THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In re:	)	Chapter 11
GROEB FARMS, INC.	)	Case No. 13-58200
Debtor.	)	Honorable Walter Shapero

THIRD SUPPLEMENT TO THE SECOND AMENDED
PLAN OF REORGANIZATION OF GROEB FARMS, INC.

This is the Third Supplement to the Second Amended Plan of Reorganization of Groeb Farms, Inc., the debtor and debtor-in-possession in the above-captioned chapter 11 case (the "Debtor"), in connection with the *Second Amended Plan of Reorganization of Groeb Farms, Inc. Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 213] (the "Plan")[1], as confirmed by the Court in an order dated December 20, 2013 [Docket. No. 375].

1. **New Organizational Documents**

An amended copy of the LLC Agreement, part of the New Organizational Documents is attached hereto as Exhibit 1 in both clean and redline, as defined in Article I.94 of the Plan.

2. **Exit Credit Documents**

A copy of the amended Exit Credit Agreement is attached hereto as Exhibit 2 in both clean and redline, as defined in Article I.56 of the Plan. A copy of the new revolving loan agreement is also including in Exhibit 2.

3. **Schedule of Assumed Executory Contracts and Unexpired Leases**

An updated copy of the Schedule of Assume Executory Contracts and Unexpired Leases, as defined in Article I.121 of the Plan is attached hereto as Exhibit 3.

[1] All capitalized terms not defined herein have the meanings provided in the Plan.

4. **General Unsecured Claims Litigation Trust Litigation Trust Agreement**

An amended copy of the General Unsecured Claims Litigation Trust Litigation Trust Agreement is attached hereto as Exhibit 4 in both clean and redline, as defined in Article I.65 of the Plan.

5. **Management Incentive Plan**

An amended copy of the Management Incentive Plan is attached hereto as Exhibit 5 in both clean and redline, as defined in Article I.89 of the Plan.

6. **New Intercreditor Agreement**

An amended copy of the New Intercreditor Agreement is attached hereto as Exhibit 6 in both clean and redline, as defined in Article I.93 of the Plan

7. **New Subordinated Debt Documents, including New Subordinated Notes**

Amended copies of the New Subordinated Debt Documents are attached hereto as Exhibit 7 in both clean and redline, including the New Subordinated Notes as defined in Article I.95 of the Plan, the Securities Purchase Agreement, and the Subordinated Debt Security Agreement.

8. **New Warrants**

An amended copy of the New Warrants is attached hereto as Exhibit 8 in both clean and redline, as defined in Article I.98 of the Plan.

Dated: December 31, 2013
Detroit, Michigan

FOLEY & LARDNER LLP

*/s/ Tamar N. Dolcourt*_____

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EXHIBIT 1

NATURAL AMERICAN FOODS HOLDINGS, LLC

A Delaware Limited Liability Company

LIMITED LIABILITY COMPANY AGREEMENT

Dated as of December 31, 2013

THE UNITS AND OTHER INTERESTS REPRESENTED BY THIS LIMITED LIABILITY COMPANY AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS. SUCH INTERESTS MAY NOT BE SOLD, ASSIGNED, PLEDGED OR OTHERWISE DISPOSED OF AT ANY TIME WITHOUT EFFECTIVE REGISTRATION UNDER SUCH ACT AND LAWS OR EXEMPTION THEREFROM, AND COMPLIANCE WITH THE OTHER RESTRICTIONS ON TRANSFERABILITY SET FORTH HEREIN.

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LIMITED LIABILITY COMPANY AGREEMENT
OF
NATURAL AMERICAN FOODS HOLDINGS, LLC

A Delaware Limited Liability Company

This Limited Liability Company Agreement (this "Agreement") of Natural American Foods Holdings, LLC, a Delaware limited liability company (the "Company"), dated and effective as of December 31, 2013 (the "Effective Date"), is adopted and entered into by the Initial Member identified on Schedule A attached hereto. Capitalized terms used but not otherwise defined herein shall have the meanings accorded to them in Section 1.1 hereof.

WHEREAS, on the Effective Date, (i) certain of the DIP Facility Claims and Senior Loan Claims (each as defined in the Plan of Reorganization) held by an Affiliate of the Initial Member were discharged in accordance with the order confirming the Plan of Reorganization in exchange for 10,000,000 Class A Units of the Company pursuant to the Plan of Reorganization, and (ii) immediately following the discharge and exchange described in clause (i) foregoing, such Affiliate assigned and transferred such Class A Units to the Initial Member; and

WHEREAS, pursuant to the Plan of Reorganization, it is contemplated that, following the Effective Date, the Company will grant Class B Units of the Company to certain service providers of the Company and its subsidiaries.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto intending to be legally bound agree as follows:

ARTICLE I

DEFINITIONS

1.1 Certain Definitions. As used in this Agreement, the following terms have the following meanings:

"Act" means the Delaware Limited Liability Company Act, 6 Del. L. § 18-101, *et seq.*, as it may be amended from time to time, and including any successor statute to the Act.

"Additional Unit" has the meaning set forth in Section 3.5(a).

"Affiliate" means, with respect to a Person, another Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, by contract or otherwise.

"Agreement" has the meaning set forth in the introductory paragraph of this Agreement.

"Approved Sale" has the meaning set forth in Section 12.2(a).

"Assignee" has the meaning set forth in Section 12.4(b).

"Assignor" has the meaning set forth in Section 12.4(a).

"Assumed Tax Rate" has the meaning set forth in Section 5.2.

"Board" means the Board of Managers of the Company, composed of the individuals designated pursuant to Section 6.2.

"Book Value" means, with respect to any Company property, the Company's adjusted basis for federal income tax purposes, adjusted from time to time to reflect the adjustments required or permitted by Treasury Regulation Section 1.704-l(b)(2)(iv)(*d*)-(*g*) (provided that, in the case of permitted adjustments, the Company chooses to make such adjustments); provided that the Book Value of any asset contributed to the Company shall be equal to its Fair Market Value; provided, further, that the Book Value of assets contributed to the Company as part of a Member's initial Capital Contribution shall be reflected in the opening Capital Accounts as set forth on Schedule A.

"Business Day" means any day other than a Saturday, a Sunday or a holiday on which national banking associations in the State of New York are closed for business.

"Capital Account" has the meaning set forth in Section 4.1.

"Capital Contribution" means a contribution made (or deemed made under Treasury Regulation Section 1.704-1(b)(2)(iv)(*d*)) by a Holder to the capital of the Company, whether in cash, in other property or otherwise, pursuant to Article III, as shown opposite such Holder's name on Schedule A, as the same may be amended from time to time in accordance with Article III. The amount of any Capital Contribution shall be the amount of cash and the Fair Market Value of any other property so contributed, in each case net of any liabilities assumed by the Company from such Holder in connection with such contribution and net of any liabilities to which assets contributed by such Holder in respect thereof are subject.

"Certificate" has the meaning set forth in Section 2.1.

"Certificated Units" has the meaning set forth in Section 12.9.

"Chief Executive Officer" has the meaning set forth in Section 7.3.

"Class A Preferred Return Amount" means (i) $10,000,000, reduced by (ii) any amount previously distributed to Holders of Class A Units pursuant to Section 5.1(a).

"Class A Unit" means a Unit having the rights, preferences and obligations specified in this Agreement with respect to the Class A Units; provided, however, that for purposes of Article IV and Sections 5.2, 5.3, 5.4, 5.5, and 5.6, the term "Class A Unit" shall include any Noncompensatory Option issued by the Company with respect to a Class A Unit at any time that the Board determines, in its sole discretion, that Treasury Regulation 1.761-3(a)

requires ownership of such Noncompensatory Option to be treated for federal, state or local tax purposes as ownership of a Class A Unit.

"Class B Unit" means a Unit having the rights, preferences and obligations specified in this Agreement with respect to the Class B Units; provided that no Holder of a Class B Unit shall have any rights hereunder (including, without limitation, the right to receive Distributions hereunder (other than Tax Distributions)) until such time as such Unit is fully vested in accordance with the terms and conditions set forth in the agreement pursuant to which such Unit was issued, but all such unvested Class B Units shall be deemed to be outstanding, and the Holders thereof shall, with respect to such Class B Units, be subject to the obligations and restrictions applicable to the Class B Units hereunder.

"Co-Sale Notice" has the meaning set forth in Section 12.3(a).

"Co-Sale Rights Holders" has the meaning set forth in Section 12.3(a).

"Code" means the United States Internal Revenue Code of 1986, as amended, and any successor statute.

"Company" has the meaning set forth in the introductory paragraph of this Agreement.

"Company Entity" means any of the Company, Natural American Foods Topco, Inc., Natural American Foods Midco, Inc. or Natural American Foods, Inc., or any successor thereto.

"Company Income Amount" has the meaning set forth in Section 5.2.

"Company Indemnities" has the meaning set forth in Section 12.2(a).

"Company Minimum Gain" has the meaning set forth for "partnership minimum gain" in Treasury Regulation Section 1.704-2(d).

"Confidential Information" has the meaning set forth in Section 8.14.

"Distribution" means each distribution made by the Company to a Holder, whether in cash or property of the Company and whether by liquidating distribution or otherwise; provided that none of the following shall be a Distribution: (a) any redemption or repurchase by the Company of any Units for any reason (after which such Unit shall cease to be outstanding); (b) any recapitalization or exchange of any Units (including, without limitation, pursuant to Section 14.1 hereof); (c) any subdivision (by Unit split or otherwise) or any combination (by reverse Unit split or otherwise) of any outstanding Units; or (d) any reasonable fees or remuneration paid to any Holder in such Holder's capacity as an employee, officer, consultant or other provider of services to the Company. For purposes of this Agreement, the amount of a Distribution of property or securities shall equal the Fair Market Value of such property or securities.

"Economic Interest" means a Holder's share of the Company's net profits, net losses and Distributions pursuant to this Agreement and the Act, but shall not include any right to participate in the management or affairs of the Company, including the right to vote on, consent to or otherwise participate in any decision of the Members, or any right to receive information concerning the business and affairs of the Company, in each case to the extent provided for herein or otherwise required by the Act.

"Effective Date" has the meaning set forth in the introductory paragraph of this Agreement.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Excluded Transfers" has the meaning set forth in Section 12.3(c).

"Exempt Equity Issuances" means issuances of Units or other equity securities of the Company or rights to acquire Units or other equity securities of the Company (i) on the date hereof, (ii) in connection with the conversion or exercise of any securities convertible into or exercisable for Units or other equity securities of the Company issued on the date hereof (including, for the avoidance of doubt, the Warrants) or in an Exempt Equity Issuance after the date hereof in compliance with the provisions of Section 3.7, (iii) as acquisition consideration for the purchase of all or part of another business (whether by merger, purchase of stock or assets or otherwise) from an independent third party, (iv) pursuant to clause (i) of the definition of a Public Sale, (v) to Management Holders pursuant to compensation plans, agreements or arrangements approved from time to time by the Board, (vi) as a distribution on outstanding Units or other equity securities or as a result of a unit split, (vii) as consideration paid to a Person in connection with the initial capitalization of a joint venture or similar strategic arrangement with an independent third party that was approved by the Board, and (viii) to independent lenders, financial institutions or lessors in connection with any borrowings, credit arrangements, equipment financings or similar transactions that are approved by the Board.

"Fair Market Value" has the meaning set forth in Section 15.13.

"Family Group" means an individual's spouse and descendants (whether natural or adopted) and any trust solely for the benefit of such individual and/or the individual's spouse and/or descendants.

"Fiscal Quarter" of the Company means each calendar quarter ending March 31, June 30, September 30 and December 31 or such other date as may be required by the Code or determined by the Board.

"Fiscal Year" of the Company means the Company's annual accounting period ending on December 31 of each year or such other date as may be required by the Code or determined by the Board.

"Forfeiture Allocations" has the meaning set forth in Section 5.4(g).

"Fund A VCOC" has the meaning set forth in Section 6.2(b).

"GAAP" means United States generally accepted accounting principles as in effect from time to time, consistently applied.

"Grossed Up Amount" has the meaning set forth in Section 5.1(b).

"Holder" means any Person who holds any Unit, whether as a Member or as an unadmitted assignee of a Member or another unadmitted assignee.

"Holder Nonrecourse Debt" has the meaning set forth for the term "partner nonrecourse debt" in Treasury Regulations Section 1.704-2(b)(4).

"Holder Nonrecourse Debt Minimum Gain" has the meaning set forth for "partner nonrecourse debt minimum gain" in Treasury Regulation Section 1.704-2(i).

"Holder Nonrecourse Deductions" has the meaning set forth for "partner nonrecourse deductions" in Treasury Regulation Section 1.704-2(i).

"Incorporation Plan" has the meaning set forth in Section 14.1.

"Indemnifying Person" has the meaning set forth in Section 15.11.

"Indemnity Loss" has the meaning set forth in Section 12.2(a).

"Independent Third Party" means any Person who, immediately prior to a contemplated transaction, does not own in excess of 5% of the Company's Units on a fully-diluted basis (a "5% Owner"), who is not controlling, controlled by or under common control with any such 5% Owner and who is not the spouse or descendant (by birth or adoption) of any such 5% Owner or a trust for the benefit of such 5% Owner and/or such other Persons.

"Initial Member" means the Holder of Units listed on Schedule A attached hereto as of the date hereof, who has been admitted as a Member of the Company.

"Investor Indemnitors" has the meaning set forth in Section 9.6.

"IPO" means an underwritten initial public offering of the equity securities of the Company or any other entity which is a wholly owned direct or indirect Subsidiary of the Company or any successor corporation of any of the foregoing (in each case as contemplated by Section 14.1) under the Securities Act.

"IPO Liquidation Plan" shall have the meaning set forth in Section 14.1.

"IPO Liquidation Transaction" shall have the meaning set forth in Section 14.1.

"IRS Notice" has the meaning set forth in Section 10.4(a).

"Joinder" means a joinder agreement to this Agreement in substantially the same form and substance as the joinder agreement set forth as Schedule B attached hereto or such other form of joinder as may be approved by the Board from time to time.

"Loss Overpayment" has the meaning set forth in Section 12.2(a).

"Losses" for any period means all items of Company loss, deduction and expense for such period determined in accordance with Section 4.2.

"Main VCOC" has the meaning set forth in Section 6.2(b).

"Management Holder" has the meaning set forth in Section 3.5(b).

"Manager" shall have the meaning set forth in Section 6.2(a).

"Maximum Number" has the meaning set forth in Section 12.3(a).

"Member" means the Initial Member and each other Person who is hereafter admitted as a Member in accordance with the terms of this Agreement and the Act, in each case so long as such Person is shown on the Company's books and records as the owner of one or more Units. The Members shall constitute the "members" (as that term is defined in the Act) of the Company.

"New Common" has the meaning set forth in Section 14.1.

"New Entity" has the meaning set forth in Section 14.1.

"Noncompensatory Option" has the meaning set forth in Treasury Regulation Section 1.721-2(f).

"Nonrecourse Deductions" has the meaning set forth in Treasury Regulation Section 1.704-2(b)(1).

"Offered Units" has the meaning set forth in Section 12.3(a).

"Other Business" has the meaning set forth in Section 9.9.

"Participating Class B Unit" means, with respect to any Distribution pursuant to Section 5.1(b), each Class B Unit that has a Participation Threshold that is less than the amount determined by dividing (a) the sum of (i) the amount of such Distribution pursuant to Section 5.1(b) and (ii) the sum of the Participation Thresholds of all outstanding Class B Units (including the Participating Class B Unit) that have an equal or lesser Participation Threshold to such Class B Unit by (b) the sum of (i) the number of outstanding Class A Units and (ii) the number of outstanding Class B Units that have an equal or lesser Participation Threshold to such Class B Unit. Each series of Class B Units shall be tested separately to determine if the Units in such series shall be treated as Participating Class B Units.

"Participating Unit" means, with respect to any Distribution pursuant to Section 5.1(b), a Class A Unit and a Participating Class B Unit.

"Participation Threshold" means, with respect to each outstanding Class B Unit, an amount determined and adjusted in accordance with Section 3.5.

"Peak Rock" means HC Capital Holdings 1220A, LLC, a Delaware limited liability company.

"Peak Rock Manager" means a member of the Board that is affiliated with Peak Rock.

"Permitted Transferee" means (i) for any Holder that is an individual, a Transfer pursuant to applicable laws of descent and distribution or among such Holder's Family Group (provided that Units may not be Transferred to a Holder's spouse in connection with a divorce proceeding, unless otherwise ordered by a court of competent jurisdiction), and (ii) in the case of any Holder that is an entity, any Affiliate of such Holder. Except as otherwise provided for in any agreement between Peak Rock and any of its Permitted Transferees, such Permitted Transferee of Peak Rock shall succeed to all rights attributable to Peak Rock hereunder.

"Person" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

"Plan of Reorganization" means the Second Amended Plan of Reorganization of Groeb Farms, Inc., Pursuant to Chapter 11 of the Bankruptcy Code, filed in the United States Bankruptcy Court for the Eastern District of Michigan, Case No. 13-58200 (WS), as it may be amended and/or supplemented.

"Preemptive Rights Holder" has the meaning set forth in Section 3.7(a).

"Preemptive Rights Pro Rata Portion" has the meaning set forth in Section 3.7(a).

"Proceeding" has the meaning set forth in Section 9.2.

"Profits" for any period means all items of Company income and gain for such period determined in accordance with Section 4.2.

"Public Offering" means the sale in an underwritten public offering registered under the Securities Act of shares of the Company's, any successor corporation's or any other Company Entity's equity securities.

"Public Sale" means any sale of Units (i) to the public pursuant to an offering registered under the Securities Act, and (ii) following an IPO, to the public pursuant to Rule 144 under the Securities Act (or any similar rule then in effect) effected through a broker, dealer or market maker.

"Regulatory Allocations" has the meaning set forth in Section 5.4(f).

"Reserve Amount" has the meaning set forth in Section 5.1.

"Restructuring Transaction" has the meaning set forth in Section 14.1.

"Sale Notice" has the meaning set forth in Section 12.3(a).

"Sale of the Company" means the sale of the Company (or any Company Entity) to an Independent Third Party or group of Independent Third Parties pursuant to which such party or parties acquire (i) equity securities of the Company (or any Company Entity) possessing the voting power to elect a majority of the Board (or the board of directors of such Company Entity, as applicable) (whether by merger, consolidation or sale or transfer of the Company's or any applicable Company Entity's equity securities) or (ii) all or substantially all of the Company's (or any Company Entity's) assets, determined on a consolidated basis; provided that the term "Sale of the Company" shall not include a Public Offering.

"Sale Proceeds Amount" has the meaning set forth in Section 12.2(d).

"Securities Act" means the Securities Act of 1933, as amended.

"Securities Purchase Agreement" means the Securities Purchase Agreement, dated as of the date hereof, among Argosy Investment Partners III, L.P., Marquette Capital Fund I, LP, Horizon Capital Partners III, L.P., and Natural American Foods, Inc.

"Selling Investor" has the meaning set forth in Section 12.3(a).

"Sub Board" has the meaning set forth in Section 6.3.

"Subsidiary" means, with respect to any Person, any corporation, limited liability company, partnership, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a limited liability company, partnership, association or other business entity, a majority of the limited liability company, partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control the managing director or general partner of such limited liability company, partnership, association or other business entity.

"Tax Distribution" has the meaning set forth in Section 5.2.

"Transfer" means any sale, transfer, assignment, pledge, mortgage, exchange, hypothecation, grant of a security interest or other direct or indirect disposition or encumbrance of an interest (including, without limitation, by operation of law) or the acts thereof. For purposes of the preceding sentence, an indirect disposition of an interest includes any sale, transfer, assignment, pledge, exchange or any other arrangement on account of which a Person is treated for income tax purposes as a "nominee" within the meaning of the temporary Treasury

Regulations under Section 6031 of the Code. The terms "Transferee," "Transferred," and other forms of the word "Transfer" shall have correlative meanings.

"Treasury Regulations" means the United States income tax regulations promulgated under the Code and effective as of the date hereof. Such term shall be deemed to include any future amendments to such regulations and any corresponding provisions of succeeding regulations (whether or not such amendments and corresponding provisions are mandatory or discretionary).

"Unit" means an interest in the Company's capital, income, gains, losses, deductions and expenses and the right to vote (if any) on certain Company matters as provided in this Agreement or the Act. As of the date hereof, the Units shall be comprised of Class A Units and Class B Units.

"VCOC" has the meaning set forth in Section 6.2(b).

"VCOC Manager" has the meaning set forth in Section 6.2(b).

"Warrants" means the warrants exercisable for Class A Units that are issued by the Company on the Effective Date in accordance with the Plan of Reorganization.

1.2 Construction. Whenever the context requires, the gender of all words used in this Agreement includes the masculine, feminine and neuter. All references to Articles and Sections refer to articles and sections of this Agreement, and all references to Schedules are to schedules attached hereto, each of which is made a part hereof for all purposes.

ARTICLE II

ORGANIZATION

2.1 Formation. On December 18, 2013, the Company, under the name "Natural American Foods Holdings, LLC," was organized as a Delaware limited liability company by the filing of a Certificate of Formation (the "Certificate") under and pursuant to the Act. The rights and liabilities of the Members shall be determined pursuant to the Act and this Agreement. To the extent that the rights or obligations of any Member are different by reason of any provision of this Agreement than they would be in the absence of such provision, this Agreement, to the extent not prohibited by the Act, shall control over the Act. This Agreement shall constitute the "limited liability agreement" for purposes of the Act.

2.2 Name. The name of the Company is "Natural American Foods Holdings, LLC," and all business of the Company shall be conducted under that name or such other names that comply with applicable law as the Board may select from time to time.

2.3 Registered Office; Registered Agent; Principal Office; Other Offices. The registered office of the Company required by the Act to be maintained in the State of Delaware shall be the office of the initial registered agent named in the Certificate or such other office (which need not be a place of business of the Company) as the Board may designate from time to time in the manner provided by law. The registered agent of the Company in the State of

Delaware shall be the initial registered agent named in the Certificate or such other Person or Persons as the Board may designate from time to time in the manner provided by law. The principal office of the Company shall be at such place as the Board may designate from time to time, which need not be in the State of Delaware, and the Company shall maintain its records there. The Company may have such other offices as the Board may designate from time to time.

2.4 Purposes. The purpose of the Company and the nature of its business shall be to engage in any lawful act or activity for which limited liability companies may be organized under the Act. The Company may engage in any and all activities necessary, desirable or incidental to the accomplishment of the foregoing. Notwithstanding anything herein to the contrary, nothing set forth herein shall be construed as authorizing the Company to possess any purpose or power, or to do any act or thing, forbidden by law to a limited liability company organized under the laws of the State of Delaware.

2.5 Term. The term of the Company commenced on the date the Certificate was filed with the office of the Secretary of State of Delaware and shall terminate on the date determined pursuant to Section 13.1 of this Agreement.

2.6 No State-Law Partnership. The Members intend that the Company shall not be a partnership (including, without limitation, a limited partnership) or joint venture and that no Member or the Company shall be a partner or joint venturer of any other Member or the Company, for any purposes other than federal and, if applicable, state and local income tax purposes, and this Agreement shall not be construed to the contrary. The Members intend that the Company shall be treated as a partnership for federal and, if applicable, state and local income tax purposes, and each Member and the Company shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with such treatment.

ARTICLE III

MEMBERS; HOLDERS; COMPANY UNITS

3.1 Initial Member. On or prior to the date hereof, the Initial Member, if applicable, has made or is making Capital Contributions to the Company in the amount set forth opposite his, her or its name on Schedule A attached hereto. Each Person listed on Schedule A, upon (i) his, her or its execution of this Agreement or a Joinder and (ii) receipt (or deemed receipt) by the Company of such Person's Capital Contributions, if applicable, is hereby admitted to the Company as a Member of the Company.

3.2 Liability of Members and Holders.

(a) Except as expressly set forth in this Agreement and the Act, no Member or other Holder shall have any personal liability whatsoever in his, her or its capacity as a Member or Holder, whether to the Company, to any of the other Members or Holders, to the creditors of the Company or to any other third party, for the debts, liabilities, commitments or any other obligations of the Company or for any losses of the Company, and therefore each Member or other Holder shall be liable only to make such Person's required Capital Contribution

to the Company and the payments provided in Section 3.2(b) below. Each Member hereby consents to the exercise by the Board and the Company's officers of the powers conferred on them by this Agreement.

(b) In accordance with the Act and the laws of the State of Delaware, a member of, or other holder of an interest in, a limited liability company may, under certain circumstances, be required to return amounts previously distributed to such Person. It is the intent of the Members and the other Holders that no Distribution to any Member or other Holder pursuant to Article V hereof shall be deemed a return of money or other property paid or distributed in violation of the Act.

(c) No Member or other Holder shall make or be required to make any additional capital contributions to the Company with respect to such Member's or other Holder's Units. Except as expressly provided herein, no Member or other Holder, in its capacity as such, shall have the right to receive any cash or other property of the Company. The provisions of this Article III are not for the benefit of any creditor or other Person (other than the Members) to whom any debts, liabilities or obligations are owed by, or who otherwise have any claim against, the Company, and no creditor or other Person shall obtain any rights under this Article III or by reason of this Article III, or shall be able to make any claim in respect of any debts, liabilities or obligations against the Company or any Member or other Holder.

3.3 No Authority to Bind Company. No Member or other Holder (in his, her or its capacity as a Member or Holder) shall have the authority or power to represent or act for or on behalf of the Company, to do any act that would be binding on the Company or to make any expenditures or incur any obligations on behalf of the Company (unless such Member or other Holder is an officer, director or manager of the Company authorized to do such act, make such expenditure or incur such obligation and such Member or Holder is acting in such capacity).

3.4 Company Units; Voting Rights. Subject to the terms and conditions set forth herein, each Member's or other Holder's interest in the Company (including such Person's interest, if any, in the capital, income, gains, losses, deductions and expenses of the Company and the right to vote, if any, on certain Company matters as provided in this Agreement) shall be represented by Units. As of the date hereof, the Units shall be comprised of Class A Units and Class B Units. Except as provided herein with respect to unvested Class B Units (which shall, unless otherwise determined by the Board, not be entitled to any Distribution (other than Tax Distributions)), the ownership of Class A Units or Class B Units shall entitle the Holder thereof to allocations of Profits and Losses and other items and Distributions of cash and other property as set forth in Article V hereof. Each Member holding Class A Units shall be entitled to one vote per Class A Unit on all matters voted on by the Members, and such Class A Units shall vote together as a single class for purposes of this Agreement and the Act. Class B Units shall have no voting rights. A Holder who has not been admitted as a Member pursuant to either Section 3.5 or Section 12.6 shall not be entitled to any vote with respect to such Holder's Class A Units. The Board may (in its sole discretion) cause the Company to issue to the Members certificates representing the Units held by such Members in such form as authorized by the Board.

3.5 Issuance of Additional Units and Interests.

(a) Subject to the terms and conditions of this Agreement (including Section 3.7), the Board shall have the right to cause the Company to issue (i) additional Units in the Company (including other classes or series thereof having different rights), (ii) obligations, evidences of indebtedness or other securities or interests convertible or exchangeable into Units in the Company and (iii) warrants, options or other rights to purchase or otherwise acquire Units in the Company (any of the foregoing, an "Additional Unit"). In connection with any approved issuance of Units to any Person hereunder, such Person shall execute and deliver a Joinder and shall enter into such other documents and instruments to effect such issuance as are required by the Board. Upon the issuance of any Additional Units and the payment of the Capital Contribution with respect thereto (if any), the Capital Account of the Holder thereof shall be adjusted pursuant to Article IV.

(b) For the avoidance of doubt, it is hereby acknowledged and agreed that, from time to time, the Board shall have the sole power and discretion to approve the issuance of up to 1,277,139 Class B Units to any employee, officer, director or other service provider or consultant of the Company or its Subsidiaries (each, a "Management Holder") pursuant to a written agreement with the Company, and to reissue any Class B Units that are forfeited or reacquired by the Company upon exercise of any repurchase right the Company may have in connection with the Management Holder's termination of employment or services. The Board shall have sole and complete power and discretion to approve which Management Holders shall be offered Class B Units, the number of Class B Units to be offered and issued to each such Management Holder, the purchase price (if any) for such Class B Units and the terms and conditions (including, without limitation, the vesting schedule) with respect thereto.

(c) On the date of each grant of Class B Units to a Management Holder who is, or as a result of such grant becomes, a holder of Class B Units pursuant to a grant made under a grant agreement or similar agreement, the Board shall establish an initial "Participation Threshold" amount with respect to each Class B Unit granted on such date. Unless otherwise determined by the Board, the Participation Threshold with respect to a Class B Unit shall be equal to or greater than the amount which a Class A Unit would receive, in excess of any Class A Preferred Return Amount, pursuant to Section 5.1(b) in a hypothetical liquidation of the Company at Fair Market Value on the date of grant of such Class B Unit. The Board may designate a series number for each subset of Class B Units consisting of Class B Units having the same Participation Threshold, which Participation Threshold differs from the Participation Thresholds of all Class B Units not included in such subset. If the Board elects to so designate Class B Units, then the first Class B Unit issued on or after the date hereof shall be designated a "Series 1 Class B Unit." Each Class B Unit's Participation Threshold shall be adjusted after the grant of such Class B Unit in the following manner:

(i) In the event of any Distribution pursuant to Section 5.1(b), the Participation Threshold of each Class B Unit outstanding at the time of such Distribution shall be reduced (but not below zero) by the amount that each Class A Unit receives in such Distribution, in excess of any Class A Preferred Return Amount (with such reduction occurring immediately after the determination of the portion of such Distribution, if any, that such Class B Unit is entitled to receive). For purposes of applying the adjustments of this Section 3.5(c)(i), the Board may apply Section 5.1(b) by breaking a single distribution into two or more

distributions treated as separate distributions occurring in order (and if such an approach is taken, the adjustments to the Participation Threshold pursuant to this Section 3.5(c)(i) shall be made after each separate distribution and before the next distribution).

(ii) If the Company at any time subdivides (by any Unit split or otherwise) the Class A Units into a greater number of Units, the Participation Threshold of each Class B Unit outstanding immediately prior to such subdivision shall be proportionately reduced, and, if the Company at any time combines (by reverse Unit split or otherwise) the Class A Units into a smaller number of Units, the Participation Threshold of each Class B Unit outstanding immediately prior to such combination shall be proportionately increased.

(iii) No adjustment shall be made in connection with (A) any redemption or repurchase by the Company or any Holder of any Units or any forfeiture by any Holder of any Units or (B) any capital contribution by any Holder in exchange for newly issued Units.

(d) The Participation Thresholds of each Holder's Class B Units shall be set forth on Schedule A, and Schedule A shall be amended from time to time by the Company as necessary to reflect any adjustments to the Participation Thresholds of outstanding Class B Units required pursuant to this Section 3.5.

(e) Notwithstanding anything in this Section 3.5 to the contrary, the Board shall have the power to amend the provisions of this Section 3.5 and Section 5.1 to achieve the economic results intended by this Agreement, including that the Class B Units are profits interests when issued for United States federal income tax purposes.

(f) In order for a Person to be admitted as a Member with respect to any Additional Units, (i) such Person shall have executed and delivered a Joinder and a purchase or subscription agreement and shall have delivered such other documents and instruments as the Board determines to be necessary or appropriate in connection with the issuance of such Additional Units to such Person or to effect such Person's admission as a Member; and (ii) the Board or an authorized officer of the Company shall amend Schedule A without the further vote, act or consent of any other Person to reflect the admission of such Person as a Member. Upon the amendment of Schedule A and the payment of the required Capital Contribution with respect to the Additional Units (if any), such Person shall be deemed to have been admitted as a Member and shall be listed as such on the books and records of the Company and thereupon shall be issued his, her or its Units. If any Additional Units are issued to an existing Member, the Board or an authorized officer of the Company shall amend Schedule A without further vote, act or consent of any other Person to reflect the issuance of such Additional Unit and, upon the amendment of such Schedule A and the payment of the required Capital Contribution with respect to the Additional Units (if any), such Member shall be issued his, her or its Additional Unit, if any. Any reference in this Agreement to Schedule A shall be deemed to be a reference to Schedule A as the same may be amended and in effect from time to time in accordance with the terms of this Agreement.

3.6 Vesting of Class B Units. Class B Units shall become vested in accordance with the provisions set forth in the unit purchase agreement, unit grant agreement or other agreement pursuant to which such Units are issued.

3.7 Preemptive Rights.

(a) If the Company authorizes, after the date hereof, the issuance or sale of any equity securities of the Company or any of its Subsidiaries, or any securities containing options or rights to acquire equity securities of the Company or any of its Subsidiaries, to Peak Rock other than Exempt Equity Issuances, the Company will, at least fifteen (15) days prior to the issuance or sale, notify each Member who holds Class A Units (each a "Preemptive Rights Holder") in writing of the price of and any material terms relating to the proposed issuance or sale (to the extent then known). Each Preemptive Rights Holder may elect to purchase his, her or its pro rata portion, based on the aggregate number of Class A Units held by such Preemptive Rights Holder divided by the fully diluted Class A Units held by all Preemptive Rights Holders (including any Class A Units issuable upon the exercise of warrants entitled to preemptive rights) (such Person's "Preemptive Rights Pro Rata Portion"), of the equity securities to be issued or sold, at the same price and on the terms identified in the notice. If electing to participate, each Preemptive Rights Holder shall be required to purchase the same strip of equity securities on the same terms and conditions as all other Preemptive Rights Holders. Each Preemptive Rights Holder's election to participate in any such issuance or sale must be made in writing and be delivered to the Company within ten (10) days after such Preemptive Rights Holder's receipt of the notice from the Company provided under this Section 3.7. In addition, if at any time there is a material change in the terms of the offering, each Preemptive Rights Holder will have ten (10) days after receipt of notice of the revised terms to reconfirm such Preemptive Rights Holder's intention to invest. If after notifying the Preemptive Rights Holders, the Company elects not to proceed with the issuance or sale, any elections made by Preemptive Rights Holders shall be deemed rescinded.

