industries, Inc. and Subsidiaries

Notes to Consolidated Financial Statements, Continued

10. COMMITMENTS AND CONTINGENCIES, Continued

At December 28, 2013, future minimum rental payments under noncancelable operating leases aggregated $147,189 and are payable as follows: 2014 - $107,851; 2015 - $29,504; and 2016 - $9,834.

Consigned Inventories

The Company obtains most vehicle chassis for its specialized vehicle products directly from the chassis manufacturers under converter pool agreements. Chassis are obtained from the manufacturers based on orders from customers, and to a lesser extent, for unallocated orders. Although each manufacturer s agreement has different terms and conditions, the agreements generally state that the manufacturer will provide a supply of chassis to be maintained from time to time at the Company s various facilities with the condition that the Company will store such chassis and will not move, sell, or otherwise dispose of such chassis except under the terms of the agreement. The manufacturer transfers the chassis to the Company on a restricted basis, retaining the sole authority to authorize commencement of work on the chassis and to make certain other decisions with respect to the chassis including the terms and pricing of sales of the chassis to manufacturer s dealers. The manufacturer also does not transfer the certificate of origin to the Company nor permit the Company to sell or transfer the chassis to anyone other than the manufacturer (for ultimate resale to a dealer). Although the Company is party to related finance agreements with General Motors and Ally Bank, the Company has not historically settled, nor expects to in the future settle, any related obligations in cash. Instead, the obligation is settled by General Motors upon reassignment of the chassis to an accepted dealer, and the dealer is invoiced for the chassis by General Motors. Accordingly, the Company accounts for the chassis as consigned inventory belonging to the manufacturer. Under these agreements, if the chassis is not delivered to a customer within a specified time frame the Company is required to pay a finance or storage charge on the chassis. At December 28, 2013 and December 29, 2012, chassis inventory, accounted for as consigned inventory to the Company by the manufacturers, aggregated approximately $19.2 million and $26.0 million, respectively. Typically, chassis are converted and delivered to customers within 90 days of the receipt of the chassis by the Company.

Repurchase Commitments

The Company was contingently liable at December 28, 2013, under a repurchase agreement with a certain financial institution providing inventory financing for retailers of its products. Under the arrangement, which is customary in the industry, the Company agrees to repurchase vehicles in the event of default by the retailer. The maximum repurchase liability is the total amount that would be paid upon the default of the Company s independent dealers. The maximum potential repurchase liability, without reduction for the resale value of the repurchased units, was approximately $1.8 million at December 28, 2013 and $1.9 million at December 29, 2012. The risk of loss under the agreement is spread over several retailers. The loss, if any, under the agreement is the difference between the repurchase cost and the resale value of the units. The Company believes that any potential loss under this agreement in effect at December 28, 2013 would not be material.

Self-Insurance

The Company is self-insured for a portion of general liability ($100,000 per occurrence in 2013 and 2012), certain employee health benefits ($200,000 annually per employee with no annual aggregate), and workers compensation in certain states ($250,000 per occurrence with no annual aggregate). The Company accrues for the estimated losses occurring from both asserted and unasserted claims. The estimate of the liability for unasserted claims arising from incurred but not reported claims is based on an analysis of historical claims data.

Ownership Transaction Incentive Plan

On October 25, 2011, the Company approved an Ownership Transaction Incentive Plan (the OTIP). Pursuant to the terms of the OTIP, upon a Change of Control, as defined, certain employees of the Company are entitled to receive a percentage of the difference between the per share value of the total cash proceeds or the per share fair market value of any other consideration received by the Company or the Company s stockholders in connection with a Change of Control minus $2.50 (such amount being the Value) as described below with such amount then being multiplied by the number of outstanding shares of common stock of the Company immediately prior to the Change of Control. The aggregate amount of payments to be made under the OTIP is equal to the number of outstanding shares of common stock immediately prior to the Change of Control multiplied by the sum of (i) 7% multiplied by the Value until the value reaches $5.00, plus (ii) 8% multiplied by the amount of any Value above $5.00 and up to $7.00, plus (iii) 9% multiplied by the amount of any Value above $7.00. For

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Supreme Industries, Inc. and Subsidiaries

