

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

FORM 8-K

CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): December 27, 2018

Delta Apparel, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Georgia

(State or Other Jurisdiction
of Incorporation)

1-15583

(Commission File Number)

58-2508794

(IRS Employer Identification No.)

322 South Main Street, Greenville, South
Carolina

(Address of principal executive offices)

29601

(Zip Code)

(864) 232-5200

(Registrant's Telephone Number Including
Area Code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below)

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement

On December 27, 2018, Delta Apparel, Inc. (the “Company”), Parkdale Mills, Inc., a North Carolina corporation, and Parkdale America, LLC, a North Carolina limited liability company (collectively, “Parkdale”) entered into a Fifth Amendment to Yarn Supply Agreement (the “Fifth Amendment”). The Fifth Amendment amended the terms of the Yarn Supply Agreement dated as of January 5, 2005, between the Company and Parkdale (the “Yarn Supply Agreement”), which was previously amended by the First Amendment to Yarn Supply Agreement dated as of June 26, 2009 (the “First Amendment”), the Second Amendment to Yarn Supply Agreement dated as of October 21, 2011 (the “Second Amendment”), the Third Amendment to Yarn Supply Agreement dated as of March 11, 2013 (the “Third Amendment”), and the Fourth Amendment to Yarn Supply Agreement dated as of December 11, 2015 (the “Fourth Amendment”). Pursuant to the Yarn Supply Agreement, as amended, the Company purchases from Parkdale all yarn required by the Company and its wholly-owned subsidiaries for use in its manufacturing operations (excluding yarns that Parkdale did not manufacture as of the date of the Yarn Supply Agreement in the ordinary course of its business or due to temporary Parkdale capacity restraints).

Pursuant to the Fifth Amendment, the term of the Yarn Supply Agreement was extended until December 31, 2021. In addition, certain waste factors and conversion prices used to calculate the price of yarn purchased pursuant to the Yarn Supply Agreement were amended, with the new waste factors and pricing effective on January 1, 2019.

The foregoing description of the Fifth Amendment is not complete and is qualified in its entirety by the actual provisions of the Fifth Amendment, a copy of which is filed as an exhibit to this Current Report on Form 8-K and incorporated herein by reference.

The Yarn Supply Agreement was filed as Exhibit 10.29 to the Company's Form 10-Q filed on February 9, 2005, the First Amendment was filed as Exhibit 10.7.1 to the Company's Form 10-K filed on August 28, 2009, the Second Amendment was filed as Exhibit 10.1 to the Company's Form 8-K filed on October 25, 2011, the Third Amendment was filed as Exhibit 10.1 to the Company's Form 8-K filed on March 14, 2013, and the Fourth Amendment was filed as Exhibit 10.6.4 to the Company's Form 10-K filed on December 15, 2015. The Yarn Supply Agreement, the First Amendment, the Second Amendment, Third Amendment, and the Fourth Amendment are incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
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10.1	Fifth Amendment to Yarn Supply Agreement dated December 27, 2018, between Delta Apparel, Inc. and Parkdale Mills, Inc. and Parkdale America, LLC.*
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* Portions of this agreement have been omitted pursuant to a request for confidential treatment and have been filed separately with the U.S. Securities and Exchange Commission.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DELTA APPAREL, INC.

Date: December 28, 2018

/s/ Justin M. Grow

Justin M. Grow

Vice President of Administration & General Counsel

FIFTH AMENDMENT TO YARN SUPPLY AGREEMENT

This Fifth Amendment to Yarn Supply Agreement (the "Fifth Amendment") is made as of the 27th day of December 2018, by and between Parkdale Mills, Incorporated, a North Carolina corporation, and Parkdale America, LLC, a North Carolina limited liability company (collectively, "Parkdale"), and Delta Apparel, Inc., a Georgia corporation ("Delta").