(b) Upon the expiration of the offering periods described above, the Company shall be entitled to sell such equity securities which the Preemptive Rights Holders have not elected to purchase at any time during the 180 calendar days following such expiration at a price not less than, and on other terms and conditions not substantially more favorable to the purchaser than, what was offered to such Preemptive Rights Holders. Any such equity securities offered or sold by the Company or any of its Subsidiaries after such 180 day period (or, if prior to such 180-day period, at a price less than, or on other terms and conditions substantially more favorable to the purchaser than, what was offered to such Preemptive Rights Holders) must be reoffered to the Preemptive Rights Holders pursuant to the terms of this Section 3.7.

(c) Notwithstanding anything herein to the contrary, if the Board determines that compliance with the time periods described in this Section 3.7 would not be in the best interests of the Company and its Subsidiaries because of the liquidity needs of the Company and its Subsidiaries, then, in lieu of offering any equity securities to the Preemptive Rights Holders at the time such equity securities are otherwise being issued or sold, the Company may comply with the provisions of this Section 3.7 by making an offer to sell to the Preemptive Rights Holders their Preemptive Rights Pro Rata Portion of such equity securities previously issued or sold promptly, and in no event later than ten (10) days, after such sale of

equity securities is consummated through the issuance of additional equity securities with the same terms and at the same price as such sale. In such event, for all purposes of Section 3.7(c), each Preemptive Rights Holder's Preemptive Rights Pro Rata Portion shall be determined taking into consideration the actual number of securities sold so as to achieve the same economic effect as if such offer would have been made prior to such sale.

(d) This Section 3.7 shall terminate upon the consummation of an IPO.

3.8 Representations and Warranties of Holders. Each Holder represents and warrants that (a) such Holder is the record owner of the number of Units set forth opposite such Holder's name on Schedule A attached hereto, as applicable, (b) this Agreement has been duly authorized, executed and delivered by such Holder and constitutes the valid and binding obligation of such Holder, enforceable in accordance with its terms, (c) such Holder has not granted and is not a party to any proxy, voting trust or other agreement which is inconsistent with, conflicts with, or violates any provision of this Agreement, (d) such Holder is acquiring the Units for his, her or its own account with the present intention of holding such securities for investment purposes, such Holder has no intention of selling such securities in a public distribution in violation of the federal securities laws or any applicable state securities laws, and such Holder acknowledges that the Units have not been registered under the Securities Act or applicable state securities laws and that the Units will be issued to such Holder in reliance on exemptions from the registration requirements of the Securities Act and applicable state statutes and in reliance on such Holder's representations and agreements contained herein, (e) such Holder has had an opportunity to ask questions and receive answers concerning this Agreement and the terms and conditions of the Units to be acquired by him, her or it and has had full access to such other information concerning the Company as such Holder has requested in making his, her or its decision to invest in the Units being issued hereunder and (f) such Holder is able to bear the economic risk and lack of liquidity of an investment in the Company and is able to bear the risk of loss of such Holder's entire investment in the Company, and such Holder fully understands and agrees that he, she or it may have to bear the economic risk of his, her or its purchase for an indefinite period of time because, among other reasons, the Units have not been registered under the Securities Act or under the securities laws of any state and, therefore, cannot be resold, pledged, assigned or otherwise disposed of unless they are subsequently registered under the Securities Act and under the applicable securities laws of certain states or unless an exemption from such registration is available.

3.9 Nonvoting Equity Securities. Notwithstanding anything to the contrary in this Agreement, the Company shall not issue nonvoting equity securities to the extent prohibited by section 1123(a)(6) of the United States Bankruptcy Code. The prohibition on the issuance of nonvoting equity securities is included in this Agreement in compliance with section 1123(a)(6) of the United States Bankruptcy Code.

ARTICLE IV

CAPITAL ACCOUNTS

4.1 Establishment and Determination of Capital Accounts. A capital account ("Capital Account") shall be established for each Holder in accordance with the Treasury

Regulations under Section 704(b) of the Code. In accordance with such Treasury Regulations, the Capital Account of each Holder shall equal, as of the date hereof, the amount set forth on Schedule A attached hereto and shall be (a) increased by any additional Capital Contributions made by such Holder and such Holder's share of items of income and gain allocated to such Holder pursuant to Article V and (b) decreased by such Holder's share of items of loss, deduction and expense allocated to such Holder pursuant to Article V and any Distributions to such Holder of cash or the Fair Market Value of any other property (net of liabilities assumed by such Holder and liabilities to which such property is subject) distributed to such Holder. Any references in this Agreement to the Capital Account of a Holder shall be deemed to refer to such Capital Account as the same may be increased or decreased from time to time as set forth above.

4.2 Computation of Amounts. For purposes of computing the amount of any item of income, gain, loss, deduction or expense to be reflected in Capital Accounts, the determination, recognition and classification of each such item shall be the same as its determination, recognition and classification for federal income tax purposes; provided that:

(a) The computation of all items of income, gain, loss and deduction shall include those items described in Code Section 705(a)(l)(B) or Code Section 705(a)(2)(B) and Treasury Regulation Section 1.704-1(b)(2)(iv)(*i*), without regard to the fact that such items are not includable in gross income or are not deductible for federal income tax purposes.

(b) If the Book Value of any property is adjusted pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(*e*) or (*f*), the amount of such adjustment shall be taken into account as gain or loss from the disposition of such property.

(c) Items of income, gain, loss or deduction attributable to the disposition of property having a Book Value that differs from its adjusted basis for tax purposes shall be computed by reference to the Book Value of such property.

(d) Items of depreciation, amortization and other cost recovery deductions with respect to property having a Book Value that differs from its adjusted basis for tax purposes shall be computed by reference to the property's Book Value in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(*g*).

(e) To the extent an adjustment to the adjusted tax basis of any asset pursuant to Code Sections 732(d), 734(b) or 743(b) is required, pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(*m*), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis).

(f) To the extent that the Company distributes any asset in kind to the Holders, the Company shall be deemed to have realized Profit or Loss thereon in the same manner as if the Company had sold such asset for an amount equal to the Fair Market Value of such asset or, if greater and otherwise required by the Code, the amount of debts to which such asset is subject.

4.3 Interest. No Holder shall be paid interest on any Capital Contribution to the Company or on the balance of such Holder's Capital Account.

4.4 Loans from Holders. With the consent of the Board, any Holder may make loans to the Company, and any loan by a Holder to the Company shall not be considered a Capital Contribution. The amount of any such loans shall be a debt of the Company to such Holder and shall be payable or collectible in accordance with the terms and conditions upon which such loans are made.

4.5 Negative Capital Accounts. No Holder shall be required to pay to any other Holder or the Company any deficit or negative balance which may exist from time to time in such Holder's Capital Account (including upon and after the dissolution of the Company).

4.6 Transfer of Capital Accounts. The original Capital Account established for each transferee Holder shall be in the same amount as the Capital Account of the Holder (or portion thereof) to which such transferee Holder succeeds, at the time such transferee Holder acquires any Units of the Holder to which such transferee Holder succeeds in accordance with Article XII. The Capital Account of any Holder whose interest in the Company shall be increased or decreased by means of (i) the transfer to such Holder of all or part of the Units of another Holder or (ii) the repurchase of Class B Units or any other Units shall be appropriately adjusted to reflect such transfer or repurchase. Any reference in this Agreement to a Capital Contribution of or Distribution to a Holder that has succeeded any other Holder as a transferee shall include any Capital Contributions or Distributions previously made by or to the former Holder on account of the Units of such former Holder transferred to such transferee Holder.

4.7 Adjustments to Book Value. The Company shall at the Board's discretion adjust the Book Value of its assets to Fair Market Value in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(*f*) including as of the following times: (i) at the Board's discretion in connection with the issuance of Units; (ii) at the Board's discretion, in connection with the issuance of Noncompensatory Options (other than an option for a de minimis interest); (iii) at the Board's discretion in connection with the Distribution by the Company to a Holder of more than a de minimis amount of the Company's assets, including money, if as a result of such Distribution, such Holder's interest in the Company is reduced; and (iv) the liquidation of the Company within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(*g*). Any such increase or decrease in Book Value of an asset shall be allocated as a Profit or Loss to the Capital Accounts of the Holders under Section 5.3 (determined immediately prior to the issuance of new Units).

ARTICLE V

DISTRIBUTIONS; ALLOCATIONS OF PROFITS AND LOSSES

5.1 Distributions. Subject to the provisions of Section 18-607 of the Act and to the provisions of this Article V, and except as required by Section 5.2 and Section 13.2 of this Agreement, Distributions shall be made to Holders as determined by the Board, which determination may include the imposition on all Holders of certain terms and conditions on the receipt of any Distributions hereunder (including, but not limited to, the repayment or return of all or any portion of such Distributions to the Company in order to satisfy the Company's indemnification and other obligations in connection with the divestiture of any assets of the Company or its Subsidiaries). All Distributions shall be further subject to the retention and

establishment of reserves, or payment to third parties, of such funds as the Board deems necessary with respect to the reasonable business needs and obligations of the Company (which obligations shall include, without limitation, the payment of any management or administrative fees and expenses and the obligations under the terms and conditions of any indebtedness for borrowed money incurred by the Company or any of its Subsidiaries), and (except with respect to Tax Distributions pursuant to Section 5.2) shall be made when and as declared by the Board to each Holder in the following order and priority:

(a) first, an amount equal to the Class A Preferred Return Amount to Peak Rock (and any subsequent Holder of the Class A Units issued to Peak Rock on the date hereof) (ratably among Holders entitled to receive such Class A Preferred Return pursuant to this Section 5.1(a) based upon the aggregate number of Class A Units held by each such Holder immediately prior to such Distribution), until the Class A Preferred Return Amount has been paid in full;

(b) second, all remaining amounts shall be distributed to the Holders holding vested Participating Units immediately prior to such Distribution as follows: with respect to each Class A Unit, an amount equal to the amount determined by dividing the Grossed Up Amount by the number of Participating Units, and, with respect to each Participating Class B Unit, an amount equal to the excess of the (A) the amount determined by dividing the Grossed Up Amount by the number of Participating Units over (B) the Participation Threshold with respect to such Participating Class B Unit. For purposes of this Agreement, "Grossed Up Amount" means, with respect to any Distribution pursuant to this Section 5.1(b), the sum of (x) the amount of the Distribution pursuant to this Section 5.1(b) and (y) the sum of the Participation Thresholds of all Participating Class B Units.

For the avoidance of doubt, unless otherwise determined by the Board, Class B Units shall not be entitled to receive Distributions hereunder (other than Tax Distributions) until such time as such Unit is fully vested in accordance with the terms and conditions set forth in the agreement pursuant to which such Unit was issued.

5.2 Tax Distributions. Notwithstanding anything to the contrary in Section 5.1, to the extent funds of the Company may be legally available for Distribution by the Company under the Act and subject to any applicable agreement to which the Company or any of its Subsidiaries is a party governing the terms of indebtedness for borrowed money and subject to the retention and establishment of reserves, or payment to third parties, of such funds as the Board deems necessary with respect to the reasonable business needs and obligations of the Company, the Board shall cause the Company to distribute to the Holders of Class A Units and Class B Units, in respect of such Units in the proportions specified herein, for each Fiscal Quarter an amount (any such amount, a "Tax Distribution") in cash equal to the result obtained from (i) the Company Income Amount for the Fiscal Year, multiplied by (ii) the Assumed Tax Rate for such Fiscal Year, divided by (iii) four. The "Company Income Amount" for a Fiscal Year shall be an amount, if positive, equal to the net taxable income of the Company for such Fiscal Year, minus any net taxable loss of the Company for any prior Fiscal Year not previously taken into account for purposes of this Section 5.2 to the extent such loss would be available under the Code to offset income of the Holders (or, as appropriate, the direct or indirect partners or members of the Holders) determined as if income and loss from the Company were the only income and loss of

the Holders (or, as appropriate, the direct or indirect partners or members of the Holders) in such Fiscal Year and all prior Fiscal Years. The "Assumed Tax Rate" for a Fiscal Year shall be equal to the highest sum of the marginal federal, state, and local income tax rates applicable to any Holder or its partners or members. Such quarterly Distributions shall be made to such Holder at least five days before such Holder's estimated quarterly tax payments are due in respect of such Holder's taxable year in which such Holder's share of the Company's taxable income for the applicable Fiscal Year is includable. Tax Distributions shall be made to the Holders of Class A Units and Class B Units in the proportion that the amount of the Company's taxable income allocated to each such Holder pursuant to this Article V for such Fiscal Year (net of any taxable losses previously allocated to such Holder that are taken into account in determining the Company Income Amount for such Fiscal Year) bears to the Company's total taxable income allocated to all Holders pursuant to this Article V for such Fiscal Year (net of any taxable losses previously allocated to all Holders that are taken into account in determining the Company Income Amount for such Fiscal Year). Tax Distributions shall be considered advances on Distributions to Holders under Section 5.1.

5.3 Allocation of Profits and Losses. Except as otherwise provided in Section 5.4, Profits and Losses for any Fiscal Year shall be allocated among the Holders in such manner that, as of the end of such Fiscal Year, the sum of (i) the Capital Account of each Holder, (ii) such Holder's share of minimum gain (as determined according to Treasury Regulation Section 1.704-2(g)) and (iii) such Holder's Holder Nonrecourse Debt Minimum Gain shall be equal to the respective net amounts, positive or negative, which would be distributed to them or for which they would be liable to the Company under this Agreement, determined as if the Company were to (A) liquidate all of the assets of the Company for an amount equal to their Book Value and (B) distribute the proceeds of liquidation pursuant to Section 13.2; provided, however, that such hypothetical liquidation will not be treated as a Sale of the Company for any purpose hereunder. For purposes of allocating Profits and Losses, and all other items of income, gain, deduction and loss, pursuant to this Section 5.3 (and Sections 5.4, 5.5 and 5.6, to the extent applicable), all outstanding Class B Units shall be treated as vested units, including, for the avoidance of doubt, for purposes of determining the amount that would be distributed to the holders of the Class B Units pursuant to clause (B) in the previous sentence and the hypothetical distribution pursuant to Section 13.2. The parties acknowledge that allocations like those described in proposed Treasury Regulation Section 1.704-1(b)(4)(xii)(c) ("Forfeiture Allocations") result from the allocations of Profits and Losses provided for in this Agreement. For the avoidance of doubt, the Board is entitled to make Forfeiture Allocations and, once required by applicable final or temporary guidance, allocations of Profits and Losses will be made in accordance with proposed Treasury Regulation Section 1.704-1(b)(4)(xii)(c) or any successor provision or guidance.

5.4 Special Allocations. The following special allocations shall be made in the following order and priority:

(a) Loss attributable to Holder Nonrecourse Debt shall be allocated in the manner required by Treasury Regulation Section 1.704-2(i). If there is a net decrease during a Fiscal Year in Holder Nonrecourse Debt Minimum Gain, Profits for such Fiscal Year (and, if necessary, for subsequent Fiscal Years) shall be allocated to the Holders in the amounts and of such character as determined according to, and subject to the exceptions contained in, Treasury Regulation Section 1.704-2(i)(4). This Section 5.4(a) is intended to be a "partner nonrecourse

debt minimum gain chargeback" provision that complies with the requirements of Treasury Regulation Section 1.704-2(i)(4) and shall be interpreted and administered in a manner consistent therewith.

(b) If there is a net decrease in Company Minimum Gain during any Fiscal Year, each Holder shall be allocated Profits for such Fiscal Year (and, if necessary, for subsequent Fiscal Years) in the amounts and of such character as determined according to, and subject to the exceptions contained in, Treasury Regulation Section 1.704-2(f). This Section 5.4(b) is intended to be a "minimum gain chargeback" provision that complies with the requirements of Treasury Regulation Section 1.704-2(f) and shall be interpreted and administered in a manner consistent therewith.

(c) Holder Nonrecourse Deductions for any Fiscal Year shall be allocated in the manner required by Treasury Regulation Section 1.704-2(i). Nonrecourse Deductions for any Fiscal Year shall be allocated pro rata to all Units.

(d) If any Holder who unexpectedly receives an adjustment, allocation or distribution described in Treasury Regulation Section 1.704-1(b)(2)(ii)(*d*)(4), (5), and (6) has an adjusted capital account deficit (determined according to Treasury Regulation Section 1.704-1(b)(2)(ii)(*d*)) as of the end of any Fiscal Year, then Profits for such Fiscal Year shall be allocated to such Holder in proportion to, and to the extent of, such adjusted capital account deficit. This Section 5.4(d) is intended to be a "qualified income offset" provision as described in Treasury Regulation Section 1.704-1(b)(2)(ii)(*d*) and shall be interpreted in a manner consistent therewith.

(e) Profits and Losses described in Section 4.2(e) shall be allocated in a manner consistent with the manner that the adjustments to the Capital Accounts are required to be made pursuant to Treasury Regulation Sections 1.704-1(b)(2)(iv)(*j*),(*k*) and (*m*).

(f) In the event the Company issues a Noncompensatory Option, the Company shall comply with the requirements of Treasury Regulations Section 1.704-1(b)(4)(ix).

(g) The allocations described in Sections 5.4(a), (b), (c), (d), (e) and (f) hereof (the "Regulatory Allocations") are intended to comply with certain requirements of Sections 1.704-1(b) and 1.704-2 of the Treasury Regulations and as such may not be consistent with the manner in which the Holders intend to allocate items of income, gain, loss, deduction and expense or make Distributions. Accordingly, notwithstanding other provisions of this Section 5.4, but subject to the requirements of the Treasury Regulations, items of income, gain, loss, deduction and expense in subsequent Fiscal Years shall be allocated among the Holders in such a way as to reverse as quickly as possible the effects of the Regulatory Allocations and thereby cause the respective Capital Accounts of the Holders to be in the amounts they would have been if Profit and Loss (and such other items of income, gain, deduction and loss) had been allocated without reference to the Regulatory Allocations.

5.5 Amounts Withheld. All amounts withheld from or offset against any Distribution to a Holder pursuant to Section 15.1 or Section 15.11 shall be treated as amounts distributed to such Holder pursuant to this Article V for all purposes under this Agreement.

5.6 Tax Allocations; Code Section 704(c).

(a) The income, gains, losses, deductions and expenses of the Company shall be allocated, for federal, state and local income tax purposes, among the Holders in accordance with the allocation of such income, gains, losses, deductions and expenses among the Holders for computing their Capital Accounts, except that if any such allocation is not permitted by the Code or other applicable law, the Company's subsequent income, gains, losses, deductions and expenses shall be allocated among the Holders so as to reflect as nearly as possible the allocation set forth herein in computing their Capital Accounts.

(b) In accordance with Code Section 704(c) and the Treasury Regulations thereunder, items of income, gain, loss, deduction and expense with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Holders so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its Book Value at the time of contribution. The Board shall be entitled to adopt any method permissible under Code Section 704(c) and the Treasury Regulations thereunder for taking into account any such variation.

(c) If the Book Value of any Company asset is adjusted pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(*e*) or (*f*), subsequent allocations of items of taxable income, gain, loss, deduction and expense with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Book Value in the same manner as under Code Section 704(c).

(d) Allocations pursuant to this Section 5.6 are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Holder's Capital Account or share of Profits, Losses, other items or Distributions pursuant to any provisions of this Agreement.

ARTICLE VI

MANAGEMENT OF THE COMPANY

6.1 Management of the Company. Except for cases in which the approval of the Members is expressly required by this Agreement or the Act, the powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed by and under the direction of, the Board, and the Board shall make all decisions and take all actions for the Company which are necessary or appropriate to carry out the Company's business and purposes. The Board shall be the "manager" of the Company for the purposes of the Act.

6.2 Composition and Election of the Board.

(a) The authorized number of persons comprising the Board (each, a "Manager") shall be initially established at three (3), and the Board shall thereafter be comprised of such number of Managers as shall be determined from time to time by the Board (including the approval of at least one Peak Rock Manager) but no less than the number of Managers designated pursuant to the terms of Section 6.2(b) below.

(b) The initial members of the Board shall be as set forth on Schedule C, each to hold such position until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as provided herein. After the date hereof, the members of the Board shall be such individuals as may be designated by Peak Rock from time to time; provided that, for so long as either of Peak Rock Capital Fund LP (the "Main VCOC") or Peak Rock Capital Fund A LP (the "Fund A VCOC" and each, a "VCOC") holds an interest in Peak Rock, each such VCOC shall have the independent right to appoint and remove one of the Managers (such appointees, collectively, the "VCOC Managers" and, each, a "VCOC Manager"), which VCOC Managers shall initially be Robert Strauss, as the appointee of the Main VCOC, and Anthony DiSimone, as the appointee of the Fund A VCOC.

Each Holder shall vote all of such Holder's Units that are voting Units and any other voting securities of the Company over which such Holder has voting control and shall take all other necessary or desirable actions within such Holder's control (whether in such Holder's capacity as a Holder, Member, Manager, member of any committee of the Board, officer of the Company or otherwise, and including, without limitation, attendance at meetings in person or by proxy for purposes of obtaining a quorum and execution of written consents in lieu of meetings), and the Company shall take all necessary or desirable actions within its control (including, without limitation, calling special Board and member meetings), to cause the composition of the Board to comply with this Section 6.2(b).

The provisions of this Section 6.2(b) shall terminate automatically and shall be of no further force and effect upon the consummation of an IPO.

6.3 Subsidiary Boards. Unless otherwise determined by the Board, the composition of the board of directors or board of managers, as applicable, of each of the Company's Subsidiaries (a "Sub Board") shall be the same as that of the Board.

6.4 Committees. Subject to the provisions of this Agreement, the Board may designate one or more committees. Each committee designated by the Board shall include at least one Peak Rock Manager.

6.5 Duties of the Managers. To the fullest extent permitted by law, including Section 18-1101(c) of the Act, and notwithstanding any other provision of this Agreement or in any agreement contemplated herein or applicable provisions of law or equity or otherwise, the parties hereto hereby agree (i) that no Manager or Holder shall owe any fiduciary duty to the Company or any Holder and (ii) that, while nothing herein eliminates the implied contractual covenant of good faith and fair dealing between the parties hereto, such covenant is not intended by the parties to be a means through which any fiduciary duty may be reimposed on any Manager or Holder under any circumstance.

6.6 Removal of a Manager. The removal from the Board (with or without cause) of any Manager elected hereunder shall be effected by a vote of the Members holding a majority of the votes of the Units entitled to vote; provided that the removal from the Board or a Sub Board of any Peak Rock Manager (other than a VCOC Manager, which may be removed only by the appointing VCOC) shall be at Peak Rock's written request, but only upon such written request and under no other circumstances.

6.7 Resignation. Any Manager may resign by delivering written resignation to the Company at the Company's principal office addressed to the Board. Such resignation shall be effective upon receipt of such resignation by the Board or at such later date designated therein.

6.8 Vacancy. A vacancy in any Manager position shall be filled by a vote of the Members holding a majority of the votes of the Units entitled to vote; provided that, (i) in the event that any Peak Rock Manager (other than a VCOC Manager) ceases to serve as a member of the Board (or a Sub Board) during his or her term of office, the resulting vacancy on the Board or the Sub Board shall be filled by a representative designated by Peak Rock, and (ii) if a VCOC Manager ceases to serve as a member of the Board (or a Sub Board) during his or her term of office, the resulting vacancy shall be filled by the VCOC that appointed such VCOC Manager.

6.9 Meetings. A meeting of the Board may be called by any Manager. The Company shall pay the reasonable out-of-pocket travel expenses incurred by each Manager in connection with attending such meeting and any meetings of committees of the Board. Upon the approval of the Board, the Company may agree to pay reasonable fees to any or all of the Managers.

6.10 Place of Meetings. The Board may designate any place as the place of meeting for any meeting of the Board.

6.11 Notice of Meetings. Written (including by facsimile or email correspondence) or telephonic notice to each Manager must be given by the Person or Persons calling such meeting at least one Business Days prior to the scheduled date of the meeting. Attendance of a Manager at a meeting shall constitute a waiver of notice of such meeting, except where a Manager attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

6.12 Spontaneous Meeting of Board. If all of the Managers meet at any time and place (including telephonically) and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice, and any Company action which may be taken at a meeting of the Board may be taken at such meeting.

6.13 Quorum. At any meeting of the Board, a majority of the elected Managers (including at least one Peak Rock Manager) must be present to constitute a quorum for the transaction of any business which may be taken at such a meeting. In the absence of a quorum, any Manager present at such meeting in person, by proxy or by telephone shall have the power to adjourn such meeting until a quorum shall be constituted.

6.14 Voting. Each Manager shall be entitled to one vote upon any matter submitted to a vote at a meeting of the Board.

6.15 Manner of Acting. Unless otherwise required by the Act or this Agreement and subject to the provisions of this Agreement, the affirmative vote of a majority of the elected Managers at a meeting at which a quorum is present shall be the act of the Board, and no single Manager, in his or her capacity as such, may make any decisions or take any actions on behalf of the Company without the affirmative vote of a majority of the elected Managers at a meeting at which a quorum is present.

6.16 Proxies. At any meeting of the Board, a Manager may vote by proxy executed in writing by such Manager in favor of another Manager.

6.17 Written Actions. Any action required to be, or which may be, taken by the Board or any committee thereof may be taken without a meeting if consented thereto in a writing setting forth the action so taken and signed by a majority of the elected Managers. Such consent shall have the same force and effect as a vote of a majority of the elected Managers at a meeting of the Board at which a quorum is present or any committee thereof, and the execution of such consent shall constitute attendance or presence in person at a meeting of the Board or any such committee, as the case may be.

6.18 Telephonic Participation in Meetings. Managers may participate in any meeting of the Board through telephonic or similar communications equipment by means of which all Managers participating in the meeting can hear one another, and such participation shall constitute presence in person at such meeting.

ARTICLE VII

OFFICERS

7.1 Designation of Officers. The Board may, from time to time, designate one or more individuals to be officers of the Company. No officer need be a resident of the State of Delaware or a Member. Any officers so designated shall have such authority and perform such duties as the Board may, from time to time, prescribe or as may be provided in this Agreement. The Board may assign titles to particular officers. Unless the Board otherwise specifies, if the title is one commonly used for officers of a business corporation, the assignment of such title shall constitute the delegation to such officer of the authority and duties that are normally associated with that office under the laws of the State of Delaware, subject to any specific delegation of authority and duties made to such officer by the Board pursuant to this Section 7.1. Each officer shall hold office until his or her successor shall be duly designated and shall qualify or until his or her death or until he or she shall resign or shall have been removed. Any number of offices may be held by the same individual. The salaries or other compensation, if any, of the officers and agents of the Company shall be fixed from time to time by the Board.

7.2 The Chairman of the Board. The Chairman of the Board, if any, shall, subject to the direction of the Board, perform such executive, supervisory and management functions and duties as may be assigned to him or her from time to time by the Board. He or she shall, if present, preside at all meetings of Members and of the Board.

7.3 Chief Executive Officer. The Chief Executive Officer of the Company (the "Chief Executive Officer") shall, subject to the powers of and limitations imposed by the Board and this Agreement, have general charge of the business, affairs and property of the Company, and control over its officers, agents and employees and shall see that all directions and resolutions of the Board are carried into effect. The Chief Executive Officer shall have such other powers and perform such other duties as may be prescribed by the Board or as may be provided in this Agreement. The Chief Executive Officer shall report to the Board, unless the Board directs the Chief Executive Officer to report to the Chairman of the Board.

7.4 President; Vice-President; Secretary. The President, Vice-President (or Vice-Presidents), Secretary and other officers, if any, shall have the powers and perform the duties incident to such position and perform such other duties and have such other powers as the Board or this Agreement may, from time to time, prescribe. The officers of the Company (other than the Chief Executive Officer) shall report to the Chief Executive Officer unless otherwise directed by the Board.

7.5 Resignation; Removal. Any officer may resign as such at any time. Subject to the terms of any written agreement with the Company, such resignation shall be made in writing and shall take effect at the time specified therein, or if no time be specified, at the time of its receipt by the Board. Any officer may be removed as such, either with or without cause, by the Board whenever in its judgment the best interests of the Company shall be served thereby; provided that such removal shall be without prejudice to the contract rights, if any, of the individual so removed. Designation of an officer shall not of itself create any contract rights, except as otherwise set forth herein. Any vacancy occurring in any office of the Company may be filled by the Board.

7.6 Duties of Officers Generally. Except as otherwise set forth in this Agreement, each officer shall owe to the Company and its Members the same duties of care and loyalty that such individuals would owe to a corporation and its stockholders as an officer thereof under the laws of the State of Delaware.

ARTICLE VIII

MEMBERS

8.1 Number. The Company shall at all times have one or more Members.

8.2 Membership Status. After a Transfer of Units in accordance with Article XII by a Member, such Member shall not be entitled to any Distributions or payments of any kind from the Company with respect to such Units and shall no longer be considered a Member with respect to such Units for any purpose.

8.3 No Participation in Management. The management of the business and affairs of the Company shall be vested in whole in the Board in accordance with Article VI of this Agreement. Except with respect to the execution and filing of the Certificate, as otherwise specifically provided by this Agreement or required by the Act, no Member, acting in the capacity of a Member, shall be an agent of the Company or have any authority to act for or bind the Company.

8.4 Meetings. Meetings of the Members may be called by the Board at any time or at any time by a Member or Members holding at least 25% of the Units entitled to vote at such meeting.

8.5 Place of Meetings. The Board or the Member or Members calling such meeting may designate any place as the place of meeting for any meeting of the Members.

8.6 Notice of Meetings. Written or printed notice stating the place, day and hour of the meeting and the purpose or purposes for which the meeting is called, shall be delivered to each Member not less than five (5) nor more than twenty (20) Business Days before the meeting, at the direction of the Board or, if such meeting is called by a Member or Members, by the Member or Members calling such meeting.

8.7 Spontaneous Meeting of Members. If all of the Members meet at any time and place (including telephonically) and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice, and any Company action which may be taken at a meeting of the Members may be taken at such meeting.

8.8 Quorum. The Members holding a majority of the Units entitled to vote, present in person or by proxy, shall constitute a quorum for the transaction of any business which may be taken at a meeting of the Members. In the absence of a quorum, no business may be transacted and any Member present at such meeting in person, by proxy or by telephone shall have the power to adjourn such meeting until a quorum shall be constituted.

8.9 Voting Rights Generally. Subject to the provisions of this Agreement, the Members shall have the voting rights associated with the Units held by such Member as provided in this Agreement. When a vote is required by the Members, each Member shall be entitled to vote as provided in Section 3.4 of this Agreement.

8.10 Manner of Acting. Unless otherwise required by this Agreement, the affirmative vote of a majority of the Units entitled to vote represented at a meeting at which a quorum is present shall constitute the act of the Members.

8.11 Proxies. At any meeting of the Members, a Member may vote by proxy executed in writing by such Member or by its duly authorized representative.

8.12 Written Actions. Any action required to be, or which may be, taken by Members may be taken without a meeting if consented thereto in a writing setting forth the action so taken and signed by the Members holding a majority of the Units entitled to vote on such action.

8.13 Telephonic Participation in Meetings. Members may participate in any meeting through telephonic or similar communications equipment by which all Persons participating in the meeting can hear one another, and such participation shall constitute presence in person at such meeting.

8.14 Confidentiality. Each Member acknowledges that, during the term of this Agreement, he, she or it may have access to or become acquainted with trade secrets, proprietary information and confidential information belonging to the Company, its Subsidiaries and their respective Affiliates that are not generally known to the public, including, but not limited to, information concerning business plans, financial statements, operating practices and methods, expansion plans, strategic plans, marketing plans, contracts, customer lists or other business documents which the Company treats as confidential (collectively, "Confidential Information"). Without limiting the applicability of any other agreement to which any Member may be subject, no Member shall, without the prior written consent of the Board, directly or indirectly disclose or use (other than solely for the purpose of such Member monitoring and analyzing such Member's

investment made herein) at any time, including without limitation use for commercial or proprietary advantage or profit, either during his, her or its association or employment with the Company or thereafter, any Confidential Information of which such Member is or becomes aware. Each Member in possession of Confidential Information shall take all appropriate steps to safeguard such information and to protect it against disclosure, misuse, espionage, loss and theft. Notwithstanding the foregoing, a Member may disclose Confidential Information to the extent (i) disclosure is necessary for the Member and/or the Company's employees, agents, representatives and advisors to fulfill their duties to the Company pursuant to this Agreement and/or other written agreements, (ii) the disclosure is required by law or a court order, (iii) the information becomes generally available to the public through no fault of such Member, (iv) the disclosure is approved in advance by the Board, (v) solely in the case of Peak Rock or any other Holder of Class A Units which is not a Management Holder, the disclosure is of a general nature regarding general information, return on investment and similar information (including, without limitation, in connection with such Holder's communications with its direct and indirect investors and its marketing efforts) and (vi) each Member may disclose, without limitation, the tax treatment and tax structure (as such terms are used in Section 6011 of the Code and the Treasury Regulations promulgated thereunder) of its investment in the Company and of any transactions entered into by the Company. Upon expiration or other termination of a Member's interest in the Company, that Member may not take any of the Confidential Information, and that Member shall promptly return to the Company all Confidential Information in that Member's possession or control. Nothing in this Section 8.14 shall in any way modify or limit the provisions set forth in Section 9.9.

8.15 Withdrawal. Subject to Section 15.10 hereof, each Member shall have the right to withdraw from the Company as a Member at any time without the consent of any of the Members upon delivery of notice in writing to the Company.

8.16 Approval Rights. Each Member hereby acknowledges and agrees that such Member is not entitled to any dissenter's rights, appraisal rights or similar rights under Section 18-210 of the Act or otherwise.

ARTICLE IX

EXCULPATION AND INDEMNIFICATION

9.1 Exculpation. No Member, Manager or officer of the Company or any of its Subsidiaries shall be liable to the Company or such Subsidiary, any other Manager, any other officer of the Company or to any other Member for any loss suffered by the Company or any Subsidiary unless such loss is caused by such Manager's or such officer of the Company's willful misconduct or knowing violation of law. No Member, Manager or officer of the Company shall be liable to the Company, any other Manager or officer or any other Member for errors in judgment or for any acts or omissions that do not constitute willful misconduct or knowing violation of law. Any Member or Manager and any officer of the Company may consult with the Company's counsel and accountants in respect of Company affairs, and, provided such Member, Manager or officer of the Company, as the case may be, acts in good faith reliance upon the advice or opinion of such counsel or accountants, such Member, Manager

or officer of the Company, as the case may be, shall not be liable for any loss suffered by the Company in reliance thereon.