Notes to Consolidated Financial Statements, Concluded

10. COMMITMENTS AND CONTINGENCIES, Concluded

example, if a Change of Control occurs in which the Company s common stock is sold for $9.00 per share, then the aggregate amount of payments to be made is equal to the number of outstanding shares of common stock immediately prior to the Change of Control multiplied by $0.52 (which is the sum of (i) 7% multiplied by $2.50 (the Value up to $5.00); (ii) 8% multiplied by $2.00 (the Value between $5.00 and $7.00) and (iii) 9% multiplied by $2.00 (the Value over $7.00)). Certain employees are eligible to participate in the OTIP upon a Change of Control. If prior to a Change of Control, any of the current participants in the OTIP resign from the Company or are terminated for Cause, as defined, such participant shall immediately forfeit any rights to receive payment under the OTIP. If prior to a Change of Control, any of the current participants in the OTIP are terminated without Cause, such participant s right to receive a percentage of the aggregate amount described above upon a Change of Control shall generally be forfeited six months after the termination without Cause. The OTIP units are accounted for consistent with performance vesting securities and as such no compensation is reflected until the contingent change in control becomes inevitable and an estimate of value can be made.

Other

The Company is subject to various investigations, claims, and legal proceedings covering a wide range of matters that arise in the ordinary course of its business activities. Each of these matters is subject to various uncertainties, and it is possible that some of these matters may be resolved unfavorably to the Company. The Company establishes accruals for matters that are probable and reasonably estimable. Management believes that any liability that may ultimately result from the resolution of these matters in excess of accruals and/or amounts provided by insurance coverage will not have a material adverse effect on the consolidated financial position or results of operations of the Company.

In October of 2011, the Company was named a defendant in a personal injury suit (Paul Gendrolis and Katherine Gendrolis v. Saxon Fleet Sales, Kolstad Company, and Supreme Industries, Inc.) which was filed in the United States District Court, District of Massachusetts. The complaint sought $10 million in damages based on allegations that a truck body manufactured by the Company contained an improperly installed plate or lip, which caused Mr. Gendrolis to trip and become injured. Claims alleged against the Company included negligence, breach of warranty, breach of consumer protection laws, and loss of consortium. In September 2013, the parties mediated and reached a settlement to this litigation. The Company s contribution to the settlement was the remainder of its self-insurance deductible, in the amount of $0.1 million. The remainder of the settlement above was paid by insurance.

In February of 2012, the Company was named a defendant in a claim that a fleet of buses manufactured by the Company was defective (King County v. Supreme Corporation) which was filed in Superior Court in King County, Washington. King County sought to revoke its acceptance of a fleet of thirty-five buses which had been manufactured by the Company and sold to King County, and alleged breach of contract and breach of implied warranties. As of February 28, 2013, King County claimed its damages were $10.6 million and subsequently moved to add a consumer protection act claim which would have permitted an award of attorney s fees, if successful. On June 14, 2013, the Company and King County entered into a Settlement and Release Agreement under the terms of which the lawsuit would be dismissed and mutual releases granted in exchange for payment of the sum of $4.7 million to King County within ninety days of the date of the agreement and the return of thirty-five buses to the Company. Through separate agreements, the Company settled third-party claims against certain third-party subcontractors who have contributed to the Company $520,000 of the settlement funds, with the Company responsible for the balance which was paid on September 9, 2013. The Company assigned an estimated $1.1 million to the returned product. Including the legal settlement and related costs, the Company recorded a pre-tax charge of $3.6 million in 2013.

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SUPREME INDUSTRIES, INC. AND SUBSIDIARIES

SCHEDULE II VALUATION AND QUALIFYING ACCOUNTS

Column A Description	Column B Balance Beginning of Period	Column C Additions Charged to Costs and Expenses	Column D Deductions(1)	Column E Balance End of Period
Year ended December 28, 2013:				
Reserves and allowances deducted from asset accounts:				
Allowance for doubtful receivables	$ 100,000	$ 63,000	$ 111,000	$ 52,000
Year ended December 29, 2012:				
Reserves and allowances deducted from asset accounts:				
Allowance for doubtful receivables	$ 200,000	$ 30,000	$ 130,000	$ 100,000
Year ended December 31, 2011:				
Reserves and allowances deducted from asset accounts:				
Allowance for doubtful receivables	$ 100,000	$ 152,000	$ 52,000	$ 200,000

(1) Uncollectible accounts written off, net of recoveries.