WHEREAS, Parkdale and Delta entered into that certain Yarn Supply Agreement dated as of January 5, 2005, with respect to the supply of yarn by Parkdale to Delta (the "Yarn Supply Agreement"); and

WHEREAS, Parkdale and Delta entered into that First Amendment to Yarn Supply Agreement dated as of June 26, 2009 (the "First Amendment"), which amended the Yarn Supply Agreement in certain respects; and

WHEREAS, Parkdale and Delta entered into that Second Amendment to Yarn Supply Agreement dated as of October 21, 2011 (the "Second Amendment"), which further amended the Yarn Supply Agreement in certain respects; and

WHEREAS, Parkdale and Delta entered into that Third Amendment to Yarn Supply Agreement dated as of March 11, 2013 (the "Third Amendment"), which further amended the Yarn Supply Agreement in certain respects; and

WHEREAS, Parkdale and Delta entered into that Fourth Amendment to Yarn Supply Agreement dated as of December 11, 2015 (the "Fourth Amendment"), which further amended the Yarn Supply Agreement in certain respects (the Yarn Supply Agreement, First Amendment, Second Amendment, Third Amendment and Fourth Amendment are collectively referred to herein as the "Agreement"); and

WHEREAS, Parkdale and Delta desire to further amend the Agreement as set forth in this Fifth Amendment;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Capitalized terms not otherwise defined in this Fifth Amendment shall have the meanings ascribed thereto in the Agreement;
 2. The Term of the Agreement is hereby extended until December 31, 2021.
 3. Effective as of January 1, 2019, Exhibit 3B of the Agreement is hereby amended and replaced in its entirety by Exhibit 3B attached to this Fifth Amendment.
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4. Except as expressly set forth in this Fifth Amendment, all terms and conditions of the Agreement shall remain in full force and effect. In the event of any conflict between the terms and conditions of this Fifth Amendment and any of the terms and conditions of the Agreement, the terms and conditions of this Fifth Amendment shall control.

5. This Fifth Amendment shall be governed and controlled as to validity, enforcement, interpretation, construction, and effect, and in all other respects, by the laws of the State of North Carolina, without regard to principles of conflict of law.

6. This Fifth Amendment may be executed in multiple counterparts, each of which shall be deemed to be an original, and all such counterparts shall constitute but one instrument.

IN WITNESS WHEREOF, the parties have caused this Fifth Amendment to be duly executed by their respective duly authorized officers as of the day and year first above written.

PARKDALE MILLS, INC.

By: /s/ Jason R. O'Neil
Name: Jason R. O'Neil
Title: Chief Financial Officer

PARKDALE AMERICA, LLC

By: /s/ Jason R. O'Neil
Name: Jason R. O'Neil
Title: Chief Financial Officer

DELTA APPAREL, INC.

By: /s/ Deborah H. Merrill
Name: Deborah H. Merrill
Title: Chief Financial Officer and President, Delta Group

Exhibit 3B
Effective January 1, 2019
Purchase Price of Yarn:

The purchase price for each pound of Yarn delivered shall be calculated in accordance with the following formula: $\text{Purchase Price} = [(A + B) \div C] + D$

- Where:
- A = Cost Price
 - B = Basis, as agreed upon by the parties from time to time
 - C = 1.00 - applicable waste factor set forth in the table below (in decimal format)
 - D = Applicable conversion price set forth in the table below

Waste Factors and Conversion Prices

Ring Spun Yarns	Cotton waste	Poly waste	Conversion
16/1's 100% cotton CPRS	*	*	*
18/1's 100% cotton CPRS	*	*	*
20/1's 100% cotton CPRS	*	*	*
20/1's 50% cotton / 50% poly CPRS	*	*	*
22/1's 100% cotton CPRS	*	*	*
24/1's 100% cotton CPRS	*	*	*
24/1's 50% cotton / 50% poly CPRS	*	*	*
24/1's 90% cotton / 10% blk poly CPRS	*	*	*
30/1's 100% cotton CPRS	*	*	*
30/1's 50% cotton / 50% poly CPRS	*	*	*
30/1's 60% cotton / 40% poly CPRS	*	*	*
30/1's 65% poly 35% cotton CPRS	*	*	*
30/1's 55% poly / 5% blk poly / 35% cot CPRS	*	*	*
30/1's 90% cotton / 10% black poly CPRS	*	*	*
32/1's 60% cotton / 40% poly CPRS	*	*	*
36/1's 100% cotton CPRS	*	*	*
40/1's 100% cotton CPRS	*	*	*
40/1's 60% cotton / 40% poly CPRS	*	*	*
16/1's 50% cotton / 50% poly KPRS	*	*	*
18/1's 100% cotton KPRS	*	*	*
20/1's 100% cotton KPRS	*	*	*
20/1's 50% cotton / 50% poly KPRS	*	*	*
20/1's 60% cotton / 40% poly KPRS	*	*	*
20/1's 90% cotton / 10% black poly KPRS	*	*	*
20/1's 99% cotton / 1% black poly KPRS	*	*	*
30/1's 100% cotton KPRS	*	*	*
30/1's 90% cotton / 10% black poly KPRS	*	*	*
30/1's 99% cotton / 1% black poly KPRS	*	*	*