9.2 Right to Indemnification. Subject to the limitations and conditions as provided in this Article IX, each Person who was or is made a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or arbitrative (hereinafter a "Proceeding"), or any appeal in such a Proceeding or any inquiry or investigation that could lead to such a Proceeding, by reason of the fact that he or she, or a Person of whom he or she is the legal representative, is or was an officer, Manager or Member of the Company or, while an officer, Manager or Member of the Company, is or was serving at the request of the Company as a manager, director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic limited liability company, corporation, partnership, joint venture, sole proprietorship, trust or other enterprise, shall be indemnified by the Company to the fullest extent permitted under applicable law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than said law permitted the Company to provide prior to such amendment) against judgments, penalties, fines, settlements and reasonable expenses (including, without limitation, reasonable attorneys' fees) actually incurred by such Person in connection with such Proceeding; provided that (a) such Person's course of conduct was pursued in good faith and believed by him or her to be in the best interests of the Company and (b) such course of conduct did not constitute willful misconduct or knowing violation of law on the part of such Person. Indemnification under this Article IX shall continue with respect to a Person who has ceased to serve in the capacity which initially entitled such Person to indemnity hereunder. The rights granted pursuant to this Article IX shall be deemed contractual rights, and no amendment, modification or repeal of this Article IX shall have the effect of limiting or denying any such rights with respect to actions taken or Proceedings arising prior to any amendment, modification or repeal.

9.3 Advance Payment. The right to indemnification conferred in this Article IX shall include the right to be paid or reimbursed by the Company the reasonable expenses incurred by a Person of the type entitled to be indemnified under Section 9.2 who was, is or is threatened to be made a named defendant or respondent in a Proceeding in advance of the final disposition of the Proceeding and without any determination as to the Person's ultimate entitlement to indemnification; provided that the payment of such expenses incurred by any such Person in advance of the final disposition of a Proceeding shall be made only upon delivery to the Company of a written affirmation by such Person of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification under Article IX and a written undertaking, by or on behalf of such Person, to repay all amounts so advanced if it shall ultimately be determined that such indemnified Person is not entitled to be indemnified under this Article IX or otherwise.

9.4 Indemnification of Employees and Agents. The Company may indemnify and advance expenses to any Person, as determined by the Board, by reason of the fact that such Person was an employee or agent of the Company or is or was serving at the request of the Company as a manager, director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic limited liability company, corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise,

against any liability asserted against him or her and incurred by him or her in such a capacity or arising out of his or her status as such a Person to the same extent that it shall indemnify and advance expenses to Managers and officers under this Article IX.

9.5 Appearance as a Witness. Notwithstanding any other provision of this Article IX, the Company may pay or reimburse reasonable out-of-pocket expenses incurred by a Manager, officer or employee in connection with his or her appearance as a witness or other participation in a Proceeding related to or arising out of the business of the Company at a time when he or she is not a named defendant or respondent in the Proceeding.

9.6 Non-Exclusivity of Rights. The right to indemnification and the advancement and payment of expenses conferred in this Article IX shall not be exclusive of any other right which a Manager, officer or other Person indemnified pursuant to this Article IX may have or hereafter acquire under any law (common or statutory), any provision of the Certificate or this Agreement, any other separate contractual arrangement, any vote of Members or disinterested Managers, or otherwise. In addition, the Company hereby acknowledges that certain directors and officers affiliated with Peak Rock may have certain rights to indemnification, advancement of expenses and/or insurance provided by Peak Rock or certain of its Affiliates (collectively, the "Investor Indemnitors"). The Company hereby agrees (a) that it is the indemnitor of first resort (i.e., its obligations to the indemnified Person are primary and any obligation of the Investor Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by the indemnified Person are secondary), (b) that it shall be required to advance the full amount of expenses incurred by the Indemnified Person in accordance with Section 9.3 without regard to any rights the indemnified Person may have against the Investor Indemnitors and (c) that it irrevocably waives, relinquishes and releases the Investor Indemnitors from any and all claims against the Investor Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Investor Indemnitors on behalf of any indemnified Person with respect to any claim for which any indemnified Person has sought indemnification from the Company shall affect the foregoing and the Investor Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of any indemnified Person against the Company.

9.7 Insurance. The Company may purchase and maintain insurance, at its expense, to protect itself and any Person who is or was serving as a Manager, officer, employee or agent of the Company or is or was serving at the request of the Company as a manager, director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic limited liability company, corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise, against any expense, liability or loss, whether or not the Company would have the obligation to indemnify such Person against such expense, liability or loss under this Article IX.

9.8 Savings Clause. If this Article IX or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless each Manager, officer or any other Person indemnified pursuant to this Article IX as to costs, charges and expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding,

whether civil, criminal, administrative or investigative to the fullest extent permitted by any applicable portion of this Article IX that shall not have been invalidated and to the fullest extent permitted by applicable law.

9.9 Investment Opportunities and Conflicts of Interest. The Holders expressly acknowledge and agree that, subject to the provisions of this Section 9.9, (i) Peak Rock and its Affiliates, general and limited partners, equityholders, officers, managers, directors, employees and operating advisors are, both presently and in the future, permitted to own a controlling interest in, manage the operations of, have investments in or maintain other business relationships with entities engaged in businesses similar to, related to and/or competitive with the businesses of the Company and its Subsidiaries (including in areas in which the Company or any of its Subsidiaries may in the future engage in business), and in related businesses other than through the Company or any of its Subsidiaries (an "Other Business"), (ii) neither Peak Rock nor its Affiliates (including their respective representatives serving on the Board) shall be prohibited by virtue of their investments in the Company or its Subsidiaries or their service on the Board or the board of directors or board of managers of any Subsidiary from pursuing and engaging in any such activities, (iii) neither Peak Rock nor its Affiliates (including their respective representatives serving on the Board or participating as nonvoting observers of the Board) shall be obligated to inform the Company or the Board of any such opportunity, relationship or investment, (iv) the other Holders shall not acquire or be entitled to any interest or participation in any Other Business as a result of the participation therein of Peak Rock and its Affiliates (including their respective representatives serving on the Board), and (v) the involvement of Peak Rock and its Affiliates (including their respective representatives serving on the Board) in any Other Business shall not constitute a conflict of interest by such Persons with respect to the Company, any of its Subsidiaries, any of the Holders or any of their respective Affiliates. In addition, each Holder acknowledges that the Company and its Subsidiaries may enter into arrangements with Peak Rock, its Affiliates and operating advisors of Peak Rock and its Affiliates from time to time (including the Management Services Agreement dated as of the date hereof between Natural American Foods, Inc. and an Affiliate of Peak Rock), which may be of benefit to Peak Rock and its Affiliates.

ARTICLE X

TAXES

10.1 Tax Returns. The Board shall cause to be prepared and filed all necessary federal, state, local or foreign income tax returns for the Company, including making any elections the Board may deem appropriate and in the best interests of the Holders. Each Holder shall furnish to the Board all pertinent information in its possession relating to Company operations that is necessary to enable the Company's income tax returns to be prepared and filed.

10.2 Tax Matters Partner. Peak Rock shall be the "tax matters partner" of the Company pursuant to Section 6231(a)(7) of the Code, unless and until the Board shall designate another "tax matters partner" in its sole discretion. The tax matters partner is authorized (i) to represent the Company (at the Company's expense) in connection with all examinations by income tax authorities of the Company's affairs and any Company related items, including resulting administrative and judicial proceedings, (ii) to sign consents and to enter into

settlements and other agreements with such authorities with respect to any such examinations or proceedings, and (iii) to expend Company funds for professional services and costs associated therewith. Each Member will cooperate with the tax matters partner and do or refrain from doing any or all things reasonably requested by the tax matters partner with respect to the conduct of such examinations or proceedings. The tax matters partner has sole discretion to determine whether the Company will contest or continue to contest any income tax deficiencies assessed or proposed to be assessed by any income taxing authority on the Company.

10.3 Tax Elections. The tax matters partner, in its sole discretion, may make or revoke any available election under the Code or the Treasury Regulations issued thereunder (including for this purpose any new or amended Treasury Regulations issued after the date of formation of the Company).

10.4 Code Section 83 Safe Harbor Election.

(a) By executing this Agreement, each Member authorizes and directs the Company to elect to have the "Safe Harbor" described in the proposed Revenue Procedure set forth in Internal Revenue Service Notice 2005-43 (the "IRS Notice"), or any successor guidance or provision, apply to any interest in the Company transferred to a service provider by the Company in connection with services provided to the Company on or after the effective date of such Revenue Procedure. For purposes of making such Safe Harbor election, the tax matters partner is hereby designated as the "partner who has responsibility for federal income tax reporting" by the Company and, accordingly, execution of such Safe Harbor election by the tax matters partner constitutes execution of a "Safe Harbor Election" in accordance with Section 3.03(1) of the IRS Notice. The Company and each Member hereby agree to comply with all requirements of the Safe Harbor described in the IRS Notice, including, without limitation, the requirement that each Member shall prepare and file all federal income tax returns reporting the income tax effects of each Unit issued by the Company that qualifies for the Safe Harbor in a manner consistent with the requirements of the IRS Notice. A Member's obligations to comply with the requirements of this Section 10.4 shall survive such Member's ceasing to be a Member of the Company and/or the termination, dissolution, liquidation and winding up of the Company, and, for purposes of this Section 10.4, the Company shall be treated as continuing in existence.

(b) Each Member authorizes the tax matters partner to amend this Section 10.4 to the extent necessary to achieve substantially the same or similar tax treatment with respect to any interest in the Company transferred to a service provider by the Company in connection with services provided to the Company as set forth in Section 4 of the IRS Notice (e.g., to reflect changes from the rules set forth in the IRS Notice in subsequent Internal Revenue Service guidance); provided that such amendment does not result in disproportionately adverse treatment of any other Member as compared to the treatment of a Member holding similar Units.

ARTICLE XI

COVENANTS OF THE COMPANY

11.1 Maintenance of Books. The Company shall keep appropriate books and records of accounts in accordance with GAAP and Treasury Regulation Section 1.704(b)(2) and shall keep appropriate minutes of the proceedings of its Members, the Board and its committees.

11.2 Reports.

(a) The Company shall deliver to each Manager periodic financial statements, annual audited financial statements, and annual budgets and other financial reports requested by the Board.

(b) The Company shall use reasonable efforts to deliver or cause to be delivered, within 75 days after the end of each Fiscal Year, to each Person who was a Member at any time during such Fiscal Year all information necessary for the preparation of such Person's U.S. federal, state and local income tax returns. No Member or other Holder shall be entitled to receive any information about the Company and its Subsidiaries under Section 18-305 of the Act, under this Agreement or otherwise, other than as set forth in this Section 11.2(b), including without limitation with regard to Schedule A to this Agreement (except with regard to the ownership information specific to such Member or other Holder contained therein).

(c) For so long as any Holder of Class A Units which is not a Management Holder holds at least 50% of the Class A Units initially issued by the Company to such Holder as of the date hereof (with any warrants exerciseable for Class A Units being included in such determination as if such warrants were already exercised for Class A Units), then such Holder shall be entitled to (A) receive from the Company, on a monthly basis, (i) an unaudited consolidated and consolidating balance sheet, income statement, statement of cash flow, and statement of owner's equity covering the operations of the Company and its Subsidiaries, if any, during such period and compared to the prior period, setting forth in each case in comparative form figures for the corresponding period in the preceding fiscal year, all in reasonable detail and certified by an authorized financial officer of Natural American Foods, Inc. and prepared in accordance with GAAP, subject to normal year-end adjustments and footnotes, and (ii) with respect to the last fiscal month of a fiscal quarter only, a compliance certificate showing compliance by Natural American Foods, Inc. with the financial covenants set forth in the Securities Purchase Agreement, along with underlying calculations; (B) receive, within 120 days after the last day of each fiscal year of the Company, an audited consolidated and consolidating annual financial statement of the Company, including a balance sheet, statement of income and expense, statement of stockholders' equity and statement of cash flow for such year, prepared in accordance with GAAP and setting forth in each case, in comparative form, the figures for the previous fiscal year, all in reasonable detail and, in the case of the audited annual report, accompanied by the opinion as to going concern of an independent certified public accountant; and (C) attend quarterly meetings with the Company's management, with up to two such meetings per year in person, at each such Holder's expense. Any materials delivered or made available to such Holders pursuant to or as a result of this Section 11.2(c) shall be subject to the provisions of Section 8.14.

11.3 Company Funds. The Company may not commingle the Company's funds with the funds of any Member.

ARTICLE XII

TRANSFERS

12.1 Restrictions on Transfer of Units

(a) No Holder shall Transfer any interest in such Holder's Units without the prior written consent of the Board, except Transfers (i) to Permitted Transferees, (ii) in connection with a Sale of the Company or in connection with a Restructuring Transaction, (iii) to the Company in connection with the exercise of any repurchase right vested in the Company, respectively, or (iv) as a Co-Sale Rights Holder pursuant to Section 12.3. Notwithstanding the foregoing or anything to the contrary contained in this Agreement, if the Board determines that any Transfer of Units would have an adverse effect on the Company by causing the Company to become subject to the reporting requirements of the Exchange Act or to be treated as a publicly traded partnership within the meaning of Code §7704 and Treasury Regulation §1.7704-1, the Board may prohibit any such Transfer. The restrictions on the Transfer of Units set forth in this Section 12.1 shall continue with respect to each Unit until the consummation of an IPO.

(b) Any Transfer by any Holder of any Units or other interest in the Company in violation of this Agreement (including, without limitation, any Transfer in violation of Section 12.1 or the failure of the Transferee to execute a Joinder) or which would cause the Company to not be treated as a partnership for U.S. federal income tax purposes shall be void and ineffective and shall not bind or be recognized by the Company or any other party, and no such purported assignee shall have any right to vote on any matter or any right to any Profits, Losses or Distributions. No Holder shall pledge or otherwise encumber all or any portion of his, her or its interest in the Company without the prior written consent of the Board, which consent may be given or withheld in its sole and absolute discretion.

(c) No Holder shall avoid the restrictions on Transfer set forth in this Agreement by (i) making one or more transfers to one or more Permitted Transferees and then disposing of all or any portion of such Holder's interest in any such Permitted Transferee or (ii) making direct or indirect transfers of the equity interests of such Holder.

12.2 Sale of the Company; Third-Party Transaction.

(a) Subject to the terms of this Section 12.2(a), if Peak Rock approves a Sale of the Company (the "Approved Sale"), and Peak Rock invokes the provisions of this Section 12.2(a) by written notice to the Holders, the Holders shall vote for (to the extent permitted to vote thereon), consent to and raise no objections against such Approved Sale or the process by which such transaction was arranged. If the Approved Sale is structured as a (i) merger or consolidation, each Holder shall waive any dissenters' rights, appraisal rights or similar rights, if applicable, in connection with such merger or consolidation or (ii) sale of Units or other equity securities or interests, each Holder shall sell and surrender all or any applicable portion of such Holder's Units or other equity securities or interests and rights to acquire Units or

other equity securities or interests on the terms and conditions approved by Peak Rock. In addition (and without limiting the provisions of this Section 12.2), in the event of an Approved Sale, each Holder shall be entitled to include such Holder's Units in such Approved Sale provided that such Holder complies with all of the obligations applicable to Holders in connection with an Approved Sale under this Section 12.2. The Holders shall take all necessary or desirable actions in connection with the consummation of the Approved Sale, including, without limitation, executing a termination of all or any portion of this Agreement and executing a sale contract pursuant to which each Holder will: (1) severally (but not jointly), on a pro rata basis in accordance with Section 12.2(d) below, give the same indemnities as Peak Rock for representations and warranties regarding the Company and its assets, liabilities and business and for covenants of the Company (collectively, the "Company Indemnities") and (2) solely on behalf of such Holder, make such representations, warranties, covenants and give such indemnities concerning such Holder and the Units or other equity securities or interests (if any) to be sold by such Holder as may be also applicable to all other Holders and the Units to be sold by such other parties set forth in any agreement approved by Peak Rock; provided that: (A) the pro rata share of a Holder for any amounts payable in connection with any claim under the Company Indemnities by the purchaser(s) in such Approved Sale transaction (any such amount payable, an "Indemnity Loss") shall be determined in accordance with Section 12.2(d) below, and (B) if any Holder pays for more than such Holder's pro rata share as determined in accordance with Section 12.2(d) below of an Indemnity Loss (such amount, the "Loss Overpayment"), then each other Holder shall simultaneously contribute to such Holder making such Loss Overpayment an amount equal to such other Holder's allocable share (based upon such Holder's pro rata share as determined in accordance with Section 12.2(d) below of the Indemnity Loss) of such Loss Overpayment. Notwithstanding anything to the contrary contained herein, no Holder shall be required to agree to be liable for Indemnity Losses in an amount in the aggregate greater than the total consideration received by such Holder in connection with such Approved Sale.

(b) Partial Sale of the Company. In the event that an Approved Sale involves a sale of less than all of the Units, each Holder shall be required to sell his, her or its Units in such Approved Sale, subject to complying with the terms and conditions set forth in this Section 12.2(b). The number of each class of Units which shall be sold by each Holder participating in such Approved Sale and holding such class of Units shall be equal to the product of (i) the aggregate number of the applicable class of Units owned by such Holder multiplied by (ii) a fraction, the numerator of which is the aggregate number of such applicable class of Units being sold by Peak Rock in such sale and the denominator of which is the aggregate number of such applicable class of Units owned by Peak Rock at the time of such sale; provided that, in the event any Class B Units are to be included in such Approved Sale then the Units which shall be sold by each Holder participating in such Approved Sale shall be equal to a number of Units having a Fair Market Value equal to the product of (A) the Fair Market Value of the Units owned by such Holder multiplied by (B) a fraction, the numerator of which is the aggregate Fair Market Value of Units being sold by Peak Rock in such sale and the denominator of which is the aggregate Fair Market Value of Units owned by Peak Rock at the time of such sale.

(c) Conditions to Obligation. The obligation of the Holders to participate in an Approved Sale is subject to the satisfaction of the condition that, upon consummation of the Approved Sale, all Holders shall receive the proceeds from such sale in

accordance with the terms of Section 12.2(d) below, and if the Holders are given an option as to the form of consideration to be received, all Holder shall be given the same option subject to Section 12.2(d) below; provided that the condition that each Holder is provided with the same option to receive the same form of consideration as set forth above shall, in the case of any Holder who is also an employee of the Company or its Subsidiaries, be deemed satisfied even if such Holder elects to receive, to the exclusion of others, securities of the acquiring Person or any of its Affiliates or a mix of such securities and cash, so long as such Holder receives the same amount of value per applicable class of Unit, whether in cash or such securities, as the other holders of such class of Unit, as Peak Rock shall determine in good faith after review of all facts and circumstances it deems relevant, as of the closing of such Approved Sale.

(d) Distribution of Proceeds; Allocable Share of Indemnity Loss. In the event an Approved Sale occurs, each Holder shall receive in exchange for the Units held by such Holder an amount (such Holder's "Sale Proceeds Amount") equal to such amount that such Holder would have received in respect of such Holder's Units if the aggregate consideration (after satisfaction or assumption of all debts and liabilities) from such Approved Sale had been distributed by the Company in accordance with (including, without limitation, in the order of priority as set forth in) Section 5.1 (and, if less than all of the Units of the Company are included in such transaction, then the allocation of such aggregate net consideration shall be determined as if the Units included in such transaction were all of the Units of the Company then outstanding, and the Company distributed the aggregate consideration in accordance with Section 5.1 on that basis, and, for purposes of this Section 12.2(d), the terms of this Agreement shall be interpreted consistently with this assumption). The allocable share of each Holder of any Indemnity Loss shall be an amount equal to the amount by which such Holder's Sale Proceeds Amount would have been reduced had the aggregate consideration from such Approved Sale been distributed by the Company in accordance with the sentence immediately foregoing after deducting from such aggregate consideration the aggregate amount of such Indemnity Loss. Subject to the conditions set forth in this Section 12.2(d) with respect to such Holder's allocable share of any Indemnity Loss, each Holder shall take all necessary or desirable actions in connection with the distribution of the aggregate consideration from such Approved Sale as requested by Peak Rock.

(e) Allocation of Expenses. Each Holder shall bear such Holder's pro rata share (based upon the aggregate consideration received by each Holder in such Approved Sale) of the expenses incurred in connection with an Approved Sale to the extent such expenses are incurred for the benefit of all Holders and are not otherwise paid by the Company or the acquiring party. For purposes of this Section 12.2(e), expenses incurred in exercising reasonable efforts to take all necessary actions in connection with the consummation of the Approved Sale shall be deemed to be for the benefit of all Holders. Expenses incurred by any Holder on such Holder's own behalf shall not be considered expenses of the transaction and shall be the responsibility of such Holder.

(f) Termination. The provisions of this Section 12.2 shall terminate upon the consummation of an IPO.

12.3 Co-Sale Rights.

(a) Subject to Section 12.3(c), prior to making any Transfer of Class A Units representing in excess of 20% of the Class A Units (taking into account all previous Transfers of Class A Units by the applicable Selling Investor but excluding any Class A Units Transferred in an Excluded Transfer (as defined below)), any holder of Class A Units proposing to make such a Transfer (a "Selling Investor") shall give prior written notice at least fifteen (15) days prior to the date of such proposed Transfer to each holder of Class A Units (collectively, the "Co-Sale Rights Holders") and the Company, which notice (the "Sale Notice") shall identify the number of Class A Units proposed to be sold (the "Offered Units") and the aggregate purchase price proposed to be paid by the transferee for such Offered Units, describe the material terms and conditions of such proposed Transfer and set forth the Maximum Number for such Co-Sale Rights Holder (based on the formula set forth below). Any Co-Sale Rights Holder may, within ten (10) days of delivery of the Sale Notice, give written notice (each, a "Co-Sale Notice") to the Selling Investor that such Co-Sale Rights Holder wishes to participate in such proposed Transfer upon the terms and conditions set forth in the Sale Notice, which Co-Sale Notice shall specify the aggregate number of Class A Units such Co-Sale Rights Holder desires to include in such proposed Transfer up to the Maximum Number; provided, however, that, as a condition to being permitted to sell Class A Units pursuant to this Section 12.3(a) in connection with a Transfer of Offered Units, each Co-Sale Rights Holder must agree to make to the transferee the same representations, warranties, covenants, indemnities and agreements as the Selling Investor agrees to make in connection with the Transfer of the Offered Units (except that, in the case of representations and warranties pertaining specifically to, or covenants made specifically by, the Selling Investor, the Co-Sale Rights Holder shall make comparable representations and warranties pertaining specifically to (and, as applicable, covenants by) such Co-Sale Rights Holder), and must agree to bear his, her or its ratable share (which may be joint and several but shall be based on, and limited to, the value of Class A Units that are Transferred by each such holder of Class A Units) of all liabilities to the Transferees arising out of representations, warranties and covenants (other than those representations, warranties and covenants that pertain specifically to a given holder of Class A Units, who shall bear all of the liability related thereto), indemnities or other agreements made in connection with the Transfer. Each Transferring holder of Class A Units pursuant to this Section 12.3(a) will bear (x) his, her or its own costs of any sale of Class A Units pursuant to this Section 12.3(a) and (y) his, her or its pro rata share (based upon the relative amount of proceeds received for the Class A Units sold) of the costs of any sale of Class A Units pursuant to this Section 12.3(a) to the extent such costs are incurred for the benefit of all Holders and are not otherwise paid by the Transferee. The maximum number of Class A Units which may be sold by each Co-Sale Rights Holder in any such Transfer (such Co-Sale Rights Holder's "Maximum Number") shall be determined by multiplying (i) the quotient determined by dividing the number of Class A Units held by such Co-Sale Rights Holder by the aggregate number of Class A Units of the Company by (ii) the number of Offered Units. Any of the participating Co-Sale Rights Holders may elect to sell in any Transfer contemplated under this Section 12.3(a) a lesser number of Class A Units than such participating Co-Sale Rights Holder's Maximum Number, in which case the Selling Investor shall have the right to sell an additional number of Class A Units in such Transfer equal to the number that such participating Co-Sale Rights Holder has elected not to sell.

(b) If no Co-Sale Rights Holder gives the Selling Investor a timely Co-Sale Notice with respect to the Transfer proposed in the Sale Notice, then (notwithstanding the first sentence of Section 12.3(a)) the Selling Investor may Transfer such Offered Units at a

price not more than, and on other terms and conditions not substantially more favorable to the prospective Transferee(s) than, as set forth in the Sale Notice at any time within 180 days after expiration of the ten-day period for giving Co-Sale Notices with respect to such Transfer. Any such Offered Units not Transferred by the Selling Investor during such 180-day period will again be subject to the provisions of Section 12.3(a) upon subsequent Transfer. If one or more Co-Sale Rights Holders give the Selling Investor a timely Co-Sale Notice, then the Selling Investor shall use its reasonable efforts to obtain the agreement of the prospective Transferee(s) to the participation of the Co-Sale Rights Holders in any contemplated Transfer, at a price not more than, and on other terms and conditions not substantially more favorable to the prospective Transferee(s) than, as are applicable to the Offered Units, and no Selling Investor shall transfer any of its Class A Units to any prospective Transferee if such prospective Transferee(s) declines to allow the participation of the Co-Sale Rights Holders unless the Selling Investor agrees to purchase, contemporaneously with the closing of the contemplated Transfer, the number of Class A Units from the Co-Sale Rights Holders which such Co-Sale Rights Holders would have been entitled to sell under this Section 12.3(b) and which the prospective Transferee(s) have not agreed to purchase from such Co-Sale Rights Holder, on the terms set forth in this Section 12.3(b).

(c) Excluded Transfers. The rights and restrictions contained in this Section 12.3 shall not apply with respect to any Transfers of Units (i) pursuant to Section 12.1(a)(i)-(iv) hereof; (ii) by Peak Rock or its Permitted Transferees in a Public Sale; or (iii) to and among the members or partners of Peak Rock or its Permitted Transferees and the members, partners, stockholders and employees of such partners (collectively, "Excluded Transfers").

(d) No Class A Units that have been transferred by the Selling Investor or a Co-Sale Rights Holder in a Transfer subject to the provisions of this Section 12.3 shall be subject again to the restrictions set forth in Section 12.3.

12.4 Effect of Assignment.

(a) Any Member who shall assign any Units or other interest in the Company (any such Member, an "Assignor") shall cease to be a Member of the Company with respect to such Units or other interest and shall no longer have any rights or privileges of a Member with respect to such Units or other interest, including the power and right to vote (in proportion to the extent of the interest Transferred) on any matter submitted to the Members, and, for voting purposes, such interest shall not be counted as outstanding (in proportion to the extent of the interest Transferred) unless and until the transferee is admitted as a Member in accordance with Section 12.6.

(b) Subject to the terms of this Section 12.4, any Person who acquires in any manner whatsoever any Units or other interest in the Company (any such Person, an "Assignee"), irrespective of whether such Person has accepted and adopted in writing the terms and provisions of this Agreement, shall be deemed by the acceptance of the benefits of the acquisition thereof to have agreed to be subject to and bound by all of the terms, conditions and obligations (but none of the rights or benefits) of this Agreement that any transferor of such Units or other interest in the Company of such Person was subject to or by which such transferor was bound.

(c) A Transfer by a Member or other Holder shall not itself dissolve the Company or entitle the Assignee to become a Member or exercise any rights of a Member. An Assignee that is not admitted as a Member pursuant to Section 12.6 shall be entitled only to the Economic Interest with respect to the Units held thereby and shall have no other rights with respect to the interest Transferred. If an Assignee becomes a Member in accordance with Section 12.6, the voting and other rights associated with the interest held by the Assignee shall be restored and thereafter be held by such newly admitted Member, along with all other rights attendant to the interest Transferred.

12.5 Deliveries for Transfer.

(a) In connection with the Transfer of any Units, the Holder of such Units shall deliver written notice to the Company describing in reasonable detail the Transfer or proposed Transfer. In addition, in the case of any Certificated Units (as defined below), if the Holder of such Units delivers to the Company an opinion of counsel reasonably acceptable to the Company that such Transfer and any subsequent Transfer of such Units will not require registration under the Securities Act, the Company shall promptly upon such contemplated Transfer deliver new certificates or instruments, as the case may be, for such Units which do not bear the restrictive legend relating to the Securities Act as set forth below. If the Company is not required to deliver new certificates or instruments, as the case may be, for such Units not bearing such legend, the Holder of such Units shall not Transfer the same until the prospective transferee has confirmed to the Company in writing its agreement to be bound by the conditions contained in this Section 12.5.

(b) Notwithstanding any other provisions of this Article XII, no Transfer of Units or any other interest in the Company may be made unless, in the opinion of counsel (who may but need not be counsel for the Company), satisfactory in form and substance to the Board (which opinion may be waived, in whole or in part, at the discretion of the Board), such Transfer would not violate any federal securities laws or any state or provincial securities or "blue sky" laws (including any investor suitability standards) applicable to the Company or the interest to be transferred, or cause the Company to be required to register as an "Investment Company" under the U.S. Investment Company Act of 1940, as amended. Such opinion of counsel shall be delivered in writing to the Company prior to the date of the Transfer.

(c) In addition to the foregoing, a Transfer shall be valid hereunder only if: (i) the Transferring Holder and the Assignee each execute and deliver to the Company such documents and instruments of conveyance as may be reasonably requested by the Board (including, without limitation, a Joinder) to effect such Transfer and to confirm the agreement of the Assignee to be bound by the provisions of this Agreement; and (ii) the Transferring Holder and the Assignee provide to the Board the Assignee's taxpayer identification number and any other information reasonably necessary to permit the Company to file all required federal, state and local tax returns and other legally required information statements or returns.

(d) Upon any Transfer to an Assignee in accordance with the foregoing, the Board or an authorized officer of the Company shall amend Schedule A without the further vote, act or consent of any other Person to reflect the status of such Assignee as a non-Member Holder.

12.6 Admission of Assignee as Member. Subject to the other provisions of this Article XII, an Assignee may be admitted to the Company as a Member only if: (x) the Board gives prior written consent regarding the admission (which consent may be given or withheld at the Board's sole discretion), provided that the Board shall automatically be deemed to have consented to the admission of any Permitted Transferee; and (y) the Assignee becomes a party to this Agreement as a Member by executing a Joinder and executing such other documents and instruments as the Board may reasonably request as necessary or appropriate to confirm such Assignee as a Member in the Company and such Assignee's agreement to be bound by the terms and conditions of this Agreement. Upon admission as a Member, the Assignee shall, to the extent assigned, have the rights and powers, and be subject to the restrictions and liabilities, of a Member under the Act and this Agreement, and shall further be liable for any obligations of the Transferring Member to make future capital contributions (if any). Upon the admission of an Assignee as a Member, the Board or an authorized officer of the Company shall amend Schedule A without the further vote, act or consent of any other Person to reflect the change in status of such Assignee from a non-Member Holder to a Member.

12.7 Effect of Admission of Member on Assignor and Company. Notwithstanding the admission of an Assignee as a Member and except as otherwise expressly approved by the Board, the Assignor shall not be released from any obligations to the Company existing as of the date of the Transfer (other than obligations of the Assignor to make future capital contributions, if any), including without limitation those obligations set forth in Sections 5.1, 8.14 and 15.11, but, if such Assignor has not already ceased to be a Member pursuant to Section 12.4(a), such admission shall cause an Assignor that is a Member to cease to be a Member with respect to the interest Transferred when the Assignee becomes a Member.

12.8 Distributions and Allocations Regarding Transferred Units. Upon any Transfer during any Fiscal Year of the Company made in compliance with the provisions of this Article XII, Profits, Losses, each item thereof and all other items attributable to such interest for such Fiscal Year shall be divided and allocated between the Assignor and the Assignee by taking into account their varying interests during such Fiscal Year, using any conventions permitted by law and selected by the Board. All Distributions on or before the date of such Transfer shall be made to the Assignor, and all Distributions thereafter shall be made to the Assignee. Solely for purposes of making such allocations and Distributions, the Company shall recognize such Transfer not later than the end of the calendar month during which it is given notice of such Transfer; provided that, if the Company is given notice of a Transfer at least 10 business days prior to the Transfer, the Company shall recognize such Transfer as the date of such Transfer, and provided further that, if the Company does not receive a notice stating the date such interest was Transferred and such other information as the Board may reasonably require within 30 days after the end of the Fiscal Year during which the Transfer occurs, then all such items shall be allocated, and all Distributions shall be made, to the Holder that, according to the books and records of the Company, was the owner of the interest on the last day of the Fiscal Year during which the Transfer occurs. Neither the Company nor the Board shall incur any liability for making allocations and Distributions in accordance with the provisions of this Section 12.8, whether or not the Company or the Board has knowledge of any Transfer of any interest.

12.9 Legend. If certificates representing the Units or other interests in the Company are issued ("Certificated Units"), such certificates will bear the following legend:

"THE UNITS OR OTHER INTERESTS REPRESENTED BY THIS CERTIFICATE WERE ORIGINALLY ISSUED ON _____, HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS ("STATE ACTS") AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR STATE ACTS OR AN EXEMPTION FROM REGISTRATION THEREUNDER. THE TRANSFER OF THE UNITS REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO THE CONDITIONS SPECIFIED IN A LIMITED LIABILITY COMPANY AGREEMENT, DATED AS OF DECEMBER 31, 2013, AS IT MAY BE AMENDED FROM TIME TO TIME, GOVERNING THE ISSUER (THE "COMPANY") AND BY AND AMONG CERTAIN MEMBERS. A COPY OF SUCH AGREEMENT SHALL BE FURNISHED BY THE COMPANY TO THE HOLDER HEREOF UPON WRITTEN REQUEST AND WITHOUT CHARGE."