SUPREME INDUSTRIES, INC. AND SUBSIDIARIES

UNAUDITED SUPPLEMENTARY DATA

	First	Second	Third	Fourth
2013 Quarter				
Net sales	$ 65,880,891	$ 76,547,227	$ 67,310,853	$ 72,534,328
Gross profit	11,408,101	13,604,107	10,681,115	11,059,030
Net income	2,303,806	925,131	1,531,437	1,665,502
Income per share:				
Basic	0.15	0.06	0.09	0.10
Diluted	0.14	0.06	0.09	0.10

	First	Second	Third	Fourth
2012 Quarter				
Net sales	$ 72,166,821	$ 84,574,041	$ 71,671,126	$ 57,728,124
Gross profit	10,815,717	13,514,185	11,573,845	7,592,277
Net income	2,481,526	5,397,391	3,570,491	383,577
Income per share:				
Basic	0.16	0.34	0.22	0.02
Diluted	0.16	0.33	0.22	0.02

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ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES.

Management s Conclusions Regarding Effectiveness of Disclosure Controls and Procedures

As of December 28, 2013, the Company conducted an evaluation, under the supervision and participation of management including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company s disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) of the Securities Exchange Act of 1934). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company s disclosure controls and procedures were effective as of December 28, 2013.

Management s Report on Internal Control over Financial Reporting

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) and Rule 15d-15(f) of the Securities Exchange Act of 1934. Internal control over financial reporting provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

The Company s internal control over financial reporting includes policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Company s assets; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles; and that the Company s receipts and expenditures are being made only in accordance with authorizations of management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Management of the Company has assessed the effectiveness of the Company s internal control over financial reporting based on criteria established in the 1992 *Internal Control-Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway

Commission.

Management s assessment included an evaluation of the design of the Company s internal control over financial reporting and testing of the operational effectiveness of the Company s internal control over financing reporting. Based on this assessment, management has concluded that the Company s internal control over financial reporting was effective as of December 28, 2013.

Changes in Internal Control over Financial Reporting

No change in the Company s internal control over financial reporting (as such term is defined in Exchange Act Rule 13a-15(f) and Rule 15d-15(f)) occurred during the fiscal quarter ended December 28, 2013 that materially affected, or is reasonably likely to materially affect, the Company s internal control over financial reporting.

ITEM 9B. OTHER INFORMATION.

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

The information required by Item 10 of Form 10-K is hereby incorporated by reference from the Company s definitive proxy statement which will be filed with the Securities and Exchange Commission in connection with the Company s 2014 annual stockholders meeting.

ITEM 11. EXECUTIVE COMPENSATION.

The information required by Item 11 of Form 10-K is hereby incorporated by reference from the Company s definitive proxy statement which will be filed with the Securities and Exchange Commission in connection with the Company s 2014 annual stockholders meeting.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The information required by Item 12 of Form 10-K is hereby incorporated by reference from the Company s definitive proxy statement which will be filed with the Securities and Exchange Commission in connection with the Company s 2014 annual stockholders meeting.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

The information required by Item 13 of Form 10-K is hereby incorporated by reference from the Company s definitive proxy statement which will be filed with the Securities and Exchange Commission in connection with the Company s 2014 annual stockholders meeting.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

The information required by Item 14 of Form 10-K is hereby incorporated by reference from the Company s definitive proxy statement which will be filed with the Securities and Exchange Commission in connection with the Company s 2014 annual stockholders meeting.

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PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

a. The following financial statements and financial statement schedule are included in Item 8 herein:

1. Financial Statements

2. Financial Statement Schedule

3. Exhibits

See Index to Exhibits

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SUPREME INDUSTRIES, INC.

