



**U.S. CONCRETE, INC.**  
**STOCK OWNERSHIP GUIDELINES**

*(Adopted by the Board of Directors on December 13, 2016)*

**Purpose**

The U.S. Concrete, Inc. Stock Ownership Guidelines (the “Guidelines”) are intended to promote the alignment of the long-term interests of the Company’s executives, officers and directors with the long-term interests of its shareholders.

These Guidelines encourage our senior leadership team to maintain a significant ownership stake in U.S. Concrete. In exchange for receiving periodic awards under the Company’s annual equity award program, participants subject to these Guidelines will be expected to build up and maintain a specified ownership level in the Company. The Company believes it is important for senior leaders to align their financial interests with those of our shareholders and that doing so will keep the management team focused on the creation of long-term value for our shareholders.

**Participation**

The Guidelines apply to the following:

1. All of the Company’s Section 16 Officers (within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended).
2. Non-employee members of the Company’s Board of Directors.
3. Senior leaders within the compensation grades of 18 and above.
4. Other key leaders of the Company as determined from time to time by the Chief Executive Officer.

**Ownership Targets**

For Section 16 Officers and senior leaders, target ownership is expressed as a multiple of base salary based on job position. For non-employee directors, target ownership is expressed as a multiple of the director’s annual cash retainer. The ownership targets shall be recalculated as of July 1 of each year based on the then current base salaries and annual retainers, as applicable. We do not anticipate frequent changes to these target ownership levels, however the Compensation Committee of the Board reserves the right to change them at any time.

The target ownership requirements are as follow:

<b>Position</b>	<b>Ownership Requirement</b>
Board of Directors	3 x annual cash retainer
CEO	3 x base salary
Section 16 Officers	2 x base salary
Senior/Key Leaders	1 x base salary

## **Measurement of Ownership Levels**

Any equity owned, issued or granted prior to or after the Effective Date shall count towards measurement of the ownership threshold and will include:

- All vested shares owned directly by the participant;
- All unvested restricted shares and restricted share units that are subject to time-based vesting conditions; and
- All performance shares at 50% of the granted value.

## **Stock Ownership Calculation**

For purposes of ascertaining compliance with the Ownership Targets, all equity owned (as determined under the Ownership Levels set forth above) shall be multiplied by the closing price of the Company's common stock as reported on the Nasdaq Stock Exchange on the trading day immediately preceding the date of calculation. The resulting values will be reported to the Compensation Committee. It is anticipated that this calculation will be performed in December of each year.

## **Time to Comply**

Current executives, directors and senior managers who are subject to the Guidelines on the Effective Date are expected to comply with the Guidelines as soon as practicable but in no event later than December, 2021.

New hires who become subject to the Guidelines upon employment with the Company or individuals who are newly elected or appointed to the Board are expected to comply with the Guidelines at the then-applicable ownership level as soon as practicable and in no event later than five (5) years after the date they become subject to the Guidelines.

If a participant receives a promotion which results in a new ownership requirement, such promoted participant shall be expected to meet the new applicable ownership requirement as soon as practicable but no later than three (3) years after the date of his or her promotion.

Participants are expected to make steady progress towards meeting these ownership levels with any Company share awards or share purchases made on or after the Effective Date.

## **Consequences of Non-Compliance**

The Compensation Committee recognizes that participants have different financial obligations and financial planning goals. As such, the Compensation Committee has not prescribed any specific consequences for failure to abide by these Guidelines. The Compensation Committee does, however, reserve the right to consider a participant's level of ownership and commitment to the ownership obligation when determining future awards subject to its discretion.

## **Administration**

These Guidelines will be administered by the Compensation Committee. The Compensation Committee will be responsible for monitoring compliance with the applicable ownership requirements. The Compensation Committee will have discretionary authority to interpret the Guidelines and make decisions and implement rules and procedures that will be binding on all participants.

The Guidelines may also be waived for executive officers or directors, at the discretion of the Compensation Committee, if compliance would create severe hardship or prevent an executive officer or director from complying with a court order, as in the case of a divorce settlement. It is expected that those instances will be rare. If an exception is granted in whole or in part, the Compensation Committee will, in consultation with the affected executive officer or director, develop an alternative stock ownership guideline for such individual that reflects both the intention of this policy and such individual's particular circumstances.

These Guidelines will be reviewed from time to time and may either be amended or terminated in the sole discretion of the Compensation Committee.

## **Section 16 Short-Swing Profit Rules**

In purchasing shares of U.S. Concrete stock to satisfy these Guidelines, executive officers and directors should be mindful of the short-swing profit rules under Section 16 of the Securities Exchange Act. Under those rules, any non-exempt purchase of U.S. Concrete common stock by an executive officer or director may be matched against his or her sales of U.S. Concrete common stock that occurred within six (6) months before or after that purchase, and will give rise to liability equal to the difference between the highest sale price and the lowest purchase price during the six-month period.

As a general reminder, Section 16 short-swing profit rules apply to (i) sale and purchase or (ii) purchase and sale of U.S. Concrete securities within a six (6) month period.

## **Effective Date**

These Guidelines are effective December 13, 2016 (the "Effective Date").

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