12.10 Transfer Fees and Expenses. The Assignee and Assignor of any Units or other interest in the Company shall be jointly and severally obligated to reimburse the Company for all reasonable expenses (including attorneys' fees and expenses) of any Transfer or proposed Transfer, whether or not consummated.

ARTICLE XIII

DISSOLUTION, LIQUIDATION AND TERMINATION

13.1 Dissolution. The Company shall be dissolved and its affairs shall be wound up upon the first to occur of the following:

(a) a majority vote or written consent of all of the Peak Rock Managers;

(b) the vote or written consent of the Members holding a majority of the Units entitled to vote; or

(c) the entry of a decree of judicial dissolution of the Company under Section 18-802 of the Act.

The death, retirement, resignation, expulsion, withdrawal, bankruptcy or dissolution of any Member shall not cause a dissolution of the Company and thereafter the Company shall continue its existence.

13.2 Liquidation and Termination. On dissolution of the Company, the Members holding a majority of the Units entitled to vote shall appoint a Member or Members to act as liquidator(s). The liquidator(s) shall proceed diligently to wind up the affairs of the Company and make final Distributions as provided herein and in the Act. The costs of liquidation shall be borne as a Company expense. Until all final Distributions are made, the liquidator(s) shall continue to operate the Company properties with all of the power and authority of the Members. The steps to be accomplished by the liquidator(s) are as follows:

(a) as promptly as possible after dissolution and again after final liquidation, the liquidator(s) shall cause a proper accounting to be made, by an accounting firm chosen by the liquidator(s), of the Company's assets, liabilities and operations through the last day of the calendar month in which the dissolution occurs or the final liquidation is completed, as applicable;

(b) the liquidator(s) shall cause the notice described in the Act to be mailed to each known creditor of and claimant against the Company in the manner described thereunder;

(c) the liquidator(s) shall pay, satisfy or discharge from Company funds all of the debts, liabilities and obligations of the Company (including, without limitation, all expenses incurred in liquidation) or otherwise make adequate provision for payment and discharge thereof (including, without limitation, the establishment of a cash fund for contingent liabilities in such amount and for such term as the liquidator(s) may reasonably determine); and

(d) all remaining assets of the Company shall be sold and the proceeds therefrom shall be distributed to the Holders in accordance with Section 5.1 by the end of the taxable year of the Company during which the liquidation of the Company occurs (or, if later, 90 days after the date of the liquidation).

All Distributions to the Holders under this Section 13.2 shall be made in cash and/or securities, and such Distribution of cash and/or securities to a Holder in accordance with the provisions of this Section 13.2 shall constitute a complete return to the Holder of its Capital Contributions and a complete Distribution to the Holder of its interest in the Company and all of the Company's property and constitutes a compromise to which all Members have consented within the meaning of the Act. To the extent that a Holder returns funds to the Company, it has no claim against any other Holder for those funds.

13.3 Cancellation of Certificate. On completion of the liquidating distribution of Company assets as provided above, the Company shall be deemed to have terminated and the Members (or such other Person or Persons as the Act may require or permit) shall file a certificate of cancellation with the Secretary of the State of Delaware, cancel any other filings made pursuant to Section 2.5 and take such other actions as may be necessary to terminate the Company.

ARTICLE XIV

RESTRUCTURING TRANSACTION; IPO; REGISTRATION

14.1 Incorporation; IPO. Upon the approval of the Board of a plan to incorporate or otherwise restructure the Company (the "Incorporation Plan"), each Holder shall transfer such Holder's Units to, or authorizes the Board to take such actions as are necessary to convert the Company into, a corporation, limited liability company, limited partnership or other entity specifically formed for such purpose (the "New Entity") as a result of which each Holder shall receive shares of the capital stock or other equity interests of the New Entity in exchange for such Holder's Units in a transaction intended to qualify under Section 351 of the Code or Section

721 of the Code (the "Restructuring Transaction"). Alternatively, upon the approval of the Board of a plan to consummate an underwritten initial public offering of equity securities of any Company Entity under the Securities Act (the "IPO Liquidation Plan"), the Board may cause the dissolution of the Company and any of its Subsidiaries (the "IPO Liquidation Transaction") as a result of which each Holder shall receive shares of the capital stock of the applicable Company Entity in exchange for such Holder's Units in a transaction intended to be treated as a distribution by the Company of the shares of such Company Entity to the Holders for purposes of Section 731 of the Code. The capital stock or other equity interests of the New Entity (or any Company Entity, as applicable) received in exchange for each Holder's Units shall preserve the relative rights and preferences of the Units as set forth in this Agreement and any vesting provisions applicable to any particular Holder's Units (unless otherwise determined by the Board); provided that, in the case of a Restructuring Transaction effected in order to facilitate a potential IPO or a IPO Liquidation Transaction, each Holder's Units shall be exchanged for one class of common stock or other common securities of the New Entity or a Company Entity (in each case, the "New Common") as follows: each Holder of Units shall receive a number of shares of New Common equal to the quotient of (i) the amount such Holder would have received in respect of such Holder's Units in a complete liquidation of the Company at the time of the IPO in accordance with Section 13.2 hereof, at the valuation accorded to the Company or such other Company Entity in such IPO, divided by (ii) the price per share at which the New Common is being offered to the public in the IPO (in the case of each of subsection (i) and (ii), net of underwriting discounts and commissions); provided that, if the Incorporation Plan (or IPO Liquidation Plan, as applicable) is consummated in advance of or in preparation for a proposed IPO and the price at which the New Common is being offered to the public is not yet known, the Board may select an estimated price to the public in good faith, in which case the number of shares of New Common issued to any Holder shall be adjusted following final determination of the price to the public in the IPO. Each Holder shall take all necessary and desirable actions in connection with the consummation of the Restructuring Transaction or IPO Liquidation Transaction as determined by the Board. The Company shall pay any and all organizational, legal and accounting expenses and filing fees incurred in connection with the Restructuring Transaction or IPO Liquidation Transaction (including, without limitation, any fees related to a filing under the Hart-Scott-Rodino Anti-Trust Improvements Act of 1976, as amended). The New Entity shall issue its capital stock or other equity interests in the Restructuring Transaction or the applicable Company Entity shall issue its capital stock in the IPO Liquidation Transaction, as applicable, in accordance with the Incorporation Plan or IPO Liquidation Plan, which shall specify the class(es) of capital stock or other equity interests for which the Units shall be exchanged and which shall attach as an exhibit the form of organizational document which shall set forth the rights and privileges of such class(es) of capital stock or other equity interests. In addition, unless the Restructuring Transaction is effected in order to facilitate a potential IPO, the Incorporation Plan shall attach as exhibits such other documents and agreements as shall be necessary to confer the rights, privileges, preferences and obligations conferred on the Holders of Units in this Agreement on the holders of such class(es) or series of capital stock or other equity interests which shall be issued in exchange for such Units.

14.2 Holdback. In connection with an IPO, the Holders shall enter into any holdback, lockup or similar agreement requested by the underwriters managing such IPO.

14.3 Piggyback Registration Rights. Following an IPO, the Holders shall be entitled to piggyback registration rights in connection with any registration of the securities of the New Entity under the Securities Act in which the registration form to be used may be used for the registration of the securities held by the Holders. Such piggyback registration rights shall be subject to customary limitations, cutback provisions and other market terms and conditions.

ARTICLE XV

GENERAL PROVISIONS

15.1 Offset. Whenever the Company is to pay any sum to any Member or other Holder of Units, any amounts that such Member or other Holder owes to the Company may be deducted from that sum before payment.

15.2 Power of Attorney.

(a) Each Holder hereby constitutes and appoints the Board and the liquidators, with full power of substitution, as his, her or its true and lawful agent and attorney-in-fact, with full power and authority in his, her or its name, place and stead, to execute, swear to, acknowledge, deliver, file and record in the appropriate public offices (A) this Agreement, all certificates and other instruments and all amendments thereof in accordance with the terms hereof which the Board deems appropriate or necessary to form, qualify, or continue the qualification of, the Company as a limited liability company in the State of Delaware and in all other jurisdictions in which the Company may conduct business or own property; (B) all instruments which the Board deems appropriate or necessary to reflect any amendment, change, modification or restatement of this Agreement in accordance with its terms; (C) all conveyances and other instruments or documents which the Board and/or the liquidators deems appropriate or necessary to reflect the dissolution and liquidation of the Company pursuant to the terms of this Agreement, including a certificate of cancellation; and (D) all instruments relating to the admission, withdrawal or substitution of any Holder pursuant to Sections 3.5(a), 8.15 or 12.6. The foregoing power of attorney is irrevocable and coupled with an interest, and shall survive the death, disability, incapacity, dissolution, bankruptcy, insolvency or termination of any Holder and the Transfer of all or any portion of his, her or its Units and shall extend to such Holder's heirs, successors, assigns and personal representatives.

(b) In addition, in order to secure the obligations of each Holder who now or hereafter holds any voting securities in the Company to vote such Person's Units that are voting Units and any other voting securities of the Company over which such Person has voting control in accordance with the provisions of Section 6.2(b) and Section 12.2, each Holder hereby irrevocably appoints Peak Rock as such Holder's true and lawful proxies and attorneys-in-fact, with full power of substitution, to vote all of such Holder's Units that are voting Units and any other voting securities of the Company over which such Person has voting control for: (i) a Sale of the Company and all such other matters as expressly provided for in Section 12.2, and (ii) the election and/or removal of Managers and all such other matters as expressly provided for in Section 6.2(b). Peak Rock may exercise the irrevocable proxy granted to it hereunder by any Holder at any time any such Holder fails to comply with the provisions of this Agreement. The proxies and powers granted by each such Holder pursuant to this Section 15.2(b) are coupled

with an interest and are given to secure the performance of such Holder's obligations under the provisions of Section 6.2 (b) and Section 12.2. Such proxies and powers shall be irrevocable until termination of Section 6.2(b) and Section 12.2 and shall survive the death, incompetency, disability, bankruptcy or dissolution of each Holder and the subsequent holder(s) of such Holder's Units. No Holder shall grant any proxy or become party to any voting trust or other agreement which is inconsistent with, conflicts with, or violates any provision of this Agreement.

15.3 Notices. Except as expressly set forth to the contrary in this Agreement, all notices, requests or consents provided for or permitted to be given under this Agreement must be in writing and must be given either by depositing that writing in the United States mail, addressed to the recipient, postage paid, and registered or certified with return receipt requested or by delivering that writing to the recipient in person, by reputable overnight courier, or by facsimile transmission; and a notice, request, or consent given under this Agreement is effective upon receipt by the Person to whom it was sent. All notices, requests and consents to be sent to a Member must be sent to or made at the address given for that Member on Schedule A attached hereto, or such other address as that Member may specify by notice to the other Members and the Company. Any notice, request or consent to the Company or the Board must be given to the Company or the Board at the following address:

Natural American Foods Holdings, LLC
10464 Bryan Highway
Onsted, Michigan 49265
Attention: Chief Executive Officer

with copies to:

Peak Rock Capital
13413 Galleria Circle
Suite Q-300
Austin, TX 78738
Attention: Robert Strauss
Facsimile: 512-765-6530

and

Kirkland & Ellis LLP
300 North LaSalle
Chicago, IL 60654
Attention: Michael D. Paley, P.C.
Tana M. Ryan
Facsimile: (312) 862-2200

Whenever any notice is required to be given by law, the Certificate or this Agreement, a written waiver thereof, signed by the Person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

15.4 Entire Agreement. This Agreement and each Member's respective purchase agreement and/or grant agreement, if any, constitute the entire agreement of the Members and their Affiliates relating to the Company and supersede all prior contracts or agreements with respect to the Company, whether oral or written.

15.5 Effect of Waiver or Consent. A waiver or consent, express or implied, to or of any breach or default by any Person in the performance by that Person of its obligations with respect to the Company is not a consent or waiver to or of any other breach or default in the performance by that Person of the same or any other obligations of that Person with respect to the Company. Failure on the part of a Person to complain of any act of any Person or to declare any Person in default with respect to the Company, irrespective of how long that failure continues, does not constitute a waiver by that Person of its rights with respect to that default until the applicable statute-of-limitations period has run.

15.6 Amendment, Modification or Waiver. Except as otherwise expressly provided herein, this Agreement may be amended, modified or waived from time to time only by a written instrument adopted by the Board and executed and agreed to by the Members holding a majority of the Units entitled to vote, provided that: (A) an amendment, modification or waiver requiring additional capital contributions from any Member shall be effective only with that Member's written consent; (B) an amendment or modification that would affect any class of Units in a manner materially adverse as compared to to any other class of Units or materially adverse solely to such class of Units, shall be effective against the Holders of that class of Units so materially adversely affected only with the prior written consent of the Holders of at least a majority of such class of Units (it being understood and agreed that a change in the number of Units available for issuance shall not materially adversely affect the Holders of any other Units and therefore shall not require a separate vote of the holders of any class or group of Units) and (C) any amendment, modification or deletion of Sections 3.7, 11.2(c), 12.3 or 14.3 (or any of the defined terms referenced therein) in a manner adverse to any Holder or Holder(s) shall not be effective against such Holder(s) unless consented to in writing by the Holder(s) holding a majority of the Units so adversely affected; provided, further, that the Board may amend and modify the provisions of this Agreement and Schedule A from time to time to the extent necessary to reflect (I) the issuance of new Units or other interests in the Company, (II) the admission of new Members and substituted Members or (III) the cancellation or repurchase of Class B Units or other Units which have been issued subject to vesting or similar arrangements, in each case in compliance with the terms of this Agreement.

15.7 Binding Effect. Subject to the restrictions on Transfers set forth in this Agreement, this Agreement is binding on and shall inure to the benefit of the Members and their respective heirs, legal representatives, successors and assigns.

15.8 Governing Law; Severability. The limited liability company law of the State of Delaware shall govern all issues and questions concerning the relative rights of the Company and its Members. All other issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement shall also be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice of law or conflict of law, rules or provisions (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware. If any

provision of this Agreement or the application thereof to any Person or circumstance is held invalid or unenforceable to any extent, the remainder of this Agreement and the application of that provision to other Persons or circumstances is not affected thereby and that provision shall be enforced to the greatest extent permitted by law.

15.9 Further Assurances. In connection with this Agreement and the transactions contemplated hereby, each Member shall execute and deliver any additional documents and instruments and perform any additional acts that may be necessary or appropriate to effectuate and perform the provisions of this Agreement and the transactions contemplated hereby.

15.10 Waiver of Certain Rights. Each Holder irrevocably waives any right such Holder may have to (a) demand any Distributions or withdrawal of property from the Company (whether upon resignation, withdrawal or otherwise) or (b) maintain any action for dissolution of the Company or for partition of the property of the Company (including under Section 18-604 of the Act), except upon dissolution of the Company pursuant to Article XIII hereof. In addition, the assets and liabilities of the Company shall not be separated or segmented pursuant to the provisions of Section 18-215 of the Act.

15.11 Indemnification and Reimbursement for Certain Payments. If the Company is obligated under applicable law to pay any amount to a governmental agency because of the status of a Holder as a Holder of the Company or for federal or state withholding taxes on payments made to a Holder or on income allocated to a Holder, including but not limited to personal property replacement taxes and personal property taxes, then such Holder (the "Indemnifying Person") shall indemnify the Company in full for the entire amount paid (including, without limitation, any interest, penalties and expenses associated with such payments). A Holder's obligations to comply with the requirements of this Section 15.11 shall survive such Holder's ceasing to be a Holder of the Company and/or the termination, dissolution, liquidation and winding up of the Company, and, for purposes of this Section 15.11, the Company shall be treated as continuing in existence. The amount to be indemnified shall be charged against the Capital Account of the Indemnifying Person, and, at the option of the Board, either:

(a) promptly upon notification of an obligation to indemnify the Company, the Indemnifying Person shall make a cash payment to the Company equal to the full amount to be indemnified (and the amount paid shall be added to the Indemnifying Person's Capital Account but shall not be treated as a Capital Contribution), or

(b) the Company shall, at its option, reduce Distributions which would otherwise be made to the Indemnifying Person, until the Company has recovered the amount to be indemnified (and, notwithstanding Section 4.1, the amount withheld shall not be treated as a Capital Contribution).

15.12 Notice to Members of Provisions. By executing this Agreement, each Member acknowledges that he, she or it it has actual notice of (a) all of the provisions hereof (including, without limitation, the restrictions on transfer set forth in Article XII) and (b) all of the provisions of the Certificate.

15.13 Fair Market Value. The "Fair Market Value" of any assets or Units to be valued under this Agreement shall be determined in accordance with this Section 15.13. The Fair Market Value of any asset constituting cash or cash equivalents shall be equal to the amount of such cash or cash equivalents. The Fair Market Value of any asset constituting publicly traded securities shall be the average, over a period of 21 days consisting of the date of valuation and the 20 consecutive business days prior to that date, of the closing prices of the sales of such securities on the primary securities exchange on which such securities may at that time be listed, or, if there have been no sales on such exchange on any day, the average of the highest bid and lowest asked prices on such exchanges at the end of such day, or, if on any day such securities are not so listed, the average of the representative bid and asked prices quoted in the Nasdaq System as of 4:00 P.M., New York time, or, if on any day such securities are not quoted in the Nasdaq System, the average of the highest bid and lowest asked prices on such day in the domestic over the counter market as reported by the National Quotation Bureau Incorporated, or any similar successor organization. The Fair Market Value of any assets other than cash, cash equivalents, or publicly traded securities shall be the fair value of such assets, as determined in good faith by the Board (or, if pursuant to Section 13.2, the liquidators), which determination shall take into account any factors that they deem relevant, including, without limitation, the application of the priority of distributions described in Section 5.1 hereof.

15.14 Counterparts. This Agreement may be executed in multiple counterparts with the same effect as if all signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

15.15 Consent to Jurisdiction and Service of Process. The parties hereto hereby consent to the jurisdiction of any state or federal court located within the area encompassed by the State of Delaware and irrevocably agree that all actions or proceedings arising out of or relating to this Agreement shall be litigated exclusively in such courts. The parties hereto each accepts for itself and in connection with its respective properties, generally and unconditionally, the exclusive jurisdiction and venue of the aforesaid courts and waives any defense of forum non conveniens, and irrevocably agrees to be bound by any final, nonappealable judgment rendered thereby in connection with this Agreement.

15.16 Waiver of Jury Trial. The Holders waive their respective rights to a jury trial of any claim or cause of action based upon or arising out of this Agreement or any dealings between them relating to the subject matter of this Agreement and the relationship that is being established. The Holders also waive any bond or surety or security upon such bond which might, but for this waiver, be required of any of the other parties. The scope of this waiver is intended to be all-encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this Agreement, including, without limitation, contract claims, tort claims, breach of duty claims, and all other common law and statutory claims. The Holders acknowledge that this waiver is a material inducement to enter into a business relationship, that each has already relied on the waiver in entering into this Agreement and that each will continue to rely on the waiver in their related future dealings. The Holders further warrant and represent that each has reviewed this waiver with his, her or its legal counsel, and that each knowingly and voluntarily waives his, her or its jury trial rights following consultation with legal counsel. This waiver is irrevocable, meaning that it may not be modified either orally or in writing, and the waiver shall apply to any subsequent amendments, renewals, supplements or modifications to

this Agreement or to any other documents or agreements relating to the transaction completed hereby. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

15.17 Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Company or any of its Affiliates, and no creditor who makes a loan to the Company or any of its Affiliates may have or acquire (except pursuant to the terms of a separate agreement executed by the Company in favor of such creditor) at any time as a result of making the loan any direct or indirect interest in Distributions, capital or property other than as a secured creditor.

15.18 Title to Company Assets. The Company assets shall be deemed to be owned by the Company as an entity, and no Holder, individually or collectively, shall have any ownership interest in such Company assets or any portion thereof. Legal title to any or all Company assets may be held in the name of the Company, the Board or one or more nominees, as the Board may determine. The Board hereby declares and warrants that any Company assets for which legal title is held in its name or the name of any nominee shall be held in trust by the Board or such nominee for the use and benefit of the Company in accordance with the provisions of this Agreement. All Company assets shall be recorded as the property of the Company on its books and records, irrespective of the name in which legal title to such Company assets is held.

15.19 Parties in Interest. Except as expressly provided in the Act, nothing in this Agreement shall confer any rights or remedies under or by reason of this Agreement on any Persons other than the Holders, the Managers and their respective successors and assigns nor shall anything in this Agreement relieve or discharge the obligation or liability of any other Person to any party to this Agreement, nor shall any provision give any other Person any right of subrogation or action over or against any party to this Agreement.

15.20 Adjustment of Numbers. Subject to Section 15.6, all numbers set forth herein that refer to unit prices or amounts shall be appropriately adjusted by the Board in good faith to reflect Unit splits, Unit dividends, combinations of Units and other recapitalizations affecting the subject class of equity.

* * * * * * * *

IN WITNESS WHEREOF, the Members have executed this Limited Liability Company Agreement as of the date first set forth above.

MEMBERS:

HC Capital Holdings 1220A, LLC

By: _____
Name:
Title:

SCHEDULE A

As of December 31, 2013

Member/Address	Class A Units	Class A Unit Capital Contribution	Class B Units and Participation Threshold
HC Capital Holdings 1220A, LLC Peak Rock Capital 13413 Galleria Circle Suite Q-300 Austin, TX 78738 Attention: Robert Strauss Facsimile: 512-765-6530	10,000,000	$10,000,000	N/A

SCHEDULE B

JOINDER TO LIMITED LIABILITY COMPANY AGREEMENT

This Joinder (this "Agreement") is made as of the date written below by the undersigned (the "Joining Party") in favor of and for the benefit of Natural American Foods Holdings, LLC, a Delaware limited liability company, and the other parties to the Limited Liability Company Agreement, dated as of December 31, 2013 (as may be amended, the "LLC Agreement"). Capitalized terms used but not defined herein shall have the meanings given such terms in the LLC Agreement.

The Joining Party hereby acknowledges, agrees and confirms that, by his, her or its execution of this Joinder, the Joining Party will be deemed to be a party to the LLC Agreement and shall have all of the obligations under the LLC Agreement as a Member as if he, she or it had executed the LLC Agreement. The Joining Party hereby ratifies, as of the date hereof, and agrees to be bound by, all of the terms, provisions and conditions contained in the LLC Agreement.

The Joining Party acknowledges that all expectations and future projections contained in any presentation or other materials provided to the Joining Party are estimates and for illustrative purposes only. No guarantee can be given that future projections can or will be attained.

IN WITNESS WHEREOF, the undersigned has executed this Joinder as of the date written below.

Date: _____ _____

[NAME]

SCHEDULE C

Anthony DiSimone[1]
Rolf Richter
Robert Strauss[2]

[1] VCOC Manager appointed by the Fund A VCOC.

[2] VCOC Manager appointed by the Main VCOC.

[NATURAL AMERICAN FOODS HOLDINGS, LLC]

A Delaware Limited Liability Company

LIMITED LIABILITY COMPANY AGREEMENT

Dated as of [_____]December 31, 2013

THE UNITS AND OTHER INTERESTS REPRESENTED BY THIS LIMITED LIABILITY COMPANY AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS. SUCH INTERESTS MAY NOT BE SOLD, ASSIGNED, PLEDGED OR OTHERWISE DISPOSED OF AT ANY TIME WITHOUT EFFECTIVE REGISTRATION UNDER SUCH ACT AND LAWS OR EXEMPTION THEREFROM, AND COMPLIANCE WITH THE OTHER RESTRICTIONS ON TRANSFERABILITY SET FORTH HEREIN.

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LIMITED LIABILITY COMPANY AGREEMENT
OF
[NATURAL AMERICAN FOODS HOLDINGS, LLC]

A Delaware Limited Liability Company

This Limited Liability Company Agreement (this "Agreement") of [**Natural American Foods** Holdings, LLC], a Delaware limited liability company (the "Company"), dated and effective as of [_____]**December 31, 2013** (the "Effective Date"), is adopted and entered into by and among the Initial Member~~s~~ identified on Schedule A attached hereto. Capitalized terms used but not otherwise defined herein shall have the meanings accorded to them in Section 1.1 hereof.

WHEREAS, on the Effective Date, **(i)** certain of the Initial Members contributed [_____] to the Company**DIP Facility Claims and Senior Loan Claims (each as defined in the Plan of Reorganization) held by an Affiliate of the Initial Member were discharged in accordance with the order confirming the Plan of Reorganization** in exchange for **10,000,000** Class A Units of the Company pursuant to the Plan of Reorganization, and certain of the Initial Members received**(ii) immediately following the discharge and exchange described in clause (i) foregoing, such Affiliate assigned and transferred such Class A Units to the Initial Member; and**

WHEREAS, pursuant to the Plan of Reorganization, it is contemplated that, following the Effective Date, the Company will grant Class B Units of the Company **to certain service providers of the Company and its subsidiaries**.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto intending to be legally bound agree as follows:

ARTICLE I

DEFINITIONS

1.1 Certain Definitions. As used in this Agreement, the following terms have the following meanings:

"Act" means the Delaware Limited Liability Company Act, 6 Del. L. § 18-101, *et seq.*, as it may be amended from time to time, and including any successor statute to the Act.

"Additional Unit" has the meaning set forth in Section 3.5(a).

"Affiliate" means, with respect to a Person, another Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, by contract or otherwise.

"Agreement" has the meaning set forth in the introductory paragraph of this Agreement.

"Approved Sale" has the meaning set forth in Section 12.2(a).

"Assignee" has the meaning set forth in Section 12.4(b).

"Assignor" has the meaning set forth in Section 12.4(a).

"Assumed Tax Rate" has the meaning set forth in Section 5.2.

"Board" means the Board of Managers of the Company, composed of the individuals designated pursuant to Section 6.2.

"Book Value" means, with respect to any Company property, the Company's adjusted basis for federal income tax purposes, adjusted from time to time to reflect the adjustments required or permitted by Treasury Regulation Section 1.704-l(b)(2)(iv)(*d*)-(*g*) (provided that, in the case of permitted adjustments, the Company chooses to make such adjustments); provided that the Book Value of any asset contributed to the Company shall be equal to its Fair Market Value; provided, further, that the Book Value of assets contributed to the Company as part of a Member's initial Capital Contribution shall be reflected in the opening Capital Accounts as set forth on Schedule A.

"Business Day" means any day other than a Saturday, a Sunday or a holiday on which national banking associations in the State of New York are closed for business.

"Capital Account" has the meaning set forth in Section 4.1.

"Capital Contribution" means a contribution made (or deemed made under Treasury Regulation Section 1.704-1(b)(2)(iv)(*d*)) by a Holder to the capital of the Company, whether in cash, in other property or otherwise, pursuant to Article III, as shown opposite such Holder's name on Schedule A, as the same may be amended from time to time in accordance with Article III. The amount of any Capital Contribution shall be the amount of cash and the Fair Market Value of any other property so contributed, in each case net of any liabilities assumed by the Company from such Holder in connection with such contribution and net of any liabilities to which assets contributed by such Holder in respect thereof are subject.

"Certificate" has the meaning set forth in Section 2.1.

"Certificated Units" has the meaning set forth in Section 12.9.

"Chief Executive Officer" has the meaning set forth in Section 7.3.

"Class A Preferred Return Amount" means (i) $10,000,000, reduced by (ii) any amount previously distributed to Holders of Class A Units pursuant to Section 5.1(a).

"Class A Unit" means a Unit having the rights, preferences and obligations specified in this Agreement with respect to the Class A Units~~. Units~~; provided, however, that for

purposes of Article IV and Sections 5.2, 5.3, 5.4, 5.5, and 5.6, the term "Class A Unit" shall include any Noncompensatory Option issued by the Company with respect to a Class A Unit at any time that the Board determines, in its sole discretion, that Treasury Regulation 1.761-3(a) requires ownership of such Noncompensatory Option to be treated for federal, state or local tax purposes as ownership of a Class A Unit.

"Class B Unit" means a Unit having the rights, preferences and obligations specified in this Agreement with respect to the Class B Units; provided that no Holder of a Class B Unit shall have any rights hereunder (including, without limitation, the right to receive Distributions hereunder (other than Tax Distributions)) until such time as such Unit is fully vested in accordance with the terms and conditions set forth in the agreement pursuant to which such Unit was issued, but all such unvested Class B Units shall be deemed to be outstanding, and the Holders thereof shall, with respect to such Class B Units, be subject to the obligations and restrictions applicable to the Class B Units hereunder.

"Co-Sale Notice" has the meaning set forth in Section 12.3(a).

"Co-Sale Rights Holders" has the meaning set forth in Section 12.3(a).

"Code" means the United States Internal Revenue Code of 1986, as amended, and any successor statute.

"Company" has the meaning set forth in the introductory paragraph of this Agreement.

"Company Entity" means any of the Company, ~~[names of intermediate holding companies]~~ ~~or~~ ~~[Groeb Farms~~**Natural American Foods Topco, Inc., Natural American Foods Midco, Inc. or Natural American Foods**, Inc.~~]~~, or any successor thereto.

"Company Income Amount" has the meaning set forth in Section 5.2.

"Company Indemnities" has the meaning set forth in Section 12.2(a).

"Company Minimum Gain" has the meaning set forth for "partnership minimum gain" in Treasury Regulation Section 1.704-2(d).

"Confidential Information" has the meaning set forth in Section 8.14.

"Distribution" means each distribution made by the Company to a Holder, whether in cash or property of the Company and whether by liquidating distribution or otherwise; provided that none of the following shall be a Distribution: (a) any redemption or repurchase by the Company of any Units for any reason (after which such Unit shall cease to be outstanding); (b) any recapitalization or exchange of any Units (including, without limitation, pursuant to Section 14.1 hereof); (c) any subdivision (by Unit split or otherwise) or any combination (by reverse Unit split or otherwise) of any outstanding Units; or (d) any reasonable fees or remuneration paid to any Holder in such Holder's capacity as an employee, officer, consultant or other provider of services to the Company. For purposes of this Agreement, the amount of a Distribution of property or securities shall equal the Fair Market Value of such property or securities.

"Economic Interest" means a Holder's share of the Company's net profits, net losses and Distributions pursuant to this Agreement and the Act, but shall not include any right to participate in the management or affairs of the Company, including the right to vote on, consent to or otherwise participate in any decision of the Members, or any right to receive information concerning the business and affairs of the Company, in each case to the extent provided for herein or otherwise required by the Act.

"Effective Date" has the meaning set forth in the introductory paragraph of this Agreement.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Excluded Transfers" has the meaning set forth in Section 12.3(c).

"Exempt Equity Issuances" means issuances of Units or other equity securities of the Company or rights to acquire Units or other equity securities of the Company (i) on the date hereof, (ii) in connection with the conversion or exercise of any securities convertible into or exercisable for Units or other equity securities of the Company issued on the date hereof (including, for the avoidance of doubt, the Warrants) or in an Exempt Equity Issuance after the date hereof in compliance with the provisions of Section 3.7, (iii) as acquisition consideration for the purchase of all or part of another business (whether by merger, purchase of stock or assets or otherwise) from an independent third party, (iv) pursuant to clause (i) of the definition of a Public Sale, (v) to Management Holders pursuant to compensation plans, agreements or arrangements approved from time to time by the Board, (vi) as a distribution on outstanding Units or other equity securities or as a result of a unit split, (vii) as consideration paid to a Person in connection with the initial capitalization of a joint venture or similar strategic arrangement with an independent third party that was approved by the Board, and (viii) to independent lenders, financial institutions or lessors in connection with any borrowings, credit arrangements, equipment financings or similar transactions that are approved by the Board.

"Fair Market Value" has the meaning set forth in Section 15.13.

"Family Group" means an individual's spouse and descendants (whether natural or adopted) and any trust solely for the benefit of such individual and/or the individual's spouse and/or descendants.

"Fiscal Quarter" of the Company means each calendar quarter ending March 31, June 30, September 30 and December 31 or such other date as may be required by the Code or determined by the Board.

"Fiscal Year" of the Company means the Company's annual accounting period ending on December 31 of each year or such other date as may be required by the Code or determined by the Board.

"Forfeiture Allocations" has the meaning set forth in Section 5.4(g).

"Fund A VCOC" has the meaning set forth in Section 6.2(b).

"GAAP" means United States generally accepted accounting principles as in effect from time to time, consistently applied.

"Grossed Up Amount" has the meaning set forth in Section 5.1(b).

"Holder" means any Person who holds any Unit, whether as a Member or as an unadmitted assignee of a Member or another unadmitted assignee.

"Holder Nonrecourse Debt" has the meaning set forth for the term "partner nonrecourse debt" in Treasury Regulations Section 1.704-2(b)(4).

"Holder Nonrecourse Debt Minimum Gain" has the meaning set forth for "partner nonrecourse debt minimum gain" in Treasury Regulation Section 1.704-2(i).

"Holder Nonrecourse Deductions" has the meaning set forth for "partner nonrecourse deductions" in Treasury Regulation Section 1.704-2(i).

"Incorporation Plan" has the meaning set forth in Section 14.1.

"Indemnifying Person" has the meaning set forth in Section 15.11.

"Indemnity Loss" has the meaning set forth in Section 12.2(a).

"Independent Third Party" means any Person who, immediately prior to a contemplated transaction, does not own in excess of 5% of the Company's Units on a fully-diluted basis (a "5% Owner"), who is not controlling, controlled by or under common control with any such 5% Owner and who is not the spouse or descendant (by birth or adoption) of any such 5% Owner or a trust for the benefit of such 5% Owner and/or such other Persons.

"Initial Member~~s~~" means the Holder~~s~~ of Units listed on Schedule A attached hereto as of the date hereof, ~~all of whom have~~**who has** been admitted as ~~Members~~**a Member** of the Company.

"Investor Indemnitors" has the meaning set forth in Section 9.6.

"IPO" means an underwritten initial public offering of the equity securities of the Company or any other entity which is a wholly owned direct or indirect Subsidiary of the Company or any successor corporation of any of the foregoing (in each case as contemplated by Section 14.1) under the Securities Act.

"IPO Liquidation Plan" shall have the meaning set forth in Section 14.1.