* Portions of this exhibit have been omitted pursuant to a request for confidential treatment and have been filed separately with the United States Securities and Exchange Commission.

Open End Yarns	Cotton waste	Poly waste	Conversion
8/1's 50% cotton / 50% poly KPOE	*	*	*
10/1's 50% cotton / 50% poly KPOE	*	*	*
14/1's 100% cotton KPOE	*	*	*
14/1's 50% cot / 40% poly / 10% blk poly KPOE	*	*	*
14/1's 50% cotton / 50% poly KPOE	*	*	*
16/1's 100% cotton KPOE	*	*	*
16/1's 50% cot / 40% poly / 10% blk poly KPOE	*	*	*
16/1's 50% cot / 49% poly / 1% blk poly KPOE	*	*	*
16/1's 50% cotton / 50% poly KPOE	*	*	*
16/1's 50% cotton / 50% poly Air Jet	*	*	*
16/1's 50% cotton / 50% poly Vortex	*	*	*
18/1's 100% cotton KPOE	*	*	*
18/1's 50% cot / 40% poly / 10% blk poly KPOE	*	*	*
18/1's 50% cotton / 50% polyester KPOE	*	*	*
18/1's 70% cotton / 30% blk poly KPOE	*	*	*
18/1's 90% cotton / 10% blk poly KPOE	*	*	*
18/1's 99% cotton / 1% blk poly KPOE	*	*	*
20/1's 100% cotton KPOE	*	*	*
20/1's 50% cot / 40% poly / 10% blk poly KPOE	*	*	*
20/1's 50% cotton / 50% polyester KPOE	*	*	*
20/1's 90% cotton / 10% blk poly KPOE	*	*	*
22/1's 100% polyester Air Jet	*	*	*
22/1's 100% polyester Vortex	*	*	*
26/1's 100% cotton KPOE	*	*	*
26/1's 50% cot / 40% poly / 10% blk poly KPOE	*	*	*
26/1's 50% cot / 49% poly / 1% blk poly KPOE	*	*	*
26/1's 50% cotton / 50% polyester KPOE	*	*	*
27/1's 50% cotton / 50% poly Air Jet	*	*	*
27/1's 50% cotton / 50% poly Vortex	*	*	*
30/1's 100% cotton "soft" KPOE	*	*	*
30/1's 50% cotton / 50% poly "soft" KPOE	*	*	*
30/1's 90% cotton / 10% blk poly "soft" KPOE	*	*	*

* Portions of this exhibit have been omitted pursuant to a request for confidential treatment and have been filed separately with the United States Securities and Exchange Commission.

This Exhibit 3B shall be amended from time to time to add basis, waste factors and conversion prices per pound for Yarn Counts required by Delta or any of its Subsidiaries not set forth above, as agreed to by the parties in their reasonable discretion.

The Cost Price per pound shall be adjusted over the term of this Agreement as described on Exhibit C and shall be calculated for any given period based on the weighted average of cotton

prices fixed for that period pursuant to Exhibit C. The Basis per pound shall be adjusted over the term of this Agreement on an annual basis on each anniversary date of the Agreement.

Cotton Prices:

Parkdale shall purchase cotton at prices determined by Delta in accordance with Exhibit C attached hereto.