Date: February 27, 2014	By:	/s/Mark D. Weber Mark D. Weber President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ Herbert M. Gardner Herbert M. Gardner	Chairman of the Board	February 27, 2014
/s/ Mark D. Weber Mark D. Weber	President, Chief Executive Officer and Director (Principal Executive Officer)	February 27, 2014
/s/ William J. Barrett William J. Barrett	Executive Vice President, Secretary, Assistant Treasurer and Director	February 27, 2014
/s/ Matthew W. Long Matthew W. Long	Chief Financial Officer, Treasurer and Assistant Secretary (Principal Financial and Accounting Officer)	February 27, 2014
/s/ Robert J. Campbell Robert J. Campbell	Director	February 27, 2014
/s/ Edward L. Flynn Edward L. Flynn	Director	February 27, 2014
/s/ Arthur J. Gajarsa Arthur J. Gajarsa	Director	February 27, 2014
/s/ Thomas B. Hogan, Jr. Thomas B. Hogan, Jr.	Director	February 27, 2014
/s/Mark C. Neilson Mark C. Neilson	Director	February 27, 2014
/s/Wayne A. Whitener Wayne A. Whitener	Director	February 27, 2014

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INDEX TO EXHIBITS

	Exhibit	Description
	3.1	Certificate of Incorporation of the Company, filed as Exhibit 3(a) to the Company s Registration Statement on Form 8-A, filed with the Commission on September 18, 1989, and incorporated herein by reference.
	3.2	Certificate of Amendment of Certificate of Incorporation of the Company filed with the Secretary of State of Delaware on June 10, 1993 filed as Exhibit 3.2 to the Company s annual report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference.
	3.3	Certificate of Amendment of Certificate of Incorporation of the Company filed with the Secretary of State of Delaware on May 29, 1996 filed as Exhibit 3.3 to the Company s annual report on Form 10-K for the fiscal year ended December 31, 1996, and incorporated herein by reference.
	3.4	Second Amended and Restated Bylaws, filed as Exhibit 3.1 to the Company s current report on Form 8-K, filed on February 22, 2011, and incorporated herein by reference.
+	10.1	1998 Stock Option Plan, filed as Exhibit 10.3 to the Company s annual report on Form 10-K for the fiscal year ended December 31, 1998, and incorporated herein by reference.
+	10.2	Amendment No. 1 to the Company s 1998 Stock Option Plan, filed as Exhibit 10.4 to the Company s annual report on Form 10-K for the fiscal year ended December 31, 1999, and incorporated herein by reference.
+	10.3	Amendment No. 2 to the Company s 1998 Stock Option Plan, filed as Exhibit 10.5 to the Company s annual report on Form 10-K for the fiscal year ended December 31, 2000, and incorporated herein by reference.
+	10.4	2001 Stock Option Plan, filed as Exhibit 10.6 to the Company s annual report on Form 10-K for the fiscal year ended December 31, 2001, and incorporated herein by reference.
+	10.5	Amendment No. 1 to the Company s 2001 Stock Option Plan, filed as Exhibit 10.7 to the Company s annual report on Form 10-K for the fiscal year ended December 31, 2001, and incorporated herein by reference.
+	10.6	2004 Stock Option Plan, filed as Exhibit 4.1 to the Company s Registration Statement on Form S-8 effective on August 26, 2004, and incorporated herein by reference.
+	10.7	Amended and Restated 2004 Stock Option Plan filed as Exhibit A to the Company s Revised Definitive Proxy Statement filed on April 5, 2006, and incorporated herein by reference.
+	10.8	Amendment Number One to the Company s Amended and Restated 2004 Stock Option Plan dated October 25, 2006, included in the Company s Definitive Proxy Statement filed on April 2, 2007, and incorporated herein by reference.
+	10.9	Amendment No. Two to the Company s Amended and Restated 2004 Stock Option Plan dated March 28, 2007, included in the Company s Definitive Proxy Statement filed on April 2, 2007, and incorporated herein by reference.
+	10.10	Amendment No. Three to the Company s Amended and Restated 2004 Stock Option Plan dated March 25, 2008, included in the Company s Definitive Proxy Statement filed on April 3, 2008, and incorporated herein by reference.
+	10.11	Amendment No. Four to the Company s Amended and Restated 2004 Stock Option Plan dated August 25, 2009, filed as Exhibit 10.3 to the Company s quarterly report on Form 10-Q for the quarterly period ended September 26, 2009, and incorporated herein by reference.
+	10.12	Form of Supreme Industries, Inc. Director and Officer Indemnification Agreement, filed as Exhibit 10.1 to the Company s Current Report on Form 8-K filed on October 6, 2008, and incorporated herein by reference.