"IPO Liquidation Transaction" shall have the meaning set forth in Section 14.1.

"IRS Notice" has the meaning set forth in Section 10.4(a).

"Joinder" means a joinder agreement to this Agreement in substantially the same form and substance as the joinder agreement set forth as Schedule B attached hereto or such other form of joinder as may be approved by the Board from time to time.

"Loss Overpayment" has the meaning set forth in Section 12.2(a).

"Losses" for any period means all items of Company loss, deduction and expense for such period determined in accordance with Section 4.2.

"Main VCOC" has the meaning set forth in Section 6.2(b).

"Management Holder" has the meaning set forth in Section 3.5(b).

"Manager" shall have the meaning set forth in Section 6.2(a).

"Maximum Number" has the meaning set forth in Section 12.3(a).

"Member" means ~~each~~**the** Initial Member and each other Person who is hereafter admitted as a Member in accordance with the terms of this Agreement and the Act, in each case so long as such Person is shown on the Company's books and records as the owner of one or more Units. The Members shall constitute the "members" (as that term is defined in the Act) of the Company.

"New Common" has the meaning set forth in Section 14.1.

"New Entity" has the meaning set forth in Section 14.1.

"Noncompensatory Option" has the meaning set forth in Treasury Regulation Section 1.721-2(f).

"Nonrecourse Deductions" has the meaning set forth in Treasury Regulation Section 1.704-2(b)(1).

"Offered Units" has the meaning set forth in Section 12.3(a).

"Other Business" has the meaning set forth in Section 9.9.

"Participating Class B Unit" means, with respect to any Distribution pursuant to Section 5.1(b), each Class B Unit that has a Participation Threshold that is less than the amount determined by dividing (a) the sum of (i) the amount of such Distribution pursuant to Section 5.1(b) and (ii) the sum of the Participation Thresholds of all outstanding Class B Units (including the Participating Class B Unit) that have an equal or lesser Participation Threshold to such Class B Unit by (b) the sum of (i) the number of outstanding Class A Units and (ii) the number of outstanding Class B Units that have an equal or lesser Participation Threshold to such Class B Unit. Each series of Class B Units shall be tested separately to determine if the Units in such series shall be treated as Participating Class B Units.

"Participating Unit" means, with respect to any Distribution pursuant to Section 5.1(b), a Class A Unit and a Participating Class B Unit.

"Participation Threshold" means, with respect to each outstanding Class B Unit, an amount determined and adjusted in accordance with Section 3.5.

"Peak Rock" means ~~[Honey Financing Company LLC]~~**HC Capital Holdings 1220A, LLC, a Delaware limited liability company**.

"Peak Rock Manager" means a member of the Board that is affiliated with Peak Rock.

"Permitted Transferee" means (i) for any Holder that is an individual, a Transfer pursuant to applicable laws of descent and distribution or among such Holder's Family Group (provided that Units may not be Transferred to a Holder's spouse in connection with a divorce proceeding, unless otherwise ordered by a court of competent jurisdiction), and (ii) in the case of any Holder that is an entity, any Affiliate of such Holder. Except as otherwise provided for in any agreement between Peak Rock and any of its Permitted Transferees, such Permitted Transferee of Peak Rock shall succeed to all rights attributable to Peak Rock hereunder.

"Person" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

"Plan of Reorganization" means ~~[~~the Second Amended Plan of Reorganization~~]~~ of Groeb Farms, Inc., Pursuant to Chapter 11 of the Bankruptcy Code, filed in the United States Bankruptcy Court for the Eastern District of Michigan, ~~case number~~ Case No. 13-58200 (WS), as it may be amended and/or supplemented.

"Preemptive Rights Holder" has the meaning set forth in Section 3.7(a).

"Preemptive Rights Pro Rata Portion" has the meaning set forth in Section 3.7(a).

"Proceeding" has the meaning set forth in Section 9.2.

"Profits" for any period means all items of Company income and gain for such period determined in accordance with Section 4.2.

"Public Offering" means the sale in an underwritten public offering registered under the Securities Act of shares of the Company's, any successor corporation's or any other Company Entity's equity securities.

"Public Sale" means any sale of Units (i) to the public pursuant to an offering registered under the Securities Act, and (ii) following an IPO, to the public pursuant to Rule 144 under the Securities Act (or any similar rule then in effect) effected through a broker, dealer or market maker.

"Regulatory Allocations" has the meaning set forth in Section 5.4(f).

"Reserve Amount" has the meaning set forth in Section 5.1.

"Restructuring Transaction" has the meaning set forth in Section 14.1.

"Sale Notice" has the meaning set forth in Section 12.3(a).

"Sale of the Company" means the sale of the Company (or any Company Entity) to an Independent Third Party or group of Independent Third Parties pursuant to which such party or parties acquire (i) equity securities of the Company (or any Company Entity) possessing the voting power to elect a majority of the Board (or the board of directors of such Company Entity, as applicable) (whether by merger, consolidation or sale or transfer of the Company's or any applicable Company Entity's equity securities) or (ii) all or substantially all of the Company's (or any Company Entity's) assets, determined on a consolidated basis; provided that the term "Sale of the Company" shall not include a Public Offering.

"Sale Proceeds Amount" has the meaning set forth in Section 12.2(d).

"Securities Act" means the Securities Act of 1933, as amended.

"Securities Purchase Agreement" means the Securities Purchase Agreement, dated as of the date hereof, among Argosy Investment Partners III, L.P., Marquette Capital Fund I, LP, Horizon Capital Partners III, L.P., and Natural American Foods, Inc.

"Selling Investor" has the meaning set forth in Section 12.3(a).

"Sub Board" has the meaning set forth in Section 6.3.

"Subsidiary" means, with respect to any Person, any corporation, limited liability company, partnership, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a limited liability company, partnership, association or other business entity, a majority of the limited liability company, partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control the managing director or general partner of such limited liability company, partnership, association or other business entity.

"Tax Distribution" has the meaning set forth in Section 5.2.

"Transfer" means any sale, transfer, assignment, pledge, mortgage, exchange, hypothecation, grant of a security interest or other direct or indirect disposition or encumbrance of an interest (including, without limitation, by operation of law) or the acts thereof. For purposes of the preceding sentence, an indirect disposition of an interest includes any sale, transfer, assignment, pledge, exchange or any other arrangement on account of which a Person is treated for income tax purposes as a "nominee" within the meaning of the temporary Treasury Regulations under Section 6031 of the Code. The terms "Transferee," "Transferred," and other forms of the word "Transfer" shall have correlative meanings.

"Treasury Regulations" means the United States income tax regulations promulgated under the Code and effective as of the date hereof. Such term shall be deemed to include any future amendments to such regulations and any corresponding provisions of succeeding regulations (whether or not such amendments and corresponding provisions are mandatory or discretionary).

"Unit" means an interest in the Company's capital, income, gains, losses, deductions and expenses and the right to vote (if any) on certain Company matters as provided in this Agreement or the Act. As of the date hereof, the Units shall be comprised of Class A Units and Class B Units.

"VCOC" has the meaning set forth in Section 6.2(b).

"VCOC Manager" has the meaning set forth in Section 6.2(b).

"Warrants" means the warrants exercisable for Class A Units that are issued by the Company on the Effective Date in accordance with the Plan of Reorganization.

1.2 Construction. Whenever the context requires, the gender of all words used in this Agreement includes the masculine, feminine and neuter. All references to Articles and Sections refer to articles and sections of this Agreement, and all references to Schedules are to schedules attached hereto, each of which is made a part hereof for all purposes.

ARTICLE II

ORGANIZATION

2.1 Formation. On [_____], **December 18, 2013,** the Company, under the name "[**Natural American Foods** Holdings**,** LLC]," was organized as a Delaware limited liability company by the filing of a Certificate of Formation (the "Certificate") under and pursuant to the Act. The rights and liabilities of the Members shall be determined pursuant to the Act and this Agreement. To the extent that the rights or obligations of any Member are different by reason of any provision of this Agreement than they would be in the absence of such provision, this Agreement, to the extent not prohibited by the Act, shall control over the Act. This Agreement shall constitute the "limited liability agreement" for purposes of the Act.

2.2 Name. The name of the Company is "[**Natural American Foods** Holdings**,** LLC]," and all business of the Company shall be conducted under that name or such other names that comply with applicable law as the Board may select from time to time.

2.3 Registered Office; Registered Agent; Principal Office; Other Offices. The registered office of the Company required by the Act to be maintained in the State of Delaware shall be the office of the initial registered agent named in the Certificate or such other office (which need not be a place of business of the Company) as the Board may designate from time to time in the manner provided by law. The registered agent of the Company in the State of Delaware shall be the initial registered agent named in the Certificate or such other Person or Persons as the Board may designate from time to time in the manner provided by law. The principal office of the Company shall be at such place as the Board may designate from time to time, which need not be

in the State of Delaware, and the Company shall maintain its records there. The Company may have such other offices as the Board may designate from time to time.

2.4 Purposes. The purpose of the Company and the nature of its business shall be to engage in any lawful act or activity for which limited liability companies may be organized under the Act. The Company may engage in any and all activities necessary, desirable or incidental to the accomplishment of the foregoing. Notwithstanding anything herein to the contrary, nothing set forth herein shall be construed as authorizing the Company to possess any purpose or power, or to do any act or thing, forbidden by law to a limited liability company organized under the laws of the State of Delaware.

2.5 Term. The term of the Company commenced on the date the Certificate was filed with the office of the Secretary of State of Delaware and shall terminate on the date determined pursuant to Section 13.1 of this Agreement.

2.6 No State-Law Partnership. The Members intend that the Company shall not be a partnership (including, without limitation, a limited partnership) or joint venture and that no Member or the Company shall be a partner or joint venturer of any other Member or the Company, for any purposes other than federal and, if applicable, state and local income tax purposes, and this Agreement shall not be construed to the contrary. The Members intend that the Company shall be treated as a partnership for federal and, if applicable, state and local income tax purposes, and each Member and the Company shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with such treatment.

ARTICLE III

MEMBERS; HOLDERS; COMPANY UNITS

3.1 Initial Member~~s~~. On or prior to the date hereof, ~~each~~**the** Initial Member, if applicable, has made or is making Capital Contributions to the Company in the amount set forth opposite his, her or its name on Schedule A attached hereto. Each Person listed on Schedule A, upon (i) his, her or its execution of this Agreement or a Joinder and (ii) receipt (or deemed receipt) by the Company of such Person's Capital Contributions, if applicable, is hereby admitted to the Company as a Member of the Company.

3.2 Liability of Members and Holders.

(a) Except as expressly set forth in this Agreement and the Act, no Member or other Holder shall have any personal liability whatsoever in his, her or its capacity as a Member or Holder, whether to the Company, to any of the other Members or Holders, to the creditors of the Company or to any other third party, for the debts, liabilities, commitments or any other obligations of the Company or for any losses of the Company, and therefore each Member or other Holder shall be liable only to make such Person's required Capital Contribution to the Company and the payments provided in Section 3.2(b) below. Each Member hereby consents to the exercise by the Board and the Company's officers of the powers conferred on them by this Agreement.

(b) In accordance with the Act and the laws of the State of Delaware, a member of, or other holder of an interest in, a limited liability company may, under certain circumstances, be required to return amounts previously distributed to such Person. It is the intent of the Members and the other Holders that no Distribution to any Member or other Holder pursuant to Article V hereof shall be deemed a return of money or other property paid or distributed in violation of the Act.

(c) No Member or other Holder shall make or be required to make any additional capital contributions to the Company with respect to such Member's or other Holder's Units. Except as expressly provided herein, no Member or other Holder, in its capacity as such, shall have the right to receive any cash or other property of the Company. The provisions of this Article III are not for the benefit of any creditor or other Person (other than the Members) to whom any debts, liabilities or obligations are owed by, or who otherwise have any claim against, the Company, and no creditor or other Person shall obtain any rights under this Article III or by reason of this Article III, or shall be able to make any claim in respect of any debts, liabilities or obligations against the Company or any Member or other Holder.

3.3 No Authority to Bind Company. No Member or other Holder (in his, her or its capacity as a Member or Holder) shall have the authority or power to represent or act for or on behalf of the Company, to do any act that would be binding on the Company or to make any expenditures or incur any obligations on behalf of the Company (unless such Member or other Holder is an officer, director or manager of the Company authorized to do such act, make such expenditure or incur such obligation and such Member or Holder is acting in such capacity).

3.4 Company Units; Voting Rights. Subject to the terms and conditions set forth herein, each Member's or other Holder's interest in the Company (including such Person's interest, if any, in the capital, income, gains, losses, deductions and expenses of the Company and the right to vote, if any, on certain Company matters as provided in this Agreement) shall be represented by Units. As of the date hereof, the Units shall be comprised of Class A Units and Class B Units. Except as provided herein with respect to unvested Class B Units (which shall, unless otherwise determined by the Board, not be entitled to any Distribution (other than Tax Distributions)), the ownership of Class A Units or Class B Units shall entitle the Holder thereof to allocations of Profits and Losses and other items and Distributions of cash and other property as set forth in Article V hereof. Each Member holding Class A Units shall be entitled to one vote per Class A Unit on all matters voted on by the Members, and such Class A Units shall vote together as a single class for purposes of this Agreement and the Act. Class B Units shall have no voting rights. A Holder who has not been admitted as a Member pursuant to either Section 3.5 or Section 12.6 shall not be entitled to any vote with respect to such Holder's Class A Units. The Board may (in its sole discretion) cause the Company to issue to the Members certificates representing the Units held by such Members in such form as authorized by the Board.

3.5 Issuance of Additional Units and Interests.

(a) Subject to the terms and conditions of this Agreement (including Section 3.7), the Board shall have the right to cause the Company to issue (i) additional Units in the Company (including other classes or series thereof having different rights), (ii) obligations, evidences of indebtedness or other securities or interests convertible or exchangeable into Units in

the Company and (iii) warrants, options or other rights to purchase or otherwise acquire Units in the Company (any of the foregoing, an "Additional Unit"). In connection with any approved issuance of Units to any Person hereunder, such Person shall execute and deliver a Joinder and shall enter into such other documents and instruments to effect such issuance as are required by the Board. Upon the issuance of any Additional Units and the payment of the Capital Contribution with respect thereto (if any), the Capital Account of the Holder thereof shall be adjusted pursuant to Article IV.

(b) For the avoidance of doubt, it is hereby acknowledged and agreed that, from time to time, the Board shall have the sole power and discretion to approve the issuance of up to ~~[_____]~~[1] **1,277,139** Class B Units to any employee, officer, director~~, operating advisors of Peak Rock or its Affiliates,~~ or other service provider or consultant of the Company or its Subsidiaries (each, a "Management Holder") pursuant to a written agreement with the Company, and to reissue any Class B Units that are forfeited or reacquired by the Company upon exercise of any repurchase right the Company may have in connection with the Management Holder's termination of employment or services. The Board shall have sole and complete power and discretion to approve which Management Holders shall be offered Class B Units, the number of Class B Units to be offered and issued to each such Management Holder, the purchase price (if any) for such Class B Units and the terms and conditions (including, without limitation, the vesting schedule) with respect thereto.

(c) On the date of each grant of Class B Units to a Management Holder who is, or as a result of such grant becomes, a holder of Class B Units pursuant to a grant made under a grant agreement or similar agreement, the Board shall establish an initial "Participation Threshold" amount with respect to each Class B Unit granted on such date. Unless otherwise determined by the Board, the Participation Threshold with respect to a Class B Unit shall be equal to or greater than the amount which a Class A Unit would receive, in excess of any Class A Preferred Return Amount, pursuant to Section 5.1(b) in a hypothetical liquidation of the Company at Fair Market Value on the date of grant of such Class B Unit. The Board may designate a series number for each subset of Class B Units consisting of Class B Units having the same Participation Threshold, which Participation Threshold differs from the Participation Thresholds of all Class B Units not included in such subset. If the Board elects to so designate Class B Units, then the first Class B Unit issued on or after the date hereof shall be designated a "Series 1 Class B Unit." Each Class B Unit's Participation Threshold shall be adjusted after the grant of such Class B Unit in the following manner:

(i) In the event of any Distribution pursuant to Section 5.1(b), the Participation Threshold of each Class B Unit outstanding at the time of such Distribution shall be reduced (but not below zero) by the amount that each Class A Unit receives in such Distribution, in excess of any Class A Preferred Return Amount (with such reduction occurring immediately after the determination of the portion of such Distribution, if any, that such Class B Unit is entitled to receive). For purposes of applying the adjustments of this Section 3.5(c)(i), the Board may

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~~[1] To represent 10% of Units on a fully diluted basis (assuming exercise of all warrants).~~

apply Section 5.1(b) by breaking a single distribution into two or more distributions treated as separate distributions occurring in order (and if such an approach is taken, the adjustments to the Participation Threshold pursuant to this Section 3.5(c)(i) shall be made after each separate distribution and before the next distribution).

(ii) If the Company at any time subdivides (by any Unit split or otherwise) the Class A Units into a greater number of Units, the Participation Threshold of each Class B Unit outstanding immediately prior to such subdivision shall be proportionately reduced, and, if the Company at any time combines (by reverse Unit split or otherwise) the Class A Units into a smaller number of Units, the Participation Threshold of each Class B Unit outstanding immediately prior to such combination shall be proportionately increased.

(iii) No adjustment shall be made in connection with (A) any redemption or repurchase by the Company or any Holder of any Units or any forfeiture by any Holder of any Units or (B) any capital contribution by any Holder in exchange for newly issued Units.

(d) The Participation Thresholds of each Holder's Class B Units shall be set forth on Schedule A, and Schedule A shall be amended from time to time by the Company as necessary to reflect any adjustments to the Participation Thresholds of outstanding Class B Units required pursuant to this Section 3.5.

(e) Notwithstanding anything in this Section 3.5 to the contrary, the Board shall have the power to amend the provisions of this Section 3.5 and Section 5.1 to achieve the economic results intended by this Agreement, including that the Class B Units are profits interests when issued for United States federal income tax purposes.

(f) In order for a Person to be admitted as a Member with respect to any Additional Units, (i) such Person shall have executed and delivered a Joinder and a purchase or subscription agreement and shall have delivered such other documents and instruments as the Board determines to be necessary or appropriate in connection with the issuance of such Additional Units to such Person or to effect such Person's admission as a Member; and (ii) the Board or an authorized officer of the Company shall amend Schedule A without the further vote, act or consent of any other Person to reflect the admission of such Person as a Member. Upon the amendment of Schedule A and the payment of the required Capital Contribution with respect to the Additional Units (if any), such Person shall be deemed to have been admitted as a Member and shall be listed as such on the books and records of the Company and thereupon shall be issued his, her or its Units. If any Additional Units are issued to an existing Member, the Board or an authorized officer of the Company shall amend Schedule A without further vote, act or consent of any other Person to reflect the issuance of such Additional Unit and, upon the amendment of such Schedule A and the payment of the required Capital Contribution with respect to the Additional Units (if any), such Member shall be issued his, her or its Additional Unit, if any. Any reference in this Agreement to Schedule A shall be deemed to be a reference to Schedule A as the same may be amended and in effect from time to time in accordance with the terms of this Agreement.

3.6 Vesting of Class B Units. Class B Units shall become vested in accordance with the provisions set forth in the unit purchase agreement, unit grant agreement or other agreement pursuant to which such Units are issued.

3.7 Preemptive Rights.

(a) If the Company authorizes, after the date hereof, the issuance or sale of any equity securities of the Company or any of its Subsidiaries, or any securities containing options or rights to acquire equity securities of the Company or any of its Subsidiaries, to Peak Rock other than Exempt Equity Issuances, the Company will, at least fifteen (15) days prior to the issuance or sale, notify each Member who holds Class A Units (each a "Preemptive Rights Holder") in writing of the price of and any material terms relating to the proposed issuance or sale (to the extent then known). Each Preemptive Rights Holder may elect to purchase his, her or its pro rata portion, based on the aggregate number of Class A Units held by such Preemptive Rights Holder divided by the fully diluted Class A Units held by all Preemptive Rights Holders (including any Class A Units issuable upon the exercise of warrants entitled to preemptive rights) (such Person's "Preemptive Rights Pro Rata Portion"), of the equity securities to be issued or sold, at the same price and on the terms identified in the notice. If electing to participate, each Preemptive Rights Holder shall be required to purchase the same strip of equity securities on the same terms and conditions as all other Preemptive Rights Holders. Each Preemptive Rights Holder's election to participate in any such issuance or sale must be made in writing and be delivered to the Company within ten (10) days after such Preemptive Rights Holder's receipt of the notice from the Company provided under this Section 3.7. In addition, if at any time there is a material change in the terms of the offering, each Preemptive Rights Holder will have ten (10) days after receipt of notice of the revised terms to reconfirm such Preemptive Rights Holder's intention to invest. If after notifying the Preemptive Rights Holders, the Company elects not to proceed with the issuance or sale, any elections made by Preemptive Rights Holders shall be deemed rescinded.

(b) Upon the expiration of the offering periods described above, the Company shall be entitled to sell such equity securities which the Preemptive Rights Holders have not elected to purchase at any time during the 180 calendar days following such expiration at a price not less than, and on other terms and conditions not substantially more favorable to the purchaser than, what was offered to such Preemptive Rights Holders. Any such equity securities offered or sold by the Company or any of its Subsidiaries after such 180 day period (or, if prior to such 180-day period, at a price less than, or on other terms and conditions substantially more favorable to the purchaser than, what was offered to such Preemptive Rights Holders) must be reoffered to the Preemptive Rights Holders pursuant to the terms of this Section 3.7.

(c) Notwithstanding anything herein to the contrary, if the Board determines that compliance with the time periods described in this Section 3.7 would not be in the best interests of the Company and its Subsidiaries because of the liquidity needs of the Company and its Subsidiaries, then, in lieu of offering any equity securities to the Preemptive Rights Holders at the time such equity securities are otherwise being issued or sold, the Company may comply with the provisions of this Section 3.7 by making an offer to sell to the Preemptive Rights Holders their Preemptive Rights Pro Rata Portion of such equity securities previously issued or sold promptly, and in no event later than ten (10) days, after such sale of equity securities is consummated through the issuance of additional equity securities with the same terms and at the

same price as such sale. In such event, for all purposes of Section 3.7(c), each Preemptive Rights Holder's Preemptive Rights Pro Rata Portion shall be determined taking into consideration the actual number of securities sold so as to achieve the same economic effect as if such offer would have been made prior to such sale.

(d) This Section 3.7 shall terminate upon the consummation of an IPO.

3.8 Representations and Warranties of Holders. Each Holder represents and warrants that (a) such Holder is the record owner of the number of Units set forth opposite such Holder's name on Schedule A attached hereto, as applicable, (b) this Agreement has been duly authorized, executed and delivered by such Holder and constitutes the valid and binding obligation of such Holder, enforceable in accordance with its terms, (c) such Holder has not granted and is not a party to any proxy, voting trust or other agreement which is inconsistent with, conflicts with, or violates any provision of this Agreement, (d) such Holder is acquiring the Units for his, her or its own account with the present intention of holding such securities for investment purposes, such Holder has no intention of selling such securities in a public distribution in violation of the federal securities laws or any applicable state securities laws, and such Holder acknowledges that the Units have not been registered under the Securities Act or applicable state securities laws and that the Units will be issued to such Holder in reliance on exemptions from the registration requirements of the Securities Act and applicable state statutes and in reliance on such Holder's representations and agreements contained herein, (e) such Holder has had an opportunity to ask questions and receive answers concerning this Agreement and the terms and conditions of the Units to be acquired by him, her or it and has had full access to such other information concerning the Company as such Holder has requested in making his, her or its decision to invest in the Units being issued hereunder and (f) such Holder is able to bear the economic risk and lack of liquidity of an investment in the Company and is able to bear the risk of loss of such Holder's entire investment in the Company, and such Holder fully understands and agrees that he, she or it may have to bear the economic risk of his, her or its purchase for an indefinite period of time because, among other reasons, the Units have not been registered under the Securities Act or under the securities laws of any state and, therefore, cannot be resold, pledged, assigned or otherwise disposed of unless they are subsequently registered under the Securities Act and under the applicable securities laws of certain states or unless an exemption from such registration is available.

3.9 Nonvoting Equity Securities. Notwithstanding anything to the contrary in this Agreement, the Company shall not issue nonvoting equity securities to the extent prohibited by section 1123(a)(6) of the United States Bankruptcy Code. The prohibition on the issuance of nonvoting equity securities is included in this Agreement in compliance with section 1123(a)(6) of the United States Bankruptcy Code.

ARTICLE IV

CAPITAL ACCOUNTS

4.1 ~~1.17~~ Establishment and Determination of Capital Accounts. A capital account ("Capital Account") shall be established for each Holder in accordance with the Treasury Regulations under Section 704(b) of the Code. In accordance with such Treasury Regulations, the Capital Account of each Holder shall equal, as of the date hereof, the amount set forth on Schedule

A attached hereto and shall be (a) increased by any additional Capital Contributions made by such Holder and such Holder's share of items of income and gain allocated to such Holder pursuant to Article V and (b) decreased by such Holder's share of items of loss, deduction and expense allocated to such Holder pursuant to Article V and any Distributions to such Holder of cash or the Fair Market Value of any other property (net of liabilities assumed by such Holder and liabilities to which such property is subject) distributed to such Holder. Any references in this Agreement to the Capital Account of a Holder shall be deemed to refer to such Capital Account as the same may be increased or decreased from time to time as set forth above.

4.2 ~~1.18~~ Computation of Amounts. For purposes of computing the amount of any item of income, gain, loss, deduction or expense to be reflected in Capital Accounts, the determination, recognition and classification of each such item shall be the same as its determination, recognition and classification for federal income tax purposes; provided that:

(a) The computation of all items of income, gain, loss and deduction shall include those items described in Code Section 705(a)(l)(B) or Code Section 705(a)(2)(B) and Treasury Regulation Section 1.704-1(b)(2)(iv)(*i*), without regard to the fact that such items are not includable in gross income or are not deductible for federal income tax purposes.

(b) If the Book Value of any property is adjusted pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(*e*) or (*f*), the amount of such adjustment shall be taken into account as gain or loss from the disposition of such property.

(c) Items of income, gain, loss or deduction attributable to the disposition of property having a Book Value that differs from its adjusted basis for tax purposes shall be computed by reference to the Book Value of such property.

(d) Items of depreciation, amortization and other cost recovery deductions with respect to property having a Book Value that differs from its adjusted basis for tax purposes shall be computed by reference to the property's Book Value in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(*g*).

(e) To the extent an adjustment to the adjusted tax basis of any asset pursuant to Code Sections 732(d), 734(b) or 743(b) is required, pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(*m*), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis).

(f) To the extent that the Company distributes any asset in kind to the Holders, the Company shall be deemed to have realized Profit or Loss thereon in the same manner as if the Company had sold such asset for an amount equal to the Fair Market Value of such asset or, if greater and otherwise required by the Code, the amount of debts to which such asset is subject.

4.3 ~~1.19~~ Interest. No Holder shall be paid interest on any Capital Contribution to the Company or on the balance of such Holder's Capital Account.

4.4 ~~1.20~~ Loans from Holders. With the consent of the Board, any Holder may make loans to the Company, and any loan by a Holder to the Company shall not be considered a Capital Contribution. The amount of any such loans shall be a debt of the Company to such Holder and shall be payable or collectible in accordance with the terms and conditions upon which such loans are made.

4.5 ~~1.21~~ Negative Capital Accounts. No Holder shall be required to pay to any other Holder or the Company any deficit or negative balance which may exist from time to time in such Holder's Capital Account (including upon and after the dissolution of the Company).

4.6 ~~1.22~~ Transfer of Capital Accounts. The original Capital Account established for each transferee Holder shall be in the same amount as the Capital Account of the Holder (or portion thereof) to which such transferee Holder succeeds, at the time such transferee Holder acquires any Units of the Holder to which such transferee Holder succeeds in accordance with Article XII. The Capital Account of any Holder whose interest in the Company shall be increased or decreased by means of (i) the transfer to such Holder of all or part of the Units of another Holder or (ii) the repurchase of Class B Units or any other Units shall be appropriately adjusted to reflect such transfer or repurchase. Any reference in this Agreement to a Capital Contribution of or Distribution to a Holder that has succeeded any other Holder as a transferee shall include any Capital Contributions or Distributions previously made by or to the former Holder on account of the Units of such former Holder transferred to such transferee Holder.

4.7 ~~1.23~~ Adjustments to Book Value. The Company shall at the Board's discretion adjust the Book Value of its assets to Fair Market Value in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(*f*) including as of the following times: (i) at the Board's discretion in connection with the issuance of Units; (ii) at the Board~~'~~'s discretion, in connection with the issuance of Noncompensatory Options (other than an option for a de minimis interest); (iii) at the Board's discretion in connection with the Distribution by the Company to a Holder of more than a de minimis amount of the Company's assets, including money, if as a result of such Distribution, such Holder's interest in the Company is reduced; and (iv) the liquidation of the Company within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(*g*). Any such increase or decrease in Book Value of an asset shall be allocated as a Profit or Loss to the Capital Accounts of the Holders under Section 5.3 (determined immediately prior to the issuance of new Units).

ARTICLE V

DISTRIBUTIONS; ALLOCATIONS OF PROFITS AND LOSSES

5.1 ~~1.24~~ Distributions. Subject to the provisions of Section 18-607 of the Act and to the provisions of this Article V, and except as required by Section 5.2 and Section 13.2 of this Agreement, Distributions shall be made to Holders as determined by the Board, which determination may include the imposition on all Holders of certain terms and conditions on the receipt of any Distributions hereunder (including, but not limited to, the repayment or return of all or any portion of such Distributions to the Company in order to satisfy the Company's indemnification and other obligations in connection with the divestiture of any assets of the Company or its Subsidiaries). All Distributions shall be further subject to the retention and establishment of reserves, or payment to third parties, of such funds as the Board deems necessary

with respect to the reasonable business needs and obligations of the Company (which obligations shall include, without limitation, the payment of any management or administrative fees and expenses and the obligations under the terms and conditions of any indebtedness for borrowed money incurred by the Company or any of its Subsidiaries), and (except with respect to Tax Distributions pursuant to Section 5.2) shall be made when and as declared by the Board to each Holder in the following order and priority:

(a) first, an amount equal to the Class A Preferred Return Amount to Peak Rock (and any subsequent Holder of the Class A Units issued to Peak Rock on the date hereof) (ratably among Holders entitled to receive such Class A Preferred Return pursuant to this Section 5.1(a) based upon the aggregate number of Class A Units held by each such Holder immediately prior to such Distribution), until the Class A Preferred Return Amount has been paid in full;

(b) second, all remaining amounts shall be distributed to the Holders holding vested Participating Units immediately prior to such Distribution as follows: with respect to each Class A Unit, an amount equal to the amount determined by dividing the Grossed Up Amount by the number of Participating Units, and, with respect to each Participating Class B Unit, an amount equal to the excess of the (A) the amount determined by dividing the Grossed Up Amount by the number of Participating Units over (B) the Participation Threshold with respect to such Participating Class B Unit. For purposes of this Agreement, "Grossed Up Amount" means, with respect to any Distribution pursuant to this Section 5.1(b), the sum of (x) the amount of the Distribution pursuant to this Section 5.1(b) and (y) the sum of the Participation Thresholds of all Participating Class B Units.

For the avoidance of doubt, unless otherwise determined by the Board, Class B Units shall not be entitled to receive Distributions hereunder (other than Tax Distributions) until such time as such Unit is fully vested in accordance with the terms and conditions set forth in the agreement pursuant to which such Unit was issued.

5.2 ~~1.25~~ Tax Distributions. Notwithstanding anything to the contrary in Section 5.1, to the extent funds of the Company may be legally available for Distribution by the Company under the Act and subject to any applicable agreement to which the Company or any of its Subsidiaries is a party governing the terms of indebtedness for borrowed money and subject to the retention and establishment of reserves, or payment to third parties, of such funds as the Board deems necessary with respect to the reasonable business needs and obligations of the Company, the Board shall cause the Company to distribute to the Holders of Class A Units and Class B Units, in respect of such Units in the proportions specified herein, for each Fiscal Quarter an amount (any such amount, a "Tax Distribution") in cash equal to the result obtained from (i) the Company Income Amount for the Fiscal Year, multiplied by (ii) the Assumed Tax Rate for such Fiscal Year, divided by (iii) four. The "Company Income Amount" for a Fiscal Year shall be an amount, if positive, equal to the net taxable income of the Company for such Fiscal Year, minus any net taxable loss of the Company for any prior Fiscal Year not previously taken into account for purposes of this Section 5.2 to the extent such loss would be available under the Code to offset income of the Holders (or, as appropriate, the direct or indirect partners or members of the Holders) determined as if income and loss from the Company were the only income and loss of the Holders (or, as appropriate, the direct or indirect partners or members of the Holders) in such Fiscal Year and all

prior Fiscal Years. The "Assumed Tax Rate" for a Fiscal Year shall be equal to the highest sum of the marginal federal, state, and local income tax rates applicable to any Holder or its partners or members. Such quarterly Distributions shall be made to such Holder at least five days before such Holder's estimated quarterly tax payments are due in respect of such Holder's taxable year in which such Holder's share of the Company's taxable income for the applicable Fiscal Year is includable. Tax Distributions shall be made to the Holders of Class A Units and Class B Units in the proportion that the amount of the Company's taxable income allocated to each such Holder pursuant to this Article V for such Fiscal Year (net of any taxable losses previously allocated to such Holder that are taken into account in determining the Company Income Amount for such Fiscal Year) bears to the Company's total taxable income allocated to all Holders pursuant to this Article V for such Fiscal Year (net of any taxable losses previously allocated to all Holders that are taken into account in determining the Company Income Amount for such Fiscal Year). Tax Distributions shall be considered advances on Distributions to Holders under Section 5.1.