+	10.13	Indemnification Agreement by and among Supreme Industries, Inc. and Kim Korth dated February 16, 2011, filed as Exhibit 10.2 to the Company s Current Report on Form 8-K filed on February 22, 2011, and incorporated herein by reference.

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	Exhibit	Description
+	10.14	Indemnification Agreement by and among Supreme Industries, Inc. and Kim Korth dated September 23, 2011, filed as Exhibit 10.2 to the Company s Current Report on Form 8-K filed on September 29, 2011, and incorporated herein by reference.
+	10.15	Indemnification Agreement by and among Supreme Industries, Inc. and Matthew W. Long dated December 29, 2011, filed as Exhibit 10.2 to the Company s Current Report on Form 8-K filed on January 5, 2012, and incorporated herein by reference.
	10.16	Special Vehicle Manufacturer Converters Agreement with General Motors Corporation, effective February 29, 2008, between General Motors Corporation and Supreme Corporation, filed as Exhibit 10.11 to the Company s annual report on Form 10-K for the fiscal year ended December 27, 2008, and incorporated herein by reference.
	10.17	Ford Authorized Converter Pool Agreement, effective May 1, 2008, among Ford Motor Company, Supreme Corporation and certain subsidiaries, filed as Exhibit 10.12 to the Company s annual report on Form 10-K for the fiscal year ended December 27, 2008, and incorporated herein by reference.
+	10.18	Amended and Restated Employment Contract by and among Supreme Industries, Inc. and Herbert M. Gardner dated to be effective January 1, 2005, filed as Exhibit 10.2 to the Company s Current Report on Form 8-K dated February 10, 2006, and incorporated herein by reference.
+	10.19	Amended and Restated Employment Contract by and among Supreme Industries, Inc. and William J. Barrett dated to be effective January 1, 2005, filed as Exhibit 10.3 to the Company s Current Report on Form 8-K dated February 10, 2006, and incorporated herein by reference.
+	10.20	Employment Agreement by and among Supreme Industries, Inc., Supreme Indiana Operations, Inc. and Kim Korth, dated to be effective September 23, 2011, filed as Exhibit 10.1 to the Company s Current Report on Form 8-K filed on September 29, 2011, and incorporated herein by reference.
+	10.21	Separation Agreement and Release, dated as of May 3, 2012, by and among Supreme Industries, Inc., Supreme Indiana Operations, Inc. and Kim Korth, filed as Exhibit 10.1 to the Company s Current Report on Form 8-K filed on May 9, 2012, and incorporated herein by reference.
+	10.22	Employment Agreement by and between Supreme Industries, Inc. and Matthew W. Long, dated December 29, 2011, filed as Exhibit 10.1 to the Company s Current Report on Form 8-K filed on January 5, 2012, and incorporated herein by reference.
+	10.23	First Amendment to December 29, 2011 Letter Agreement by and between Supreme Industries, Inc. and Matthew W. Long, dated December 21, 2012 filed as Exhibit 10.32 to the Company s annual report on Form 10-K for the fiscal year ended December 29, 2012, and incorporated herein by reference.
+	10.24	Ownership Transaction Incentive Plan, filed as Exhibit 10.36 to the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2011, and incorporated herein by referenced.
+	10.25	2012 Long-Term Incentive Plan, filed as Exhibit 10.1 to the Company s Current Report on Form 8-K filed on May 29, 2012, and incorporated herein by reference.
+	10.26	Amendment Number One to Employment Contract between Supreme Industries, Inc. and William J. Barrett, effective June 29, 2012, filed as Exhibit 10.4 to the Company s Form 10-Q for the quarter ended June 30, 2012, and incorporated herein by reference.
+	10.27	Amendment Number One to Employment Contract between Supreme Industries, Inc. and Herbert M. Gardner, effective June 29, 2012, filed as Exhibit 10.5 to the Company s Form 10-Q for the quarter ended June 30, 2012, and incorporated herein by reference.
	10.28	Amendment No. 1 to Credit Agreement, effective as of March 29, 2013, by and among Supreme Industries, Inc., Wells Fargo Bank, National Association and the Lenders party thereto, filed as Exhibit 10.1 to the Company s Current Report on Form 8-K filed on April 4, 2013, and incorporated herein by reference.