5.3 ~~1.26~~ Allocation of Profits and Losses. Except as otherwise provided in Section 5.4, Profits and Losses for any Fiscal Year shall be allocated among the Holders in such manner that, as of the end of such Fiscal Year, the sum of (i) the Capital Account of each Holder, (ii) such Holder's share of minimum gain (as determined according to Treasury Regulation Section 1.704-2(g)) and (iii) such Holder's Holder Nonrecourse Debt Minimum Gain shall be equal to the respective net amounts, positive or negative, which would be distributed to them or for which they would be liable to the Company under this Agreement, determined as if the Company were to (A) liquidate all of the assets of the Company for an amount equal to their Book Value and (B) distribute the proceeds of liquidation pursuant to Section 13.2; provided, however, that such hypothetical liquidation will not be treated as a Sale of the Company for any purpose hereunder. For purposes of allocating Profits and Losses, and all other items of income, gain, deduction and loss, pursuant to this Section 5.3 (and Sections 5.4, 5.5 and 5.6, to the extent applicable), all outstanding Class B Units shall be treated as vested units, including, for the avoidance of doubt, for purposes of determining the amount that would be distributed to the holders of the Class B Units pursuant to clause (B) in the previous sentence and the hypothetical distribution pursuant to Section 13.2. The parties acknowledge that allocations like those described in proposed Treasury Regulation Section 1.704-1(b)(4)(xii)(c) ("Forfeiture Allocations") result from the allocations of Profits and Losses provided for in this Agreement. For the avoidance of doubt, the Board is entitled to make Forfeiture Allocations and, once required by applicable final or temporary guidance, allocations of Profits and Losses will be made in accordance with proposed Treasury Regulation Section 1.704-1(b)(4)(xii)(c) or any successor provision or guidance.

5.4 ~~1.27~~ Special Allocations. The following special allocations shall be made in the following order and priority:

(a) Loss attributable to Holder Nonrecourse Debt shall be allocated in the manner required by Treasury Regulation Section 1.704-2(i). If there is a net decrease during a Fiscal Year in Holder Nonrecourse Debt Minimum Gain, Profits for such Fiscal Year (and, if necessary, for subsequent Fiscal Years) shall be allocated to the Holders in the amounts and of such character as determined according to, and subject to the exceptions contained in, Treasury Regulation Section 1.704-2(i)(4). This Section 5.4(a) is intended to be a "partner nonrecourse debt minimum gain chargeback" provision that complies with the requirements of Treasury Regulation Section 1.704-2(i)(4) and shall be interpreted and administered in a manner consistent therewith.

(b) If there is a net decrease in Company Minimum Gain during any Fiscal Year, each Holder shall be allocated Profits for such Fiscal Year (and, if necessary, for subsequent Fiscal Years) in the amounts and of such character as determined according to, and subject to the exceptions contained in, Treasury Regulation Section 1.704-2(f). This Section 5.4(b) is intended to be a "minimum gain chargeback" provision that complies with the requirements of Treasury Regulation Section 1.704-2(f) and shall be interpreted and administered in a manner consistent therewith.

(c) Holder Nonrecourse Deductions for any Fiscal Year shall be allocated in the manner required by Treasury Regulation Section 1.704-2(i). Nonrecourse Deductions for any Fiscal Year shall be allocated pro rata to all Units.

(d) If any Holder who unexpectedly receives an adjustment, allocation or distribution described in Treasury Regulation Section 1.704-1(b)(2)(ii)(*d*)(4), (5), and (6) has an adjusted capital account deficit (determined according to Treasury Regulation Section 1.704-1(b)(2)(ii)(*d*)) as of the end of any Fiscal Year, then Profits for such Fiscal Year shall be allocated to such Holder in proportion to, and to the extent of, such adjusted capital account deficit. This Section 5.4(d) is intended to be a "qualified income offset" provision as described in Treasury Regulation Section 1.704-1(b)(2)(ii)(*d*) and shall be interpreted in a manner consistent therewith.

(e) Profits and Losses described in Section 4.2(e) shall be allocated in a manner consistent with the manner that the adjustments to the Capital Accounts are required to be made pursuant to Treasury Regulation Sections 1.704-1(b)(2)(iv)(*j*),(*k*) and (*m*).

(f) In the event the Company issues a Noncompensatory Option, the Company shall comply with the requirements of Treasury Regulations Section 1.704-1(b)(4)(ix).

(g) The allocations described in Sections 5.4(a), (b), (c), (d), (e) and (f) hereof (the "Regulatory Allocations") are intended to comply with certain requirements of Sections 1.704-1(b) and 1.704-2 of the Treasury Regulations and as such may not be consistent with the manner in which the Holders intend to allocate items of income, gain, loss, deduction and expense or make Distributions. Accordingly, notwithstanding other provisions of this Section 5.4, but subject to the requirements of the Treasury Regulations, items of income, gain, loss, deduction and expense in subsequent Fiscal Years shall be allocated among the Holders in such a way as to reverse as quickly as possible the effects of the Regulatory Allocations and thereby cause the respective Capital Accounts of the Holders to be in the amounts they would have been if Profit and Loss (and such other items of income, gain, deduction and loss) had been allocated without reference to the Regulatory Allocations.

5.5 ~~1.28~~ Amounts Withheld. All amounts withheld from or offset against any Distribution to a Holder pursuant to Section 15.1 or Section 15.11 shall be treated as amounts distributed to such Holder pursuant to this Article V for all purposes under this Agreement.

5.6 ~~1.29~~ Tax Allocations; Code Section 704(c).

(a) The income, gains, losses, deductions and expenses of the Company shall be allocated, for federal, state and local income tax purposes, among the Holders in accordance with the allocation of such income, gains, losses, deductions and expenses among the

Holders for computing their Capital Accounts, except that if any such allocation is not permitted by the Code or other applicable law, the Company's subsequent income, gains, losses, deductions and expenses shall be allocated among the Holders so as to reflect as nearly as possible the allocation set forth herein in computing their Capital Accounts.

(b) In accordance with Code Section 704(c) and the Treasury Regulations thereunder, items of income, gain, loss, deduction and expense with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Holders so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its Book Value at the time of contribution. The Board shall be entitled to adopt any method permissible under Code Section 704(c) and the Treasury Regulations thereunder for taking into account any such variation.

(c) If the Book Value of any Company asset is adjusted pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(*e*) or (*f*), subsequent allocations of items of taxable income, gain, loss, deduction and expense with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Book Value in the same manner as under Code Section 704(c).

(d) Allocations pursuant to this Section 5.6 are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Holder's Capital Account or share of Profits, Losses, other items or Distributions pursuant to any provisions of this Agreement.

ARTICLE VI

MANAGEMENT OF THE COMPANY

6.1 ~~1.30~~ Management of the Company. Except for cases in which the approval of the Members is expressly required by this Agreement or the Act, the powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed by and under the direction of, the Board, and the Board shall make all decisions and take all actions for the Company which are necessary or appropriate to carry out the Company's business and purposes. The Board shall be the "manager" of the Company for the purposes of the Act.

6.2 ~~1.31~~ Composition and Election of the Board.

(a) The authorized number of persons comprising the Board (each, a "Manager") shall be initially established at ~~[_____]~~**three (3)**, and the Board shall thereafter be comprised of such number of Managers as shall be determined from time to time by the Board (including the approval of at least one Peak Rock Manager) but no less than the number of Managers designated pursuant to the terms of Section 6.2(b) below.

(b) The initial members of the Board shall be as set forth on Schedule C, each to hold such position until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as provided herein. After the date hereof, the members of the Board shall be such individuals as may be designated by Peak Rock from time to time~~.~~**; provided that,**

for so long as either of Peak Rock Capital Fund LP (the "Main VCOC") or Peak Rock Capital Fund A LP (the "Fund A VCOC" and each, a "VCOC") holds an interest in Peak Rock, each such VCOC shall have the independent right to appoint and remove one of the Managers (such appointees, collectively, the "VCOC Managers" and, each, a "VCOC Manager"), which VCOC Managers shall initially be Robert Strauss, as the appointee of the Main VCOC, and Anthony DiSimone, as the appointee of the Fund A VCOC.

Each Holder shall vote all of such Holder's Units that are voting Units and any other voting securities of the Company over which such Holder has voting control and shall take all other necessary or desirable actions within such Holder's control (whether in such Holder's capacity as a Holder, Member, Manager, member of any committee of the Board, officer of the Company or otherwise, and including, without limitation, attendance at meetings in person or by proxy for purposes of obtaining a quorum and execution of written consents in lieu of meetings), and the Company shall take all necessary or desirable actions within its control (including, without limitation, calling special Board and member meetings), to cause the composition of the Board to comply with this Section 6.2(b).

The provisions of this Section 6.2(b) shall terminate automatically and shall be of no further force and effect upon the consummation of an IPO.

6.3 ~~1.32~~ Subsidiary Boards. Unless otherwise determined by the Board, the composition of the board of directors or board of managers, as applicable, of each of the Company's Subsidiaries (a "Sub Board") shall be the same as that of the Board.

6.4 ~~1.33~~ Committees. Subject to the provisions of this Agreement, the Board may designate one or more committees. Each committee designated by the Board shall include at least one Peak Rock Manager.

6.5 ~~1.34~~ Duties of the Managers. To the fullest extent permitted by law, including Section 18-1101(c) of the Act, and notwithstanding any other provision of this Agreement or in any agreement contemplated herein or applicable provisions of law or equity or otherwise, the parties hereto hereby agree (i) that no Manager or Holder shall owe any fiduciary duty to the Company or any Holder and (ii) that, while nothing herein eliminates the implied contractual covenant of good faith and fair dealing between the parties hereto, such covenant is not intended by the parties to be a means through which any fiduciary duty may be reimposed on any Manager or Holder under any circumstance.

6.6 ~~1.35~~ Removal of a Manager. The removal from the Board (with or without cause) of any Manager elected hereunder shall be effected by a vote of the Members holding a majority of the votes of the Units entitled to vote; provided that the removal from the Board or a Sub Board of any Peak Rock Manager **(other than a VCOC Manager, which may be removed only by the appointing VCOC)** shall be at Peak Rock's written request, but only upon such written request and under no other circumstances.

6.7 ~~1.36~~ Resignation. Any Manager may resign by delivering written resignation to the Company at the Company's principal office addressed to the Board. Such resignation shall be effective upon receipt of such resignation by the Board or at such later date designated therein.

6.8 ~~1.37~~ Vacancy. A vacancy in any Manager position shall be filled by a vote of the Members holding a majority of the votes of the Units entitled to vote; provided that, **(i)** in the event that any Peak Rock Manager **(other than a VCOC Manager)** ceases to serve as a member of the Board (or a Sub Board) during his or her term of office, the resulting vacancy on the Board or the Sub Board shall be filled by a representative designated by Peak Rock**, and (ii) if a VCOC Manager ceases to serve as a member of the Board (or a Sub Board) during his or her term of office, the resulting vacancy shall be filled by the VCOC that appointed such VCOC Manager**.

6.9 ~~1.38~~ Meetings. A meeting of the Board may be called by any Manager. The Company shall pay the reasonable out-of-pocket travel expenses incurred by each Manager in connection with attending such meeting and any meetings of committees of the Board. Upon the approval of the Board, the Company may agree to pay reasonable fees to any or all of the Managers.

6.10 ~~1.39~~ Place of Meetings. The Board may designate any place as the place of meeting for any meeting of the Board.

6.11 ~~1.40~~ Notice of Meetings. Written (including by facsimile or email correspondence) or telephonic notice to each Manager must be given by the Person or Persons calling such meeting at least one Business Days prior to the scheduled date of the meeting. Attendance of a Manager at a meeting shall constitute a waiver of notice of such meeting, except where a Manager attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

6.12 ~~1.41~~ Spontaneous Meeting of Board. If all of the Managers meet at any time and place (including telephonically) and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice, and any Company action which may be taken at a meeting of the Board may be taken at such meeting.

6.13 ~~1.42~~ Quorum. At any meeting of the Board, a majority of the elected Managers (including at least one Peak Rock Manager) must be present to constitute a quorum for the transaction of any business which may be taken at such a meeting. In the absence of a quorum, any Manager present at such meeting in person, by proxy or by telephone shall have the power to adjourn such meeting until a quorum shall be constituted.

6.14 ~~1.43~~ Voting. Each Manager shall be entitled to one vote upon any matter submitted to a vote at a meeting of the Board.

6.15 ~~1.44~~ Manner of Acting. Unless otherwise required by the Act or this Agreement and subject to the provisions of this Agreement, the affirmative vote of a majority of the elected Managers at a meeting at which a quorum is present shall be the act of the Board, and no single Manager, in his or her capacity as such, may make any decisions or take any actions on behalf of the Company without the affirmative vote of a majority of the elected Managers at a meeting at which a quorum is present.

6.16 ~~1.45~~ Proxies. At any meeting of the Board, a Manager may vote by proxy executed in writing by such Manager in favor of another Manager.

6.17 ~~1.46~~ Written Actions. Any action required to be, or which may be, taken by the Board or any committee thereof may be taken without a meeting if consented thereto in a writing setting forth the action so taken and signed by a majority of the elected Managers. Such consent shall have the same force and effect as a vote of a majority of the elected Managers at a meeting of the Board at which a quorum is present or any committee thereof, and the execution of such consent shall constitute attendance or presence in person at a meeting of the Board or any such committee, as the case may be.

6.18 ~~1.47~~ Telephonic Participation in Meetings. Managers may participate in any meeting of the Board through telephonic or similar communications equipment by means of which all Managers participating in the meeting can hear one another, and such participation shall constitute presence in person at such meeting.

ARTICLE VII

OFFICERS

7.1 ~~1.48~~ Designation of Officers. The Board may, from time to time, designate one or more individuals to be officers of the Company. No officer need be a resident of the State of Delaware or a Member. Any officers so designated shall have such authority and perform such duties as the Board may, from time to time, prescribe or as may be provided in this Agreement. The Board may assign titles to particular officers. Unless the Board otherwise specifies, if the title is one commonly used for officers of a business corporation, the assignment of such title shall constitute the delegation to such officer of the authority and duties that are normally associated with that office under the laws of the State of Delaware, subject to any specific delegation of authority and duties made to such officer by the Board pursuant to this Section 7.1. Each officer shall hold office until his or her successor shall be duly designated and shall qualify or until his or her death or until he or she shall resign or shall have been removed. Any number of offices may be held by the same individual. The salaries or other compensation, if any, of the officers and agents of the Company shall be fixed from time to time by the Board.

7.2 ~~1.49~~ The Chairman of the Board. The Chairman of the Board, if any, shall, subject to the direction of the Board, perform such executive, supervisory and management functions and duties as may be assigned to him or her from time to time by the Board. He or she shall, if present, preside at all meetings of Members and of the Board.

7.3 ~~1.50~~ Chief Executive Officer. The Chief Executive Officer of the Company (the "Chief Executive Officer") shall, subject to the powers of and limitations imposed by the Board and this Agreement, have general charge of the business, affairs and property of the Company, and control over its officers, agents and employees and shall see that all directions and resolutions of the Board are carried into effect. The Chief Executive Officer shall have such other powers and perform such other duties as may be prescribed by the Board or as may be provided in this Agreement. The Chief Executive Officer shall report to the Board, unless the Board directs the Chief Executive Officer to report to the Chairman of the Board.

7.4 ~~1.51~~ President; Vice-President; Secretary. The President, Vice-President (or Vice-Presidents), Secretary and other officers, if any, shall have the powers and perform the duties

incident to such position and perform such other duties and have such other powers as the Board or this Agreement may, from time to time, prescribe. The officers of the Company (other than the Chief Executive Officer) shall report to the Chief Executive Officer unless otherwise directed by the Board.

7.5 ~~1.52~~ Resignation; Removal. Any officer may resign as such at any time. Subject to the terms of any written agreement with the Company, such resignation shall be made in writing and shall take effect at the time specified therein, or if no time be specified, at the time of its receipt by the Board. Any officer may be removed as such, either with or without cause, by the Board whenever in its judgment the best interests of the Company shall be served thereby; provided that such removal shall be without prejudice to the contract rights, if any, of the individual so removed. Designation of an officer shall not of itself create any contract rights, except as otherwise set forth herein. Any vacancy occurring in any office of the Company may be filled by the Board.

7.6 ~~1.53~~ Duties of Officers Generally. Except as otherwise set forth in this Agreement, each officer shall owe to the Company and its Members the same duties of care and loyalty that such individuals would owe to a corporation and its stockholders as an officer thereof under the laws of the State of Delaware.

ARTICLE VIII

MEMBERS

8.1 ~~1.54~~ Number. The Company shall at all times have one or more Members.

8.2 ~~1.55~~ Membership Status. After a Transfer of Units in accordance with Article XII by a Member, such Member shall not be entitled to any Distributions or payments of any kind from the Company with respect to such Units and shall no longer be considered a Member with respect to such Units for any purpose.

8.3 ~~1.56~~ No Participation in Management. The management of the business and affairs of the Company shall be vested in whole in the Board in accordance with Article VI of this Agreement. Except with respect to the execution and filing of the Certificate, as otherwise specifically provided by this Agreement or required by the Act, no Member, acting in the capacity of a Member, shall be an agent of the Company or have any authority to act for or bind the Company.

8.4 ~~1.57~~ Meetings. Meetings of the Members may be called by the Board at any time or at any time by a Member or Members holding at least 25% of the Units entitled to vote at such meeting.

8.5 ~~1.58~~ Place of Meetings. The Board or the Member or Members calling such meeting may designate any place as the place of meeting for any meeting of the Members.

8.6 ~~1.59~~ Notice of Meetings. Written or printed notice stating the place, day and hour of the meeting and the purpose or purposes for which the meeting is called, shall be delivered to each Member not less than five (5) nor more than twenty (20) Business Days before the meeting, at

the direction of the Board or, if such meeting is called by a Member or Members, by the Member or Members calling such meeting.

8.7 ~~1.60~~ Spontaneous Meeting of Members. If all of the Members meet at any time and place (including telephonically) and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice, and any Company action which may be taken at a meeting of the Members may be taken at such meeting.

8.8 ~~1.61~~ Quorum. The Members holding a majority of the Units entitled to vote, present in person or by proxy, shall constitute a quorum for the transaction of any business which may be taken at a meeting of the Members. In the absence of a quorum, no business may be transacted and any Member present at such meeting in person, by proxy or by telephone shall have the power to adjourn such meeting until a quorum shall be constituted.

8.9 ~~1.62~~ Voting Rights Generally. Subject to the provisions of this Agreement, the Members shall have the voting rights associated with the Units held by such Member as provided in this Agreement. When a vote is required by the Members, each Member shall be entitled to vote as provided in Section 3.4 of this Agreement.

8.10 ~~1.63~~ Manner of Acting. Unless otherwise required by this Agreement, the affirmative vote of a majority of the Units entitled to vote represented at a meeting at which a quorum is present shall constitute the act of the Members.

8.11 ~~1.64~~ Proxies. At any meeting of the Members, a Member may vote by proxy executed in writing by such Member or by its duly authorized representative.

8.12 ~~1.65~~ Written Actions. Any action required to be, or which may be, taken by Members may be taken without a meeting if consented thereto in a writing setting forth the action so taken and signed by the Members holding a majority of the Units entitled to vote on such action.

8.13 ~~1.66~~ Telephonic Participation in Meetings. Members may participate in any meeting through telephonic or similar communications equipment by which all Persons participating in the meeting can hear one another, and such participation shall constitute presence in person at such meeting.

8.14 ~~1.67~~ Confidentiality. Each Member acknowledges that, during the term of this Agreement, he, she or it may have access to or become acquainted with trade secrets, proprietary information and confidential information belonging to the Company, its Subsidiaries and their respective Affiliates that are not generally known to the public, including, but not limited to, information concerning business plans, financial statements, operating practices and methods, expansion plans, strategic plans, marketing plans, contracts, customer lists or other business documents which the Company treats as confidential (collectively, "Confidential Information"). Without limiting the applicability of any other agreement to which any Member may be subject, no Member shall, without the prior written consent of the Board, directly~~,~~ or indirectly disclose or use (other than solely for the purpose of such Member monitoring and analyzing such Member's investment made herein) at any time, including without limitation use for commercial or proprietary advantage or profit, either during his, her or its association or employment with the Company or thereafter, any Confidential Information of which such Member is or becomes aware.

Each Member in possession of Confidential Information shall take all appropriate steps to safeguard such information and to protect it against disclosure, misuse, espionage, loss and theft. Notwithstanding the foregoing, a Member may disclose Confidential Information to the extent (i) disclosure is necessary for the Member and/or the Company's employees, agents, representatives and advisors to fulfill their duties to the Company pursuant to this Agreement and/or other written agreements, (ii) the disclosure is required by law or a court order, (iii) the information becomes generally available to the public through no fault of such Member, (iv) the disclosure is approved in advance by the Board, (v) solely in the case of Peak Rock **or any other Holder of Class A Units which is not a Management Holder**, the disclosure is of a general nature regarding general information, return on investment and similar information (including, without limitation, in connection with ~~Peak Rock~~**such Holder**'s communications with its direct and indirect investors and its marketing efforts) and (vi) each Member may disclose, without limitation, the tax treatment and tax structure (as such terms are used in Section 6011 of the Code and the Treasury Regulations promulgated thereunder) of its investment in the Company and of any transactions entered into by the Company. Upon expiration or other termination of a Member's interest in the Company, that Member may not take any of the Confidential Information, and that Member shall promptly return to the Company all Confidential Information in that Member's possession or control. Nothing in this Section 8.14 shall in any way modify or limit the provisions set forth in Section 9.9.

8.15 ~~1.68~~ Withdrawal. Subject to Section 15.10 hereof, each Member shall have the right to withdraw from the Company as a Member at any time without the consent of any of the Members upon delivery of notice in writing to the Company.

8.16 ~~1.69~~ Approval Rights. Each Member hereby acknowledges and agrees that such Member is not entitled to any dissenter's rights, appraisal rights or similar rights under Section 18-210 of the Act or otherwise.

ARTICLE IX

EXCULPATION AND INDEMNIFICATION

9.1 ~~1.70~~ Exculpation. No Member, Manager or officer of the Company or any of its Subsidiaries shall be liable to the Company or such Subsidiary, any other Manager, any other officer of the Company or to any other Member for any loss suffered by the Company or any Subsidiary unless such loss is caused by such Manager's or such officer of the Company's willful misconduct or knowing violation of law. No Member, Manager or officer of the Company shall be liable to the Company, any other Manager or officer or any other Member for errors in judgment or for any acts or omissions that do not constitute willful misconduct or knowing violation of law. Any Member or Manager and any officer of the Company may consult with the Company's counsel and accountants in respect of Company affairs, and, provided such Member, Manager or officer of the Company, as the case may be, acts in good faith reliance upon the advice or opinion of such counsel or accountants, such Member, Manager or officer of the Company, as the case may be, shall not be liable for any loss suffered by the Company in reliance thereon.

9.2 ~~1.71~~ Right to Indemnification. Subject to the limitations and conditions as provided in this Article IX, each Person who was or is made a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether

civil, criminal, administrative or arbitrative (hereinafter a "Proceeding"), or any appeal in such a Proceeding or any inquiry or investigation that could lead to such a Proceeding, by reason of the fact that he or she, or a Person of whom he or she is the legal representative, is or was an officer, Manager or Member of the Company or, while an officer, Manager or Member of the Company, is or was serving at the request of the Company as a manager, director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic limited liability company, corporation, partnership, joint venture, sole proprietorship, trust or other enterprise, shall be indemnified by the Company to the fullest extent permitted under applicable law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than said law permitted the Company to provide prior to such amendment) against judgments, penalties, fines, settlements and reasonable expenses (including, without limitation, reasonable attorneys' fees) actually incurred by such Person in connection with such Proceeding; provided that (a) such Person's course of conduct was pursued in good faith and believed by him or her to be in the best interests of the Company and (b) such course of conduct did not constitute willful misconduct or knowing violation of law on the part of such Person. Indemnification under this Article IX shall continue with respect to a Person who has ceased to serve in the capacity which initially entitled such Person to indemnity hereunder. The rights granted pursuant to this Article IX shall be deemed contractual rights, and no amendment, modification or repeal of this Article IX shall have the effect of limiting or denying any such rights with respect to actions taken or Proceedings arising prior to any amendment, modification or repeal.

9.3 ~~1.72~~ Advance Payment. The right to indemnification conferred in this Article IX shall include the right to be paid or reimbursed by the Company the reasonable expenses incurred by a Person of the type entitled to be indemnified under Section 9.2 who was, is or is threatened to be made a named defendant or respondent in a Proceeding in advance of the final disposition of the Proceeding and without any determination as to the Person's ultimate entitlement to indemnification; provided that the payment of such expenses incurred by any such Person in advance of the final disposition of a Proceeding shall be made only upon delivery to the Company of a written affirmation by such Person of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification under Article IX and a written undertaking, by or on behalf of such Person, to repay all amounts so advanced if it shall ultimately be determined that such indemnified Person is not entitled to be indemnified under this Article IX or otherwise.

9.4 ~~1.73~~ Indemnification of Employees and Agents. The Company may indemnify and advance expenses to any Person, as determined by the Board, by reason of the fact that such Person was an employee or agent of the Company or is or was serving at the request of the Company as a manager, director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic limited liability company, corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise, against any liability asserted against him or her and incurred by him or her in such a capacity or arising out of his or her status as such a Person to the same extent that it shall indemnify and advance expenses to Managers and officers under this Article IX.

9.5 ~~1.74~~ Appearance as a Witness. Notwithstanding any other provision of this Article IX, the Company may pay or reimburse reasonable out-of-pocket expenses incurred by a Manager, officer or employee in connection with his or her appearance as a witness or other participation in

a Proceeding related to or arising out of the business of the Company at a time when he or she is not a named defendant or respondent in the Proceeding.

9.6 ~~1.75~~ Non-Exclusivity of Rights. The right to indemnification and the advancement and payment of expenses conferred in this Article IX shall not be exclusive of any other right which a Manager, officer or other Person indemnified pursuant to this Article IX may have or hereafter acquire under any law (common or statutory), any provision of the Certificate or this Agreement, any other separate contractual arrangement, any vote of Members or disinterested Managers, or otherwise. In addition, the Company hereby acknowledges that certain directors and officers affiliated with Peak Rock may have certain rights to indemnification, advancement of expenses and/or insurance provided by Peak Rock or certain of its Affiliates (collectively, the "Investor Indemnitors"). The Company hereby agrees (a) that it is the indemnitor of first resort (i.e., its obligations to the indemnified Person are primary and any obligation of the Investor Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by the indemnified Person are secondary), (b) that it shall be required to advance the full amount of expenses incurred by the Indemnified Person in accordance with Section 9.3 without regard to any rights the indemnified Person may have against the Investor Indemnitors and (c) that it irrevocably waives, relinquishes and releases the Investor Indemnitors from any and all claims against the Investor Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Investor Indemnitors on behalf of any indemnified Person with respect to any claim for which any indemnified Person has sought indemnification from the Company shall affect the foregoing and the Investor Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of any indemnified Person against the Company.

9.7 ~~1.76~~ Insurance. The Company may purchase and maintain insurance, at its expense, to protect itself and any Person who is or was serving as a Manager, officer, employee or agent of the Company or is or was serving at the request of the Company as a manager, director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic limited liability company, corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise, against any expense, liability or loss, whether or not the Company would have the obligation to indemnify such Person against such expense, liability or loss under this Article IX.

9.8 ~~1.77~~ Savings Clause. If this Article IX or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless each Manager, officer or any other Person indemnified pursuant to this Article IX as to costs, charges and expenses (including reasonable attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative to the fullest extent permitted by any applicable portion of this Article IX that shall not have been invalidated and to the fullest extent permitted by applicable law.

9.9 ~~1.78~~ Investment Opportunities and Conflicts of Interest. The Holders expressly acknowledge and agree that, subject to the provisions of this Section 9.9, (i) Peak Rock and its Affiliates, general and limited partners, equityholders, officers, managers, directors, employees and operating advisors are, both presently and in the future, permitted to own a controlling interest

in, manage the operations of, have investments in or maintain other business relationships with entities engaged in businesses similar to, related to and/or competitive with the businesses of the Company and its Subsidiaries (including in areas in which the Company or any of its Subsidiaries may in the future engage in business), and in related businesses other than through the Company or any of its Subsidiaries (an "Other Business"), (ii) neither Peak Rock nor its Affiliates (including their respective representatives serving on the Board) shall be prohibited by virtue of their investments in the Company or its Subsidiaries or their service on the Board or the board of directors or board of managers of any Subsidiary from pursuing and engaging in any such activities, (iii) neither Peak Rock nor its Affiliates (including their respective representatives serving on the Board or participating as nonvoting observers of the Board) shall be obligated to inform the Company or the Board of any such opportunity, relationship or investment, (iv) the other Holders shall not acquire or be entitled to any interest or participation in any Other Business as a result of the participation therein of Peak Rock and its Affiliates (including their respective representatives serving on the Board), and (v) the involvement of Peak Rock and its Affiliates (including their respective representatives serving on the Board) in any Other Business shall not constitute a conflict of interest by such Persons with respect to the Company, any of its Subsidiaries, any of the Holders or any of their respective Affiliates. In addition, each Holder acknowledges that the Company and its Subsidiaries may enter into arrangements with Peak Rock, its Affiliates and operating advisors of Peak Rock and its Affiliates from time to time (including the Management Services Agreement dated as of the date hereof between **~~[Groeb Farms~~Natural American Foods**, Inc.~~]~~ and an Affiliate of Peak Rock), which may be of benefit to Peak Rock and its Affiliates.

ARTICLE X

TAXES

10.1 ~~1.79~~ Tax Returns. The Board shall cause to be prepared and filed all necessary federal, state, local or foreign income tax returns for the Company, including making any elections the Board may deem appropriate and in the best interests of the Holders. Each Holder shall furnish to the Board all pertinent information in its possession relating to Company operations that is necessary to enable the Company's income tax returns to be prepared and filed.

10.2 ~~1.80~~ Tax Matters Partner. Peak Rock shall be the "tax matters partner" of the Company pursuant to Section 6231(a)(7) of the Code, unless and until the Board shall designate another "tax matters partner" in its sole discretion. The tax matters partner is authorized (i) to represent the Company (at the Company's expense) in connection with all examinations by income tax authorities of the Company's affairs and any Company related items, including resulting administrative and judicial proceedings, (ii) to sign consents and to enter into settlements and other agreements with such authorities with respect to any such examinations or proceedings, and (iii) to expend Company funds for professional services and costs associated therewith. Each Member will cooperate with the tax matters partner and do or refrain from doing any or all things reasonably requested by the tax matters partner with respect to the conduct of such examinations or proceedings. The tax matters partner has sole discretion to determine whether the Company will contest or continue to contest any income tax deficiencies assessed or proposed to be assessed by any income taxing authority on the Company.

10.3 ~~1.81~~ Tax Elections. The tax matters partner, in its sole discretion, may make or revoke any available election under the Code or the Treasury Regulations issued thereunder (including for this purpose any new or amended Treasury Regulations issued after the date of formation of the Company).

10.4 ~~1.82~~ Code Section 83 Safe Harbor Election.

(a) By executing this Agreement, each Member authorizes and directs the Company to elect to have the "Safe Harbor" described in the proposed Revenue Procedure set forth in Internal Revenue Service Notice 2005-43 (the "IRS Notice"), or any successor guidance or provision, apply to any interest in the Company transferred to a service provider by the Company in connection with services provided to the Company on or after the effective date of such Revenue Procedure. For purposes of making such Safe Harbor election, the tax matters partner is hereby designated as the "partner who has responsibility for federal income tax reporting" by the Company and, accordingly, execution of such Safe Harbor election by the tax matters partner constitutes execution of a "Safe Harbor Election" in accordance with Section 3.03(1) of the IRS Notice. The Company and each Member hereby agree to comply with all requirements of the Safe Harbor described in the IRS Notice, including, without limitation, the requirement that each Member shall prepare and file all federal income tax returns reporting the income tax effects of each Unit issued by the Company that qualifies for the Safe Harbor in a manner consistent with the requirements of the IRS Notice. A Member's obligations to comply with the requirements of this Section 10.4 shall survive such Member's ceasing to be a Member of the Company and/or the termination, dissolution, liquidation and winding up of the Company, and, for purposes of this Section 10.4, the Company shall be treated as continuing in existence.

(b) Each Member authorizes the tax matters partner to amend this Section 10.4 to the extent necessary to achieve substantially the same or similar tax treatment with respect to any interest in the Company transferred to a service provider by the Company in connection with services provided to the Company as set forth in Section 4 of the IRS Notice (e.g., to reflect changes from the rules set forth in the IRS Notice in subsequent Internal Revenue Service guidance); provided that such amendment does not result in disproportionately adverse treatment of any other Member as compared to the treatment of a Member holding similar Units.

ARTICLE XI

COVENANTS OF THE COMPANY

11.1 ~~1.83~~ Maintenance of Books. The Company shall keep appropriate books and records of accounts in accordance with GAAP and Treasury Regulation Section 1.704(b)(2) and shall keep appropriate minutes of the proceedings of its Members, the Board and its committees.

11.2 ~~1.84~~ Reports.

(a) The Company shall deliver to each Manager periodic financial statements, annual audited financial statements, and annual budgets and other financial reports requested by the Board.

(b) The Company shall use reasonable efforts to deliver or cause to be delivered, within 75 days after the end of each Fiscal Year, to each Person who was a Member at any time during such Fiscal Year all information necessary for the preparation of such Person's U.S. federal, state and local income tax returns. No Member or other Holder shall be entitled to receive any information about the Company and its Subsidiaries under Section 18-305 of the Act, under this Agreement or otherwise, other than as set forth in this Section 11.2(b), including without limitation with regard to Schedule A to this Agreement (except with regard to the ownership information specific to such Member or other Holder contained therein).

(c) For so long as any Holder of Class A Units which is not a Management Holder holds at least 50% of the Class A Units initially issued by the Company to such Holder as of the date hereof (with any warrants exerciseable for Class A Units being included in such determination as if such warrants were already exercised for Class A Units), then such Holder shall be entitled to (A) receive from the Company, on a monthly basis, (i) an unaudited consolidated and consolidating balance sheet, income statement, statement of cash flow, and statement of owner's equity covering the operations of the Company and its Subsidiaries, if any, during such period and compared to the prior period, setting forth in each case in comparative form figures for the corresponding period in the preceding fiscal year, all in reasonable detail and certified by an authorized financial officer of Natural American Foods, Inc. and prepared in accordance with GAAP, subject to normal year-end adjustments and footnotes, and (ii) with respect to the last fiscal month of a fiscal quarter only, a compliance certificate showing compliance by Natural American Foods, Inc. with the financial covenants set forth in the Securities Purchase Agreement, along with underlying calculations; (B) receive, within 120 days after the last day of each fiscal year of the Company, an audited consolidated and consolidating annual financial statement of the Company, including a balance sheet, statement of income and expense, statement of stockholders' equity and statement of cash flow for such year, prepared in accordance with GAAP and setting forth in each case, in comparative form, the figures for the previous fiscal year, all in reasonable detail and, in the case of the audited annual report, accompanied by the opinion as to going concern of an independent certified public accountant; and (C) attend quarterly meetings with the Company's management, with up to two such meetings per year in person, at each such Holder's expense. Any materials delivered or made available to such Holders pursuant to or as a result of this Section 11.2(c) shall be subject to the provisions of Section 8.14.

11.3 ~~1.85~~ Company Funds. The Company may not commingle the Company's funds with the funds of any Member.

ARTICLE XII

TRANSFERS

12.1 ~~1.86~~ Restrictions on Transfer of Units

(a) No Holder shall Transfer any interest in such Holder's Units without the prior written consent of the Board, except Transfers (i) to Permitted Transferees, (ii) in connection with a Sale of the Company or in connection with a Restructuring Transaction, (iii) to

the Company in connection with the exercise of any repurchase right vested in the Company, respectively, or (iv) as a Co-Sale Rights Holder pursuant to Section 12.3. Notwithstanding the foregoing or anything to the contrary contained in this Agreement, if the Board determines that any Transfer of Units would have an adverse effect on the Company by causing the Company to become subject to the reporting requirements of the Exchange Act or to be treated as a publicly traded partnership within the meaning of Code §7704 and Treasury Regulation §1.7704-1, the Board may prohibit any such Transfer. The restrictions on the Transfer of Units set forth in this Section 12.1 shall continue with respect to each Unit until the consummation of an IPO.

(b) Any Transfer by any Holder of any Units or other interest in the Company in violation of this Agreement (including, without limitation, any Transfer in violation of Section 12.1 or the failure of the Transferee to execute a Joinder) or which would cause the Company to not be treated as a partnership for U.S. federal income tax purposes shall be void and ineffective and shall not bind or be recognized by the Company or any other party, and no such purported assignee shall have any right to vote on any matter or any right to any Profits, Losses or Distributions. No Holder shall pledge or otherwise encumber all or any portion of his, her or its interest in the Company without the prior written consent of the Board, which consent may be given or withheld in its sole and absolute discretion.

(c) No Holder shall avoid the restrictions on Transfer set forth in this Agreement by (i) making one or more transfers to one or more Permitted Transferees and then disposing of all or any portion of such Holder's interest in any such Permitted Transferee or (ii) making direct or indirect transfers of the equity interests of such Holder.

12.2 ~~1.87~~ Sale of the Company; Third-Party Transaction.

(a) Subject to the terms of this Section 12.2(a), if Peak Rock approves a Sale of the Company (the "Approved Sale"), and Peak Rock invokes the provisions of this Section 12.2(a) by written notice to the Holders, the Holders shall vote for (to the extent permitted to vote thereon), consent to and raise no objections against such Approved Sale or the process by which such transaction was arranged. If the Approved Sale is structured as a (i) merger or consolidation, each Holder shall waive any dissenters' rights, appraisal rights or similar rights, if applicable, in connection with such merger or consolidation or (ii) sale of Units or other equity securities or interests, each Holder shall sell and surrender all or any applicable portion of such Holder's Units or other equity securities or interests and rights to acquire Units or other equity securities or interests on the terms and conditions approved by Peak Rock. In addition (and without limiting the provisions of this Section 12.2), in the event of an Approved Sale, each Holder shall be entitled to include such Holder's Units in such Approved Sale provided that such Holder complies with all of the obligations applicable to Holders in connection with an Approved Sale under this Section 12.2. The Holders shall take all necessary or desirable actions in connection with the consummation of the Approved Sale, including, without limitation, executing a termination of all or any portion of this Agreement and executing a sale contract pursuant to which each Holder will: (1) severally (but not jointly), on a pro rata basis in accordance with Section 12.2(d) below, give the same indemnities as Peak Rock for representations and warranties regarding the Company and its assets, liabilities and business and for covenants of the Company (collectively, the "Company Indemnities") and (2) solely on behalf of such Holder, make such representations, warranties, covenants and give such indemnities concerning such Holder and the Units or other equity

securities or interests (if any) to be sold by such Holder as may be also applicable to all other Holders and the Units to be sold by such other parties set forth in any agreement approved by Peak Rock; provided that: (A) the pro rata share of a Holder for any amounts payable in connection with any claim under the Company Indemnities by the purchaser(s) in such Approved Sale transaction (any such amount payable, an "Indemnity Loss") shall be determined in accordance with Section 12.2(d) below, and (B) if any Holder pays for more than such Holder's pro rata share as determined in accordance with Section 12.2(d) below of an Indemnity Loss (such amount, the "Loss Overpayment"), then each other Holder shall simultaneously contribute to such Holder making such Loss Overpayment an amount equal to such other Holder's allocable share (based upon such Holder's pro rata share as determined in accordance with Section 12.2(d) below of the Indemnity Loss) of such Loss Overpayment. Notwithstanding anything to the contrary contained herein, no Holder shall be required to agree to be liable for Indemnity Losses in an amount in the aggregate greater than the total consideration received by such Holder in connection with such Approved Sale.

(b) Partial Sale of the Company. In the event that an Approved Sale involves a sale of less than all of the Units, each Holder shall be required to sell his, her or its Units in such Approved Sale, subject to complying with the terms and conditions set forth in this Section 12.2(b). The number of each class of Units which shall be sold by each Holder participating in such Approved Sale and holding such class of Units shall be equal to the product of (i) the aggregate number of the applicable class of Units owned by such Holder multiplied by (ii) a fraction, the numerator of which is the aggregate number of such applicable class of Units being sold by Peak Rock in such sale and the denominator of which is the aggregate number of such applicable class of Units owned by Peak Rock at the time of such sale; provided that, in the event any Class B Units are to be included in such Approved Sale then the Units which shall be sold by each Holder participating in such Approved Sale shall be equal to a number of Units having a Fair Market Value equal to the product of (A) the Fair Market Value of the Units owned by such Holder multiplied by (B) a fraction, the numerator of which is the aggregate Fair Market Value of Units being sold by Peak Rock in such sale and the denominator of which is the aggregate Fair Market Value of Units owned by Peak Rock at the time of such sale.

(c) Conditions to Obligation. The obligation of the Holders to participate in an Approved Sale is subject to the satisfaction of the condition that, upon consummation of the Approved Sale, all Holders shall receive the proceeds from such sale in accordance with the terms of Section 12.2(d) below, and if the Holders are given an option as to the form of consideration to be received, all Holder shall be given the same option subject to Section 12.2(d) below; provided that the condition that each Holder is provided with the same option to receive the same form of consideration as set forth above shall, in the case of any Holder who is also an employee of the Company or its Subsidiaries, be deemed satisfied even if such Holder elects to receive, to the exclusion of others, securities of the acquiring Person or any of its Affiliates or a mix of such securities and cash, so long as such Holder receives the same amount of value per applicable class of Unit, whether in cash or such securities, as the other holders of such class of Unit, as Peak Rock shall determine in good faith after review of all facts and circumstances it deems relevant, as of the closing of such Approved Sale.

(d) Distribution of Proceeds; Allocable Share of Indemnity Loss. In the event an Approved Sale occurs, each Holder shall receive in exchange for the Units held by such

Holder an amount (such Holder's "Sale Proceeds Amount") equal to such amount that such Holder would have received in respect of such Holder's Units if the aggregate consideration (after satisfaction or assumption of all debts and liabilities) from such Approved Sale had been distributed by the Company in accordance with (including, without limitation, in the order of priority as set forth in) Section 5.1 (and, if less than all of the Units of the Company are included in such transaction, then the allocation of such aggregate net consideration shall be determined as if the Units included in such transaction were all of the Units of the Company then outstanding, and the Company distributed the aggregate consideration in accordance with Section 5.1 on that basis, and, for purposes of this Section 12.2(d), the terms of this Agreement shall be interpreted consistently with this assumption). The allocable share of each Holder of any Indemnity Loss shall be an amount equal to the amount by which such Holder's Sale Proceeds Amount would have been reduced had the aggregate consideration from such Approved Sale been distributed by the Company in accordance with the sentence immediately foregoing after deducting from such aggregate consideration the aggregate amount of such Indemnity Loss. Subject to the conditions set forth in this Section 12.2(d) with respect to such Holder's allocable share of any Indemnity Loss, each Holder shall take all necessary or desirable actions in connection with the distribution of the aggregate consideration from such Approved Sale as requested by Peak Rock.

(e) Allocation of Expenses. Each Holder shall bear such Holder's pro rata share (based upon the aggregate consideration received by each Holder in such Approved Sale) of the expenses incurred in connection with an Approved Sale to the extent such expenses are incurred for the benefit of all Holders and are not otherwise paid by the Company or the acquiring party. For purposes of this Section 12.2(e), expenses incurred in exercising reasonable efforts to take all necessary actions in connection with the consummation of the Approved Sale shall be deemed to be for the benefit of all Holders. Expenses incurred by any Holder on such Holder's own behalf shall not be considered expenses of the transaction and shall be the responsibility of such Holder.

(f) Termination. The provisions of this Section 12.2 shall terminate upon the consummation of an IPO.

12.3 ~~1.88~~ Co-Sale Rights.

(a) Subject to Section 12.3(c), prior to making any Transfer of Class A Units representing in excess of 20% of the Class A Units (taking into account all previous Transfers of Class A Units by the applicable Selling Investor but excluding any Class A Units Transferred in an Excluded Transfer (as defined below)), any holder of Class A Units proposing to make such a Transfer (a "Selling Investor") shall give prior written notice at least fifteen (15) days prior to the date of such proposed Transfer to each holder of Class A Units (collectively, the "Co-Sale Rights Holders") and the Company, which notice (the "Sale Notice") shall identify the number of Class A Units proposed to be sold (the "Offered Units") and the aggregate purchase price proposed to be paid by the transferee for such Offered Units, describe the material terms and conditions of such proposed Transfer and set forth the Maximum Number for such Co-Sale Rights Holder (based on the formula set forth below). Any Co-Sale Rights Holder may, within ten (10) days of delivery of the Sale Notice, give written notice (each, a "Co-Sale Notice") to the Selling Investor that such Co-Sale Rights Holder wishes to participate in such proposed Transfer upon the terms and conditions set forth in the Sale Notice, which Co-Sale Notice shall specify the aggregate

number of Class A Units such Co-Sale Rights Holder desires to include in such proposed Transfer up to the Maximum Number; provided, however, that, as a condition to being permitted to sell Class A Units pursuant to this Section 12.3(a) in connection with a Transfer of Offered Units, each Co-Sale Rights Holder must agree to make to the transferee the same representations, warranties, covenants, indemnities and agreements as the Selling Investor agrees to make in connection with the Transfer of the Offered Units (except that, in the case of representations and warranties pertaining specifically to, or covenants made specifically by, the Selling Investor, the Co-Sale Rights Holder shall make comparable representations and warranties pertaining specifically to (and, as applicable, covenants by) such Co-Sale Rights Holder), and must agree to bear his, her or its ratable share (which may be joint and several but shall be based on, and limited to, the value of Class A Units that are Transferred by each such holder of Class A Units) of all liabilities to the Transferees arising out of representations, warranties and covenants (other than those representations, warranties and covenants that pertain specifically to a given holder of Class A Units, who shall bear all of the liability related thereto), indemnities or other agreements made in connection with the Transfer. Each Transferring holder of Class A Units pursuant to this Section 12.3(a) will bear (x) his, her or its own costs of any sale of Class A Units pursuant to this Section 12.3(a) and (y) his, her or its pro rata share (based upon the relative amount of proceeds received for the Class A Units sold) of the costs of any sale of Class A Units pursuant to this Section 12.3(a) to the extent such costs are incurred for the benefit of all Holders and are not otherwise paid by the Transferee. The maximum number of Class A Units which may be sold by each Co-Sale Rights Holder in any such Transfer (such Co-Sale Rights Holder's "Maximum Number") shall be determined by multiplying (i) the quotient determined by dividing the number of Class A Units held by such Co-Sale Rights Holder by the aggregate number of Class A Units of the Company by (ii) the number of Offered Units. Any of the participating Co-Sale Rights Holders may elect to sell in any Transfer contemplated under this Section 12.3(a) a lesser number of Class A Units than such participating Co-Sale Rights Holder's Maximum Number, in which case the Selling Investor shall have the right to sell an additional number of Class A Units in such Transfer equal to the number that such participating Co-Sale Rights Holder has elected not to sell.

(b) If no Co-Sale Rights Holder gives the Selling Investor a timely Co-Sale Notice with respect to the Transfer proposed in the Sale Notice, then (notwithstanding the first sentence of Section 12.3(a)) the Selling Investor may Transfer such Offered Units at a price not more than, and on other terms and conditions not substantially more favorable to the prospective Transferee(s) than, as set forth in the Sale Notice at any time within 180 days after expiration of the ten-day period for giving Co-Sale Notices with respect to such Transfer. Any such Offered Units not Transferred by the Selling Investor during such 180-day period will again be subject to the provisions of Section 12.3(a) upon subsequent Transfer. If one or more Co-Sale Rights Holders give the Selling Investor a timely Co-Sale Notice, then the Selling Investor shall use its reasonable efforts to obtain the agreement of the prospective Transferee(s) to the participation of the Co-Sale Rights Holders in any contemplated Transfer, at a price not more than, and on other terms and conditions not substantially more favorable to the prospective Transferee(s) than, as are applicable to the Offered Units, and no Selling Investor shall transfer any of its Class A Units to any prospective Transferee if such prospective Transferee(s) declines to allow the participation of the Co-Sale Rights Holders unless the Selling Investor agrees to purchase, contemporaneously with the closing of the contemplated Transfer, the number of Class A Units from the Co-Sale Rights Holders which such Co-Sale Rights Holders would have been

entitled to sell under this Section 12.3(b) and which the prospective Transferee(s) have not agreed to purchase from such Co-Sale Rights Holder, on the terms set forth in this Section 12.3(b).

(c) Excluded Transfers. The rights and restrictions contained in this Section 12.3 shall not apply with respect to any Transfers of Units (i) pursuant to Section 12.1(a)(i)-(iv) hereof; (ii) by Peak Rock or its Permitted Transferees in a Public Sale; or (iii) to and among the members or partners of Peak Rock or its Permitted Transferees and the members, partners, stockholders and employees of such partners (collectively, "Excluded Transfers").

(d) No Class A Units that have been transferred by the Selling Investor or a Co-Sale Rights Holder in a Transfer subject to the provisions of this Section 12.3 shall be subject again to the restrictions set forth in Section 12.3.

12.4 ~~1.89~~ Effect of Assignment.

(a) Any Member who shall assign any Units or other interest in the Company (any such Member, an "Assignor") shall cease to be a Member of the Company with respect to such Units or other interest and shall no longer have any rights or privileges of a Member with respect to such Units or other interest, including the power and right to vote (in proportion to the extent of the interest Transferred) on any matter submitted to the Members, and, for voting purposes, such interest shall not be counted as outstanding (in proportion to the extent of the interest Transferred) unless and until the transferee is admitted as a Member in accordance with Section 12.6.

(b) Subject to the terms of this Section 12.4, any Person who acquires in any manner whatsoever any Units or other interest in the Company (any such Person, an "Assignee"), irrespective of whether such Person has accepted and adopted in writing the terms and provisions of this Agreement, shall be deemed by the acceptance of the benefits of the acquisition thereof to have agreed to be subject to and bound by all of the terms, conditions and obligations (but none of the rights or benefits) of this Agreement that any transferor of such Units or other interest in the Company of such Person was subject to or by which such transferor was bound.

(c) A Transfer by a Member or other Holder shall not itself dissolve the Company or entitle the Assignee to become a Member or exercise any rights of a Member. An Assignee that is not admitted as a Member pursuant to Section 12.6 shall be entitled only to the Economic Interest with respect to the Units held thereby and shall have no other rights with respect to the interest Transferred. If an Assignee becomes a Member in accordance with Section 12.6, the voting and other rights associated with the interest held by the Assignee shall be restored and thereafter be held by such newly admitted Member, along with all other rights attendant to the interest Transferred.

12.5 ~~1.90~~ Deliveries for Transfer.

(a) In connection with the Transfer of any Units, the Holder of such Units shall deliver written notice to the Company describing in reasonable detail the Transfer or proposed Transfer. In addition, in the case of any Certificated Units (as defined below), if the Holder of such Units delivers to the Company an opinion of counsel reasonably acceptable to the

Company that such Transfer and any subsequent Transfer of such Units will not require registration under the Securities Act, the Company shall promptly upon such contemplated Transfer deliver new certificates or instruments, as the case may be, for such Units which do not bear the restrictive legend relating to the Securities Act as set forth below. If the Company is not required to deliver new certificates or instruments, as the case may be, for such Units not bearing such legend, the Holder of such Units shall not Transfer the same until the prospective transferee has confirmed to the Company in writing its agreement to be bound by the conditions contained in this Section 12.5.

(b) Notwithstanding any other provisions of this Article XII, no Transfer of Units or any other interest in the Company may be made unless, in the opinion of counsel (who may but need not be counsel for the Company), satisfactory in form and substance to the Board (which opinion may be waived, in whole or in part, at the discretion of the Board), such Transfer would not violate any federal securities laws or any state or provincial securities or "blue sky" laws (including any investor suitability standards) applicable to the Company or the interest to be transferred, or cause the Company to be required to register as an "Investment Company" under the U.S. Investment Company Act of 1940, as amended. Such opinion of counsel shall be delivered in writing to the Company prior to the date of the Transfer.

(c) In addition to the foregoing, a Transfer shall be valid hereunder only if: (i) the Transferring Holder and the Assignee each execute and deliver to the Company such documents and instruments of conveyance as may be reasonably requested by the Board (including, without limitation, a Joinder) to effect such Transfer and to confirm the agreement of the Assignee to be bound by the provisions of this Agreement; and (ii) the Transferring Holder and the Assignee provide to the Board the Assignee's taxpayer identification number and any other information reasonably necessary to permit the Company to file all required federal, state and local tax returns and other legally required information statements or returns.

(d) Upon any Transfer to an Assignee in accordance with the foregoing, the Board or an authorized officer of the Company shall amend Schedule A without the further vote, act or consent of any other Person to reflect the status of such Assignee as a non-Member Holder.

12.6 ~~1.91~~ Admission of Assignee as Member. Subject to the other provisions of this Article XII, an Assignee may be admitted to the Company as a Member only if: (x) the Board gives prior written consent regarding the admission (which consent may be given or withheld at the Board's sole discretion), provided that the Board shall automatically be deemed to have consented to the admission of any Permitted Transferee; and (y) the Assignee becomes a party to this Agreement as a Member by executing a Joinder and executing such other documents and instruments as the Board may reasonably request as necessary or appropriate to confirm such Assignee as a Member in the Company and such Assignee's agreement to be bound by the terms and conditions of this Agreement. Upon admission as a Member, the Assignee shall, to the extent assigned, have the rights and powers, and be subject to the restrictions and liabilities, of a Member under the Act and this Agreement, and shall further be liable for any obligations of the Transferring Member to make future capital contributions (if any). Upon the admission of an Assignee as a Member, the Board or an authorized officer of the Company shall amend Schedule A

without the further vote, act or consent of any other Person to reflect the change in status of such Assignee from a non-Member Holder to a Member.

12.7 ~~1.92~~ Effect of Admission of Member on Assignor and Company. Notwithstanding the admission of an Assignee as a Member and except as otherwise expressly approved by the Board, the Assignor shall not be released from any obligations to the Company existing as of the date of the Transfer (other than obligations of the Assignor to make future capital contributions, if any), including without limitation those obligations set forth in Sections 5.1, 8.14 and 15.11, but, if such Assignor has not already ceased to be a Member pursuant to Section 12.4(a), such admission shall cause an Assignor that is a Member to cease to be a Member with respect to the interest Transferred when the Assignee becomes a Member.

12.8 ~~1.93~~ Distributions and Allocations Regarding Transferred Units. Upon any Transfer during any Fiscal Year of the Company made in compliance with the provisions of this Article XII, Profits, Losses, each item thereof and all other items attributable to such interest for such Fiscal Year shall be divided and allocated between the Assignor and the Assignee by taking into account their varying interests during such Fiscal Year, using any conventions permitted by law and selected by the Board. All Distributions on or before the date of such Transfer shall be made to the Assignor, and all Distributions thereafter shall be made to the Assignee. Solely for purposes of making such allocations and Distributions, the Company shall recognize such Transfer not later than the end of the calendar month during which it is given notice of such Transfer; provided that, if the Company is given notice of a Transfer at least 10 business days prior to the Transfer, the Company shall recognize such Transfer as the date of such Transfer, and provided further that, if the Company does not receive a notice stating the date such interest was Transferred and such other information as the Board may reasonably require within 30 days after the end of the Fiscal Year during which the Transfer occurs, then all such items shall be allocated, and all Distributions shall be made, to the Holder that, according to the books and records of the Company, was the owner of the interest on the last day of the Fiscal Year during which the Transfer occurs. Neither the Company nor the Board shall incur any liability for making allocations and Distributions in accordance with the provisions of this Section 12.8, whether or not the Company or the Board has knowledge of any Transfer of any interest.

12.9 ~~1.94~~ Legend. If certificates representing the Units or other interests in the Company are issued ("Certificated Units"), such certificates will bear the following legend:

> "THE UNITS OR OTHER INTERESTS REPRESENTED BY THIS CERTIFICATE WERE ORIGINALLY ISSUED ON _____, HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS ("STATE ACTS") AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR STATE ACTS OR AN EXEMPTION FROM REGISTRATION THEREUNDER. THE TRANSFER OF THE UNITS REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO THE CONDITIONS SPECIFIED IN A LIMITED LIABILITY COMPANY AGREEMENT, DATED AS OF ~~[_____],~~**DECEMBER 31, 2013,** AS IT MAY BE AMENDED FROM TIME TO TIME, GOVERNING THE ISSUER (THE "COMPANY") AND BY

AND AMONG CERTAIN MEMBERS. A COPY OF SUCH AGREEMENT SHALL BE FURNISHED BY THE COMPANY TO THE HOLDER HEREOF UPON WRITTEN REQUEST AND WITHOUT CHARGE."

12.10 ~~1.95~~ Transfer Fees and Expenses. The Assignee and Assignor of any Units or other interest in the Company shall be jointly and severally obligated to reimburse the Company for all reasonable expenses (including attorneys' fees and expenses) of any Transfer or proposed Transfer, whether or not consummated.

ARTICLE XIII

DISSOLUTION, LIQUIDATION AND TERMINATION

13.1 ~~1.96~~ Dissolution. The Company shall be dissolved and its affairs shall be wound up upon the first to occur of the following:

(a) a majority vote or written consent of all of the Peak Rock Managers;

(b) the vote or written consent of the Members holding a majority of the Units entitled to vote; or

(c) the entry of a decree of judicial dissolution of the Company under Section 18-802 of the Act.

The death, retirement, resignation, expulsion, withdrawal, bankruptcy or dissolution of any Member shall not cause a dissolution of the Company and thereafter the Company shall continue its existence.

13.2 ~~1.97~~ Liquidation and Termination. On dissolution of the Company, the Members holding a majority of the Units entitled to vote shall appoint a Member or Members to act as liquidator(s). The liquidator(s) shall proceed diligently to wind up the affairs of the Company and make final Distributions as provided herein and in the Act. The costs of liquidation shall be borne as a Company expense. Until all final Distributions are made, the liquidator(s) shall continue to operate the Company properties with all of the power and authority of the Members. The steps to be accomplished by the liquidator(s) are as follows:

(a) as promptly as possible after dissolution and again after final liquidation, the liquidator(s) shall cause a proper accounting to be made, by an accounting firm chosen by the liquidator(s), of the Company's assets, liabilities and operations through the last day of the calendar month in which the dissolution occurs or the final liquidation is completed, as applicable;

(b) the liquidator(s) shall cause the notice described in the Act to be mailed to each known creditor of and claimant against the Company in the manner described thereunder;

(c) the liquidator(s) shall pay, satisfy or discharge from Company funds all of the debts, liabilities and obligations of the Company (including, without limitation, all

expenses incurred in liquidation) or otherwise make adequate provision for payment and discharge thereof (including, without limitation, the establishment of a cash fund for contingent liabilities in such amount and for such term as the liquidator(s) may reasonably determine); and

(d) all remaining assets of the Company shall be sold and the proceeds therefrom shall be distributed to the Holders in accordance with Section 5.1 by the end of the taxable year of the Company during which the liquidation of the Company occurs (or, if later, 90 days after the date of the liquidation).

All Distributions to the Holders under this Section 13.2 shall be made in cash and/or securities, and such Distribution of cash and/or securities to a Holder in accordance with the provisions of this Section 13.2 shall constitute a complete return to the Holder of its Capital Contributions and a complete Distribution to the Holder of its interest in the Company and all of the Company's property and constitutes a compromise to which all Members have consented within the meaning of the Act. To the extent that a Holder returns funds to the Company, it has no claim against any other Holder for those funds.

13.3 ~~1.98~~ Cancellation of Certificate. On completion of the liquidating distribution of Company assets as provided above, the Company shall be deemed to have terminated and the Members (or such other Person or Persons as the Act may require or permit) shall file a certificate of cancellation with the Secretary of the State of Delaware, cancel any other filings made pursuant to Section 2.5 and take such other actions as may be necessary to terminate the Company.

ARTICLE XIV

RESTRUCTURING TRANSACTION; IPO; REGISTRATION

14.1 ~~1.99~~ Incorporation; IPO. Upon the approval of the Board of a plan to incorporate or otherwise restructure the Company (the "Incorporation Plan"), each Holder shall transfer such Holder's Units to, or authorizes the Board to take such actions as are necessary to convert the Company into, a corporation, limited liability company, limited partnership or other entity specifically formed for such purpose (the "New Entity") as a result of which each Holder shall receive shares of the capital stock or other equity interests of the New Entity in exchange for such Holder's Units in a transaction intended to qualify under Section 351 of the Code or Section 721 of the Code (the "Restructuring Transaction"). Alternatively, upon the approval of the Board of a plan to consummate an underwritten initial public offering of equity securities of any Company Entity under the Securities Act (the "IPO Liquidation Plan"), the Board may cause the dissolution of the Company and any of its Subsidiaries (the "IPO Liquidation Transaction") as a result of which each Holder shall receive shares of the capital stock of the applicable Company Entity in exchange for such Holder's Units in a transaction intended to be treated as a distribution by the Company of the shares of such Company Entity to the Holders for purposes of Section 731 of the Code. The capital stock or other equity interests of the New Entity (or any Company Entity, as applicable) received in exchange for each Holder's Units shall preserve the relative rights and preferences of the Units as set forth in this Agreement and any vesting provisions applicable to any particular Holder's Units (unless otherwise determined by the Board); provided that, in the case of a Restructuring Transaction effected in order to facilitate a potential IPO or a IPO Liquidation Transaction, each Holder's Units shall be exchanged for one class of common stock or other common securities of

the New Entity or a Company Entity (in each case, the "New Common") as follows: each Holder of Units shall receive a number of shares of New Common equal to the quotient of (i) the amount such Holder would have received in respect of such Holder's Units in a complete liquidation of the Company at the time of the IPO in accordance with Section 13.2 hereof, at the valuation accorded to the Company or such other Company Entity in such IPO, divided by (ii) the price per share at which the New Common is being offered to the public in the IPO (in the case of each of subsection (i) and (ii), net of underwriting discounts and commissions); provided that, if the Incorporation Plan (or IPO Liquidation Plan, as applicable) is consummated in advance of or in preparation for a proposed IPO and the price at which the New Common is being offered to the public is not yet known, the Board may select an estimated price to the public in good faith, in which case the number of shares of New Common issued to any Holder shall be adjusted following final determination of the price to the public in the IPO. Each Holder shall take all necessary and desirable actions in connection with the consummation of the Restructuring Transaction or IPO Liquidation Transaction as determined by the Board. The Company shall pay any and all organizational, legal and accounting expenses and filing fees incurred in connection with the Restructuring Transaction or IPO Liquidation Transaction (including, without limitation, any fees related to a filing under the Hart-Scott-Rodino Anti-Trust Improvements Act of 1976, as amended). The New Entity shall issue its capital stock or other equity interests in the Restructuring Transaction or the applicable Company Entity shall issue its capital stock in the IPO Liquidation Transaction, as applicable, in accordance with the Incorporation Plan or IPO Liquidation Plan, which shall specify the class(es) of capital stock or other equity interests for which the Units shall be exchanged and which shall attach as an exhibit the form of organizational document which shall set forth the rights and privileges of such class(es) of capital stock or other equity interests. In addition, unless the Restructuring Transaction is effected in order to facilitate a potential IPO, the Incorporation Plan shall attach as exhibits such other documents and agreements as shall be necessary to confer the rights, privileges, preferences and obligations conferred on the Holders of Units in this Agreement on the holders of such class(es) or series of capital stock or other equity interests which shall be issued in exchange for such Units.

14.2 ~~1.100~~ Holdback. In connection with an IPO, the Holders shall enter into any holdback, lockup or similar agreement requested by the underwriters managing such IPO.

14.3 ~~1.101~~ Piggyback Registration Rights~~1.102~~. Following an IPO, the Holders shall be entitled to piggyback registration rights in connection with any registration of the securities of the New Entity under the Securities Act in which the registration form to be used may be used for the registration of the securities held by the Holders. Such piggyback registration rights shall be subject to customary limitations, cutback provisions and other market terms and conditions.

ARTICLE XV

GENERAL PROVISIONS

15.1 ~~1.103~~ Offset. Whenever the Company is to pay any sum to any Member or other Holder of Units, any amounts that such Member or other Holder owes to the Company may be deducted from that sum before payment.

15.2 ~~1.104~~ Power of Attorney.

(a) Each Holder hereby constitutes and appoints the Board and the liquidators, with full power of substitution, as his, her or its true and lawful agent and attorney-in-fact, with full power and authority in his, her or its name, place and stead, to execute, swear to, acknowledge, deliver, file and record in the appropriate public offices (A) this Agreement, all certificates and other instruments and all amendments thereof in accordance with the terms hereof which the Board deems appropriate or necessary to form, qualify, or continue the qualification of, the Company as a limited liability company in the State of Delaware and in all other jurisdictions in which the Company may conduct business or own property; (B) all instruments which the Board deems appropriate or necessary to reflect any amendment, change, modification or restatement of this Agreement in accordance with its terms; (C) all conveyances and other instruments or documents which the Board and/or the liquidators deems appropriate or necessary to reflect the dissolution and liquidation of the Company pursuant to the terms of this Agreement, including a certificate of cancellation; and (D) all instruments relating to the admission, withdrawal or substitution of any Holder pursuant to Sections 3.5(a), 8.15 or 12.6. The foregoing power of attorney is irrevocable and coupled with an interest, and shall survive the death, disability, incapacity, dissolution, bankruptcy, insolvency or termination of any Holder and the Transfer of all or any portion of his, her or its Units and shall extend to such Holder's heirs, successors, assigns and personal representatives.

(b) In addition, in order to secure the obligations of each Holder who now or hereafter holds any voting securities in the Company to vote such Person's Units that are voting Units and any other voting securities of the Company over which such Person has voting control in accordance with the provisions of Section 6.2(b) and Section 12.2, each Holder hereby irrevocably appoints Peak Rock as such Holder's true and lawful proxies and attorneys-in-fact, with full power of substitution, to vote all of such Holder's Units that are voting Units and any other voting securities of the Company over which such Person has voting control for: (i) a Sale of the Company and all such other matters as expressly provided for in Section 12.2, and (ii) the election and/or removal of Managers and all such other matters as expressly provided for in Section 6.2(b). Peak Rock may exercise the irrevocable proxy granted to it hereunder by any Holder at any time any such Holder fails to comply with the provisions of this Agreement. The proxies and powers granted by each such Holder pursuant to this Section 15.2(b) are coupled with an interest and are given to secure the performance of such Holder's obligations under the provisions of Section 6.2 (b) and Section 12.2. Such proxies and powers shall be irrevocable until termination of Section 6.2(b) and Section 12.2 and shall survive the death, incompetency, disability, bankruptcy or dissolution of each Holder and the subsequent holder(s) of such Holder's Units. No Holder shall grant any proxy or become party to any voting trust or other agreement which is inconsistent with, conflicts with, or violates any provision of this Agreement.

15.3 ~~1.105~~ Notices. Except as expressly set forth to the contrary in this Agreement, all notices, requests or consents provided for or permitted to be given under this Agreement must be in writing and must be given either by depositing that writing in the United States mail, addressed to the recipient, postage paid, and registered or certified with return receipt requested or by delivering that writing to the recipient in person, by reputable overnight courier, or by facsimile transmission; and a notice, request, or consent given under this Agreement is effective upon receipt by the Person to whom it was sent. All notices, requests and consents to be sent to a Member must be sent to or made at the address given for that Member on Schedule A attached hereto, or such other address as that Member may specify by notice to the other Members and the

Company. Any notice, request or consent to the Company or the Board must be given to the Company or the Board at the following address:

[Natural American Foods Holdings, LLC]
[Address]
10464 Bryan Highway
Onsted, Michigan 49265
Attention: [_____]
Facsimile: [_____]Chief Executive Officer

with copies to:

c/o [Peak Rock] Capital
13413 Galleria Circle
Suite Q-300
Austin, TX 78738
Attention: [_____] Robert Strauss
Facsimile: [_____]512-765-6530

and

Kirkland & Ellis LLP
300 North LaSalle
Chicago, IL 60654
Attention: Michael D. Paley, P.C.
Tana M. Ryan
Facsimile: (312) 862-2200

Whenever any notice is required to be given by law, the Certificate or this Agreement, a written waiver thereof, signed by the Person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

15.4 1.106 Entire Agreement. This Agreement and each Member's respective purchase agreement and/or grant agreement, if any, constitute the entire agreement of the Members and their Affiliates relating to the Company and supersede all prior contracts or agreements with respect to the Company, whether oral or written.