+	10.29	Employment Agreement, effective as of May 6, 2013, by and among Supreme Industries, Inc., Supreme Corporation, and Mark D. Weber, filed as Exhibit 10.1 to the Company s Current Report on Form 8-K filed on April 19. 2013, and incorporated herein by reference.

Exhibit		Description
+	10.30	Indemnification Agreement, effective as of May 6, 2013, by and between Supreme Industries, Inc. and Mark D. Weber, filed as Exhibit 10.2 to the Company s Current Report on Form 8-K filed on April 19. 2013, and incorporated herein by reference.
	10.31	Amended and Restated Credit Agreement, dated as of April 29, 2013, by and among Supreme Industries, Inc. and Wells Fargo Bank, National Association, filed as Exhibit 10.1 to the Company s Current Report on Form 8-K filed on May 3, 2013, and incorporated herein by reference.
	10.32	Omnibus Amendment and Reaffirmation Agreement, dated as of April 29, 2013, by and among Supreme Industries, Inc., the subsidiaries of Supreme Industries, Inc. and Wells Fargo Bank, National Association, filed as Exhibit 10.2 to the Company s Current Report on Form 8-K filed on May 3, 2013, and incorporated herein by reference.
	10.33	Settlement and Release Agreement, dated June 14, 2013, by and between Supreme Indiana Operations, Inc. and King County, Washington, filed as Exhibit 10.5 to the Company s quarterly report on Form 10-Q for the quarter ended June 29, 2013, and incorporated herein by reference.
+	10.34	2013 Supreme Cash and Equity Bonus Plan, dated August 7, 2013, filed as Exhibit 10.1 to the Company s quarterly report on Form 10-Q for the quarter ended September 28, 2013, and incorporated herein by reference.
+	10.35	2012 Supreme Cash and Equity Bonus Plan, filed as Exhibit 10.1 to the Company s Form 10-Q for the quarter ended September 29, 2012, and incorporated herein by reference.
	10.36	Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate by and between Supreme Indiana Operations, Inc., Buyer, and BFG2011 Limited Liability Company, Seller dated December 13, 2012, filed as Exhibit 10.38 to the Company s annual report on Form 10-K for the fiscal year ended December 29, 2012, and incorporated herein by reference.
	10.37	Exercise of Option to purchase property owned by G-2, Ltd., located in Indiana dated December 14, 2012, filed as Exhibit 10.39 to the Company s annual report on Form 10-K for the fiscal year ended December 29, 2012, and incorporated herein by reference.
	10.38	Exercise of Option to purchase property owned by G-2, Ltd., located in Georgia dated December 14, 2012, filed as Exhibit 10.40 to the Company s annual report on Form 10-K for the fiscal year ended December 29, 2012, and incorporated herein by reference.
+*	10.39	Amended and Restated Ownership Transaction Incentive Plan effective as of November 4, 2013.
*	10.40	Special Vehicle Manufacturer Converters Agreement effective August 1, 2013, between General Motors LLC and Supreme Corporation.
*	10.41	Special Vehicle Manufacturer Converters Agreement for bus effective August 1, 2013, between General Motors LLC and Startrans bus - Supreme Corporation.
*	21.1	Subsidiaries of the Registrant.
*	23.1	Consent of Crowe Horwath LLP, Independent Registered Public Accounting Firm.
*	31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
*	31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
*	32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
*	32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
*	101	The following financial statements from the Company s Annual Report on Form 10-K for the fiscal year ended December 28, 2013, filed on February 27, 2014, formatted in XBRL: (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Comprehensive Income, (iii) Consolidated Statements of Equity, (iv) Consolidated Statements of Cash Flows and (v) the

Notes to Consolidated Financial Statements.

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* Filed herewith.

\+ Management contract or compensatory plan or arrangement.