15.5 1.107 Effect of Waiver or Consent. A waiver or consent, express or implied, to or of any breach or default by any Person in the performance by that Person of its obligations with respect to the Company is not a consent or waiver to or of any other breach or default in the performance by that Person of the same or any other obligations of that Person with respect to the Company. Failure on the part of a Person to complain of any act of any Person or to declare any Person in default with respect to the Company, irrespective of how long that failure continues, does not constitute a waiver by that Person of its rights with respect to that default until the applicable statute-of-limitations period has run.

15.6 1.108 Amendment, Modification or Waiver. Except as otherwise expressly provided herein, this Agreement may be amended, modified or waived from time to time only by a

written instrument adopted by the Board and executed and agreed to by the Members holding a majority of the Units entitled to vote, provided that: (A) an amendment, modification or waiver requiring additional capital contributions from any Member shall be effective only with that Member's written consent~~, and~~**;** (B) an amendment or modification that would affect any class of Units in a manner materially adverse as compared to to any other class of Units or materially adverse solely to such class of Units, shall be effective against the ~~h~~**H**olders of that class of Units so materially adversely affected only with the prior written consent of the ~~h~~**H**olders of at least a majority of such class of Units (it being understood and agreed that a change in the number of Units available for issuance shall not materially adversely affect the ~~h~~**H**olders of any other Units and therefore shall not require a separate vote of the holders of any class or group of Units)**and (C) any amendment, modification or deletion of Sections 3.7, 11.2(c), 12.3 or 14.3 (or any of the defined terms referenced therein) in a manner adverse to any Holder or Holder(s) shall not be effective against such Holder(s) unless consented to in writing by the Holder(s) holding a majority of the Units so adversely affected**; provided, further, that the Board may amend and modify the provisions of this Agreement and Schedule A from time to time to the extent necessary to reflect (I) the issuance of new Units or other interests in the Company, (II) the admission of new Members and substituted Members or (III) the cancellation or repurchase of Class B Units or other Units which have been issued subject to vesting or similar arrangements, in each case in compliance with the terms of this Agreement.

15.7 ~~1.109~~ Binding Effect. Subject to the restrictions on Transfers set forth in this Agreement, this Agreement is binding on and shall inure to the benefit of the Members and their respective heirs, legal representatives, successors and assigns.

15.8 ~~1.110~~ Governing Law; Severability. The limited liability company law of the State of Delaware shall govern all issues and questions concerning the relative rights of the Company and its Members. All other issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement shall also be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice of law or conflict of law, rules or provisions (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware. If any provision of this Agreement or the application thereof to any Person or circumstance is held invalid or unenforceable to any extent, the remainder of this Agreement and the application of that provision to other Persons or circumstances is not affected thereby and that provision shall be enforced to the greatest extent permitted by law.

15.9 ~~1.111~~ Further Assurances. In connection with this Agreement and the transactions contemplated hereby, each Member shall execute and deliver any additional documents and instruments and perform any additional acts that may be necessary or appropriate to effectuate and perform the provisions of this Agreement and the transactions contemplated hereby.

15.10 ~~1.112~~ Waiver of Certain Rights. Each Holder irrevocably waives any right such Holder may have to (a) demand any Distributions or withdrawal of property from the Company (whether upon resignation, withdrawal or otherwise) or (b) maintain any action for dissolution of the Company or for partition of the property of the Company (including under Section 18-604 of the Act), except upon dissolution of the Company pursuant to Article XIII hereof. In addition, the

assets and liabilities of the Company shall not be separated or segmented pursuant to the provisions of Section 18-215 of the Act.

15.11 ~~1.113~~ Indemnification and Reimbursement for Certain Payments. If the Company is obligated under applicable law to pay any amount to a governmental agency because of the status of a Holder as a Holder of the Company or for federal or state withholding taxes on payments made to a Holder or on income allocated to a Holder, including but not limited to personal property replacement taxes and personal property taxes, then such Holder (the "Indemnifying Person") shall indemnify the Company in full for the entire amount paid (including, without limitation, any interest, penalties and expenses associated with such payments). A Holder's obligations to comply with the requirements of this Section 15.11 shall survive such Holder's ceasing to be a Holder of the Company and/or the termination, dissolution, liquidation and winding up of the Company, and, for purposes of this Section 15.11, the Company shall be treated as continuing in existence. The amount to be indemnified shall be charged against the Capital Account of the Indemnifying Person, and, at the option of the Board, either:

(a) promptly upon notification of an obligation to indemnify the Company, the Indemnifying Person shall make a cash payment to the Company equal to the full amount to be indemnified (and the amount paid shall be added to the Indemnifying Person's Capital Account but shall not be treated as a Capital Contribution), or

(b) the Company shall, at its option, reduce Distributions which would otherwise be made to the Indemnifying Person, until the Company has recovered the amount to be indemnified (and, notwithstanding Section 4.1, the amount withheld shall not be treated as a Capital Contribution).

15.12 ~~1.114~~ Notice to Members of Provisions. By executing this Agreement, each Member acknowledges that he, she or it it has actual notice of (a) all of the provisions hereof (including, without limitation, the restrictions on transfer set forth in Article XII) and (b) all of the provisions of the Certificate.

15.13 ~~1.115~~ Fair Market Value. The "Fair Market Value" of any assets or Units to be valued under this Agreement shall be determined in accordance with this Section 15.13. The Fair Market Value of any asset constituting cash or cash equivalents shall be equal to the amount of such cash or cash equivalents. The Fair Market Value of any asset constituting publicly traded securities shall be the average, over a period of 21 days consisting of the date of valuation and the 20 consecutive business days prior to that date, of the closing prices of the sales of such securities on the primary securities exchange on which such securities may at that time be listed, or, if there have been no sales on such exchange on any day, the average of the highest bid and lowest asked prices on such exchanges at the end of such day, or, if on any day such securities are not so listed, the average of the representative bid and asked prices quoted in the Nasdaq System as of 4:00 P.M., New York time, or, if on any day such securities are not quoted in the Nasdaq System, the average of the highest bid and lowest asked prices on such day in the domestic over the counter market as reported by the National Quotation Bureau Incorporated, or any similar successor organization. The Fair Market Value of any assets other than cash, cash equivalents, or publicly traded securities shall be the fair value of such assets, as determined in good faith by the Board (or, if pursuant to Section 13.2, the liquidators), which determination shall take into account any

factors that they deem relevant, including, without limitation, the application of the priority of distributions described in Section 5.1 hereof.

15.14 ~~1.116~~ Counterparts. This Agreement may be executed in multiple counterparts with the same effect as if all signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

15.15 ~~1.117~~ Consent to Jurisdiction and Service of Process. The parties hereto hereby consent to the jurisdiction of any state or federal court located within the area encompassed by the State of Delaware and irrevocably agree that all actions or proceedings arising out of or relating to this Agreement shall be litigated exclusively in such courts. The parties hereto each accepts for itself and in connection with its respective properties, generally and unconditionally, the exclusive jurisdiction and venue of the aforesaid courts and waives any defense of forum non conveniens, and irrevocably agrees to be bound by any final, nonappealable judgment rendered thereby in connection with this Agreement.

15.16 ~~1.118~~ Waiver of Jury Trial. The Holders waive their respective rights to a jury trial of any claim or cause of action based upon or arising out of this Agreement or any dealings between them relating to the subject matter of this Agreement and the relationship that is being established. The Holders also waive any bond or surety or security upon such bond which might, but for this waiver, be required of any of the other parties. The scope of this waiver is intended to be all-encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this Agreement, including, without limitation, contract claims, tort claims, breach of duty claims, and all other common law and statutory claims. The Holders acknowledge that this waiver is a material inducement to enter into a business relationship, that each has already relied on the waiver in entering into this Agreement and that each will continue to rely on the waiver in their related future dealings. The Holders further warrant and represent that each has reviewed this waiver with his, her or its legal counsel, and that each knowingly and voluntarily waives his, her or its jury trial rights following consultation with legal counsel. This waiver is irrevocable, meaning that it may not be modified either orally or in writing, and the waiver shall apply to any subsequent amendments, renewals, supplements or modifications to this Agreement or to any other documents or agreements relating to the transaction completed hereby. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

15.17 ~~1.119~~ Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Company or any of its Affiliates, and no creditor who makes a loan to the Company or any of its Affiliates may have or acquire (except pursuant to the terms of a separate agreement executed by the Company in favor of such creditor) at any time as a result of making the loan any direct or indirect interest in Distributions, capital or property other than as a secured creditor.

15.18 ~~1.120~~ Title to Company Assets. The Company assets shall be deemed to be owned by the Company as an entity, and no Holder, individually or collectively, shall have any ownership interest in such Company assets or any portion thereof. Legal title to any or all Company assets may be held in the name of the Company, the Board or one or more nominees, as the Board may determine. The Board hereby declares and warrants that any Company assets for which legal title is held in its name or the name of any nominee shall be held in trust by the Board or such nominee

for the use and benefit of the Company in accordance with the provisions of this Agreement. All Company assets shall be recorded as the property of the Company on its books and records, irrespective of the name in which legal title to such Company assets is held.

15.19 ~~1.121~~ Parties in Interest. Except as expressly provided in the Act, nothing in this Agreement shall confer any rights or remedies under or by reason of this Agreement on any Persons other than the Holders, the Managers and their respective successors and assigns nor shall anything in this Agreement relieve or discharge the obligation or liability of any other Person to any party to this Agreement, nor shall any provision give any other Person any right of subrogation or action over or against any party to this Agreement.

15.20 ~~1.122~~ Adjustment of Numbers. Subject to Section 15.6, all numbers set forth herein that refer to unit prices or amounts shall be appropriately adjusted by the Board in good faith to reflect Unit splits, Unit dividends, combinations of Units and other recapitalizations affecting the subject class of equity.

* * * * * * * *

IN WITNESS WHEREOF, the Members have executed this Limited Liability Company Agreement as of the date first set forth above.

MEMBERS:

~~**[To come]**~~

HC Capital Holdings 1220A, LLC

By: _____
Name:
Title:

Signature Page to LLC Agreement

SCHEDULE A

As of [_____]December 31, 2013

Member/Address	Class A Units	Class A Unit Capital Contribution	Class B Units and Participation Threshold
[To come]			
TotalHC Capital Holdings 1220A, LLC Peak Rock Capital 13413 Galleria Circle Suite Q-300 Austin, TX 78738 Attention: Robert Strauss Facsimile: 512-765-6530	10,000,000	$10,000,000	N/A

SCHEDULE B

JOINDER TO LIMITED LIABILITY COMPANY AGREEMENT

This Joinder (this "Agreement") is made as of the date written below by the undersigned (the "Joining Party") in favor of and for the benefit of ~~[~~**Natural American Foods** Holdings**,** LLC~~]~~, a Delaware limited liability company, and the other parties to the Limited Liability Company Agreement, dated as of ~~[_____]~~**December 31, 2013** (as may be amended, the "LLC Agreement"). Capitalized terms used but not defined herein shall have the meanings given such terms in the LLC Agreement.

The Joining Party hereby acknowledges, agrees and confirms that, by his, her or its execution of this Joinder, the Joining Party will be deemed to be a party to the LLC Agreement and shall have all of the obligations under the LLC Agreement as a Member as if he, she or it had executed the LLC Agreement. The Joining Party hereby ratifies, as of the date hereof, and agrees to be bound by, all of the terms, provisions and conditions contained in the LLC Agreement.

The Joining Party acknowledges that all expectations and future projections contained in any presentation or other materials provided to the Joining Party are estimates and for illustrative purposes only. No guarantee can be given that future projections can or will be attained.

IN WITNESS WHEREOF, the undersigned has executed this Joinder as of the date written below.

Date: _____ _____

[NAME]

SCHEDULE C

~~[To come]~~

Anthony DiSimone[1]
Rolf Richter
Robert Strauss[2]

[1] VCOC Manager appointed by the Fund A VCOC.

[2] VCOC Manager appointed by the Main VCOC.

EXHIBIT 2

CREDIT AND SECURITY AGREEMENT

by and between

NATURAL AMERICAN FOODS, INC.

as Borrower,

and

HC CAPITAL HOLDINGS 0909A, LLC,

as Lender

Dated as of December 31, 2013

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CREDIT AND SECURITY AGREEMENT

THIS CREDIT AND SECURITY AGREEMENT (this "Agreement"), is entered into as of December 31, 2013, by and between **HC CAPITAL HOLDINGS 0909A, LLC** ("Lender") and **NATURAL AMERICAN FOODS, INC.**, a Delaware corporation ("Borrower").

The parties hereto agree as follows:

1. DEFINITIONS AND CONSTRUCTION.

1.1 **Definitions, Code Terms, Accounting Terms and Construction.** Capitalized terms used in this Agreement shall have the meanings specified therefor on Schedule 1.1. Additionally, matters of (i) interpretation of terms defined in the Code, (ii) interpretation of accounting terms and (iii) construction are set forth in Schedule 1.1.

2. LOANS AND TERMS OF PAYMENT.

2.1 **Revolving Loan Advances.**

(a) Subject to the terms and conditions of this Agreement, and prior to the Termination Date, Lender shall make revolving loans ("Advances") to Borrower in an amount at any one time outstanding not to exceed *the lesser of*:

(i) the Maximum Revolver Amount less the Letter of Credit Usage at such time, or

(ii) the Borrowing Base at such time less the Letter of Credit Usage at such time plus the Permitted Overadvance Amount.

(b) Amounts borrowed pursuant to this Section 2.1 may be repaid and, subject to the terms and conditions of this Agreement, reborrowed at any time during the term of this Agreement. The outstanding principal amount of the Advances, together with interest accrued and unpaid thereon, shall be due and payable on the Termination Date. Lender has no obligation to (i) make an Advance at any time following the occurrence and during the continuance of a Default or an Event of Default and (ii) make an Advance in an amount that would, when added to all other Advances, exceed the amount permitted pursuant to Section 2.1(a).

2.2 **Term Loan.** Subject to the terms and conditions of this Agreement, on the Closing Date Lender agrees to make a term loan (the "Term Loan") to Borrower in an amount equal to the Term Loan Amount. Commencing on the fourth Fiscal Quarter of 2014, the principal of the Term Loan shall be repaid in quarterly installments as set forth in the table below, due on the first day of each quarter and on the Termination Date, when the outstanding unpaid principal balance and all accrued and unpaid interest on the Term Loan shall be due and payable.

Fiscal Quarter	**Amount of amortization payment**
Q4 2014	$100,000
Q1 2015	$150,000
Q2 2015	$200,000
Q3 2015	$250,000
Q4 2015	$300,000
Q1 2016 and each Fiscal Quarter thereafter	$500,000

2.3 **Borrowing Procedures.**

(a) **Procedure for Borrowing.** Each Borrowing shall be made by delivery to Lender of a Borrowing Request by an Authorized Person. Such written request must be received by Lender no later than noon (Central time) **one (1) Business Day** before the requested Funding Date specifying (i) the amount of such Borrowing, and (ii) the requested Funding Date, which shall be a Business Day. In lieu of delivering the above-described written request, any Authorized Person may give Lender telephonic notice of such request by the required time, followed promptly by such a written request. Lender is authorized to make the Advances based upon telephonic or other instructions received from anyone purporting to be an Authorized Person. Notwithstanding the foregoing, upon the occurrence of (i) any demand for repayment under the Closing Date Credit Line, (ii) the

final maturity or termination of the Closing Date Credit Line and/or (iii) any other event which would allow the lender under the Closing Date Credit Line to demand repayment or terminate its funding obligations or otherwise exercise any remedies under the Closing Date Credit Line, the Borrower shall be deemed to have automatically made a request for an Advance in an amount equal to such amount demanded (or the aggregate amount of obligations due under the Closing Date Credit Line in the case of termination of the Closing Date Credit Line) (an "Automatic Revolver Request").

(b) **Making of Loans.** Promptly after receipt of a request for a Borrowing pursuant to Section 2.3(a), Lender shall make the proceeds thereof available to Borrower on the applicable Funding Date by transferring immediately available funds equal to such amount to the Designated Account; provided, however, that, Lender shall not have the obligation to make any Advance if (1) one or more of the applicable conditions precedent set forth in Section 4 will not be satisfied on the requested Funding Date for the applicable Borrowing unless such condition has been waived by Lender or (2) the requested Borrowing would exceed the Availability on such Funding Date.

(c) **[Reserved]**

(d) **Protective Advances**. Lender may make an Advance for any reason at any time in its sole discretion, without Borrower's compliance with any of the conditions of this Agreement, and (i) disburse the proceeds directly to third Persons in order to protect Lender's interest in the Collateral or to perform any obligation of Borrower under this Agreement or any other Loan Document or otherwise to enhance the likelihood of repayment of the Obligations, or (ii) apply the proceeds to outstanding Obligations then due and payable to Lender (such Advance, a "Protective Advance"); provided, that Lender shall provide Borrower prior written notice of any such Protective Advance.

2.4 **Payments; Prepayments.**

(a) **Payments by Borrower.** Except as otherwise expressly provided herein, all payments by Borrower shall be made to the Collection Account or as otherwise specified in the applicable Cash Management Documents.

(b) **Payments by Account Debtors**. Promptly (and in any event within 5 Business Days) prior to the opening of any new Lockbox, Borrower shall instruct the Account Debtors of Borrower to make payments directly to the Lockbox for deposit by Lender to the Collection Account, or Borrower shall instruct them to deliver such payments to Lender by wire transfer, ACH, or other means as Lender may direct for deposit to the Lockbox or Collection Account or for direct application to reduce the outstanding Advances, as Lender shall determine in its sole discretion. To the extent that any Account Debtors of Borrower make payments directly to any lockbox other than a Lockbox, Borrower shall cooperate with Lender in causing all such funds to be wired directly to Lender on a daily basis for deposit to the Lockbox or Collection Account or for direct application to reduce the outstanding Advances, as Lender shall determine in its sole discretion. If Borrower receives a payment or the Proceeds of Collateral directly, Borrower will promptly deposit the payment or Proceeds into the Collection Account. Until so deposited, Borrower will hold all such payments and Proceeds in trust for Lender without commingling with other funds or property.

(c) **Crediting Payments**. For purposes of calculating Availability and the accrual of interest on outstanding Obligations, unless otherwise provided in the applicable Cash Management Documents, each payment shall be applied to the Obligations on the first Business Day following the Business Day of deposit to the Collection Account or other receipt by Lender provided such payment is received in accordance with Lender's usual and customary practices. Any payment received by Lender that is not a transfer of immediately available funds shall be considered provisional until the item or items representing such payment have been finally paid under Applicable Law. Should any payment item not be honored when presented for payment, then Borrower shall be deemed not to have made such payment, and that portion of outstanding Obligations corresponding to the amount of such dishonored payment item shall be deemed to bear interest as if the dishonored payment item had never been received by Lender. Each reduction in outstanding Advances resulting from the application of such payment to the outstanding Advances shall be accompanied by an equal reduction in the amount of outstanding Accounts.

(d) **Application of Payments**.

(i) All Collections and all Proceeds of Collateral received by Lender, shall be applied (subject to clause (ii) below) so long as no Event of Default has occurred and is continuing, to reduce the Obligations in such manner as Lender shall determine in its sole discretion. After payment in full in cash of all Obligations and the termination of any commitment to provide Advances, any remaining balance shall be transferred to the Designated Account or otherwise to such other Person entitled thereto under Applicable Law.

(ii) (A) Each prepayment pursuant to Section 2.4(f)(i) shall, (I) so long as no Event of Default shall have occurred and be continuing, be applied, *first*, to the outstanding principal amount of all Advances and all obligations under the Closing Date Credit Line, respectively, until paid in full, *second*, to cash collateralize the Letters of Credit

in an amount equal to 110% of the then outstanding Letter of Credit Usage and *third*, to the outstanding principal amount of the Term Loan until paid in full, and (II) if an Event of Default shall have occurred and be continuing, be applied in the manner set forth in Section 10.5. Each such prepayment of the Term Loan shall be applied against the remaining installments of principal of the Term Loan (i) following the occurrence and during the continuance of any Event of Default, in the direct order of maturity or (ii) otherwise, as directed by the Borrower (for the avoidance of doubt, any amount that is due and payable on the Maturity Date shall constitute an installment).

(B) Each prepayment pursuant to Section 2.4(f)(ii), shall (I) so long as no Event of Default shall have occurred and be continuing, be applied to the outstanding principal amount of the Term Loan until paid in full and (II) if an Event of Default shall have occurred and be continuing, be applied in the manner set forth in Section 10.5. Each such prepayment of the Term Loan shall be applied against the remaining installments of principal of the Term Loan in the inverse order of maturity (for the avoidance of doubt, any amount that is due and payable on the Maturity Date shall constitute an installment).

(e) **Optional Prepayments of Term Loan**. Borrower may, upon at least 3 Business Days prior written notice to Lender, voluntarily prepay the principal of the Term Loan, in whole or in part. Each prepayment of principal made pursuant to this Section 2.4(e) shall be accompanied by the payment of accrued interest to the date of such payment on the amount prepaid and the prepayment fee described in Section 2.12, if any. Each such prepayment shall be applied in the manner set forth in Section 10.5.

(f) **Mandatory Prepayments**.

(i) Borrowing Base. If, at any time, (i) the Revolver Usage exceeds (A) the Borrowing Base plus the Permitted Overadvance Amount or (B) the Maximum Revolver Amount, at such time or (ii) (A) the sum of the outstanding principal balance of the Term Loan at such time *plus* the Revolver Usage at such time exceeds (B) the Maximum Credit, at such time (any such excess amount being referred to as the "Overadvance Amount"), then Borrower shall immediately pay the Obligations in an aggregate amount equal to the Overadvance Amount. If payment in full of the outstanding revolving loans under the Revolving Credit Facility is insufficient to eliminate the Overadvance Amount, Borrower immediately shall deposit cash into a segregated account in the name of Lender and under Lender's sole dominion and control in an amount that equals the remaining Overadvance Amount (which amounts may, at Lender's sole discretion, be applied to reduce obligations outstanding under the Closing Date Credit Line). Lender shall not be obligated, but may do so in its sole discretion, to provide any Advances during any period that an Overadvance Amount is outstanding and may elect to extend such Advance utilizing cash deposited by Borrower pursuant to the immediately prior sentence.

(ii) Asset Dispositions. If Borrower or any of its Subsidiaries shall at any time:

(A) make an Asset Sale that is not permitted hereunder; or

(B) suffer a Casualty Event;

and the aggregate amount of the Net Cash Proceeds received by the Borrower and its Subsidiaries in connection with such Asset Sale or Casualty Event and all other Asset Sales and Casualty Events occurring during the Fiscal Year exceeds $100,000, then (A) Borrower shall promptly notify the Lender of such proposed Asset Sale or Casualty Event (including the amount of the estimated Net Cash Proceeds to be received by Borrower and/or such Subsidiary in respect thereof) and (B) promptly upon receipt by Borrower and/or such Subsidiary of the Net Cash Proceeds of such Asset Sale or Casualty Event, Borrower shall deliver, or cause to be delivered, such excess Net Cash Proceeds to the Lender as a prepayment of the Term Loan. Notwithstanding the foregoing and provided no Event of Default pursuant to Section 9.1, 9.4 or 9.5 has occurred and is continuing on the date such event occurred, such prepayment shall not be required to the extent Borrower or such Subsidiary reinvests the Net Cash Proceeds of such Asset Sale or Casualty Event in assets (other than inventory) of a kind then used or usable in the business of Borrower or such Subsidiary, within three hundred and sixty-five (365) days after the date of such Asset Sale or Casualty Event; *provided that* in the case of Asset Sales or Casualty Events, the Borrower may reinvest Net Cash Proceeds in an amount not to exceed the greater of (x) $1.0 million and (y) 5% of total tangible assets of Borrower and its Subsidiaries for the last twelve consecutive Fiscal Months of Borrower; *provided*, *further*, that Borrower shall notify the Lender of Borrower's or such Subsidiary's intent to reinvest such Net Cash Proceeds, the receipt of such Net Cash Proceeds and the completion of the reinvestment of such Net Cash Proceeds.

(iii) Issuance of Indebtedness. Promptly after receipt by Borrower or any Subsidiary of the Net Cash Proceeds from the issuance of any Indebtedness (other than Net Cash Proceeds from the issuance of any Indebtedness permitted hereunder), Borrower shall deliver, or cause to be delivered, to the Lender an amount equal to 100% of such Net Cash Proceeds as a prepayment of the Term Loans.

(iv) Excess Cash Flow. Within five (5) Business Days after the annual financial statements are required to be delivered hereunder, commencing with such annual financial statements for the Fiscal Year ending December 31, 2014, Borrower shall deliver to the Lender a written calculation of Excess Cash Flow of the Borrower and its Subsidiaries for such Excess Cash Flow Period, certified as correct on behalf of the Borrower, and concurrently therewith shall deliver to the Lender, an amount equal to 50% of such Excess Cash Flow, as a prepayment of the Term Loans.

2.5 **[Reserved]**

2.6 **Interest Rates: Rates, Payments, and Calculations.**

(a) **Interest Rates.** Except as provided in Section 2.6(b), the principal amount of all Obligations (except for undrawn Letters of Credit and Bank Products) that have been charged to the Loan Account pursuant to the terms hereof shall bear interest on the Daily Balance thereof at a per annum rate equal to the Interest Rate plus the applicable Interest Rate Margin.

(b) **Default Rate.**

Upon the occurrence and during the continuation of an Event of Default and at any time following the Termination Date,

(i) the principal amount of all Obligations (except for undrawn Letters of Credit and Bank Products) that have been charged to the Loan Account pursuant to the terms hereof shall bear interest on the Daily Balance thereof at a per annum rate equal to 3 percentage points above the per annum rate otherwise applicable hereunder, and

(ii) the Letter of Credit fee provided for in Section 2.12 shall be increased by 3 percentage points above the per annum rate otherwise applicable hereunder.

(c) **Payment.** Except to the extent provided to the contrary in Section 2.12 or in any other provision of this Agreement, (i) all interest shall be due and payable, in arrears, on the first day of each month and (ii) all Letter of Credit fees, all other fees payable hereunder or under any of the other Loan Documents, all costs and expenses payable hereunder or under any of the other Loan Documents, and all Lender Expenses shall be due and payable on demand. Borrower hereby authorizes Lender, from time to time without prior notice to Borrower, to charge all interest, Letter of Credit fees, and all other fees payable hereunder or under any of the other Loan Documents (in each case, as and when due and payable), all costs and expenses payable hereunder or under any of the other Loan Documents (in each case, as and when due and payable), all Lender Expenses (as and when due and payable), and all fees and costs provided for in Section 2.12 (as and when due and payable), and all other payment obligations as and when due and payable under any Loan Document or any Bank Product Agreement (including any amounts due and payable to any Bank Product Provider in respect of Bank Products) to the Loan Account, which amounts shall thereupon constitute Advances hereunder and, shall accrue interest at the rate then applicable to Advances. Any interest, fees, costs, expenses, Lender Expenses, or other amounts payable hereunder or under any other Loan Document or under any Bank Product Agreement that are charged to the Loan Account shall thereafter constitute Advances hereunder and shall accrue interest at the rate then applicable to Advances.

(d) **Computation.** All interest and fees chargeable under the Loan Documents shall be computed on the basis of a 360 day year, in each case, for the actual number of days elapsed in the period during which the interest or fees accrue. In the event the Interest Rate is changed from time to time hereafter, the rates of interest hereunder based upon the Interest Rate automatically and immediately shall be increased or decreased by an amount equal to such change in the Interest Rate.

(e) **Intent to Limit Charges to Maximum Lawful Rate.** In no event shall the interest rate or rates payable under this Agreement, plus any other amounts paid in connection herewith, exceed the highest rate permissible under any law that a court of competent jurisdiction shall, in a final determination, deem applicable. Borrower and Lender, in executing and delivering this Agreement, intend legally to agree upon the rate or rates of interest and manner of payment stated within it; provided, however, that, anything contained herein to the contrary notwithstanding, if said rate or rates of interest or manner of payment exceeds the maximum allowable under Applicable Law, then, as of the date of this Agreement, Borrower is and shall be liable only for the payment of such maximum amount as is allowed by law, and payment received from Borrower in excess of such legal maximum, whenever received, shall be applied to reduce the principal balance of the Obligations to the extent of such excess.

2.7 **Designated Account.** Borrower agrees to establish and maintain one or more Designated Accounts, each in the name of Borrower, for the purpose of receiving the proceeds of the Advances requested by Borrower and made by Lender hereunder and the proceeds of the Term Loans. Unless otherwise agreed by Lender and Borrower, any Advance requested by Borrower and made by Lender hereunder shall be made to the applicable Designated Account.

2.8 **Maintenance of Loan Account; Statements of Obligations.** Lender shall maintain an account on its books in the name of Borrower (the "Loan Account") in which will be recorded, the Term Loans, all Advances made by Lender to Borrower or for Borrower's account, the Letters of Credit issued or arranged by Lender for Borrower's account, and all other payment Obligations hereunder or under the other Loan Documents, including accrued interest, fees and expenses, and Lender Expenses. In accordance with Section 2.4, the Loan Account will be credited with all payments received by Lender from Borrower or for Borrower's account. All monthly statements delivered by Lender to Borrower regarding the Loan Account, including with respect to principal, interest, fees, and including an itemization of all charges and expenses constituting Lender Expenses owing, shall be subject to subsequent adjustment by Lender but shall, absent demonstrable error, be conclusively presumed to be correct and accurate and constitute an account stated between Borrower and Lender unless, within 30 days after receipt thereof by Borrower, Borrower shall deliver to Lender written objection thereto describing the error or errors contained in any such statements.

2.9 **Maturity Date; Termination Date.** Lender's obligations under this Agreement shall continue in full force and effect for a term ending on the earliest of (i) (x) with respect to the Revolving Credit Facility, the third anniversary of the date hereof and (y) with respect to the Term Loans, the fourth anniversary of the date hereof (the "Maturity Date"), (ii) with respect to the Revolving Credit Facility, the date Borrower terminates the Revolving Credit Facility, and (iii) the date the Revolving Credit Facility terminates and the Term Loans are accelerated pursuant to Section 10.1 or Section 10.2 following an Event of Default (the earliest of these dates, the "Termination Date"). The foregoing notwithstanding, Lender shall have the right to terminate its obligations under this Agreement immediately and without notice upon the occurrence and during the continuance of an Event of Default. Borrower promises to pay the Obligations (including principal, interest, fees, costs, and expenses, including Lender Expenses) in full on the Termination Date (other than the Hedge Obligations, which shall be paid in accordance with the applicable Hedge Agreement).

2.10 **Effect of Maturity.** On the Termination Date, all obligations of Lender to provide additional credit hereunder shall automatically be terminated and all of the Obligations (other than Hedge Obligations which shall be terminated in accordance with the applicable Hedge Agreement) shall immediately become due and payable in full in cash without notice or demand and Borrower shall immediately repay all of such Obligations in full. No termination of the obligations of Lender (other than cash payment in full of the Obligations and termination of the obligations of Lender to provide additional credit hereunder) shall relieve or discharge any Loan Party of its duties, obligations, or covenants hereunder or under any other Loan Document and Lender's Liens in the Collateral shall continue to secure the Obligations and shall remain in effect until all Obligations have been paid in full in cash and Lender's obligations to provide additional credit hereunder shall have been terminated. Provided that there are no suits, actions, proceedings or claims pending or threatened against any Indemnified Person under this Agreement with respect to any Indemnified Liabilities, Lender shall, at Borrower's expense, release or terminate (or authorize Borrower or its designee to release or terminate) any filings or other agreements that perfect the Security Interest, upon Lender's receipt of each of the following, in form and content satisfactory to Lender: (i) cash payment in full of all Obligations and completed performance by Borrower with respect to its other obligations under this Agreement (including Letter of Credit Collateralization with respect to all outstanding Letter of Credit Usage), (ii) evidence that any obligation of Lender to make Advances to Borrower or provide any further credit to Borrower has been terminated, and (iii) an agreement by Borrower and each other Loan Party to indemnify Lender and its Affiliates for any payments received by Lender or its Affiliates that are applied to the Obligations as a final payoff that may subsequently be returned or otherwise not paid for any reason. With respect to any outstanding Hedge Obligations which are not so paid in full, the Bank Product Provider may require Borrower to cash collateralize the then existing Hedge Obligations in an amount acceptable to Lender prior to releasing or terminating any filings or other agreements that perfect the Security Interest.

2.11 **Termination or Reduction by Borrower.**

(a) Borrower may terminate the Credit Facility or reduce the Maximum Revolver Amount or prepay the Term Loan in whole or in part at any time prior to the Maturity Date, if Borrower (i) delivers a notice to Lender of its intentions at least five (5) Business Days prior to the proposed action, (ii) pays to Lender the applicable termination fee, reduction fee or prepayment fee set forth in Schedule 2.12, (iii) pays the Obligations (other than the outstanding Hedge Obligations, which shall be paid in accordance with the applicable Hedge Agreement) in full or down to the reduced Maximum Revolver Amount or to the reduced amount of the Term Loan, as applicable, in cash and (iv) in connection with any reduction of the Maximum Revolver Amount or termination of the Revolving Credit Facility, provides evidence to Lender of a concurrent reduction or termination of the Closing Date Credit Line in an aggregate principal amount equal to such intended reduction under this Agreement. Any reduction in the Maximum Revolver Amount or Term Loan shall be in multiples of $500,000, with a minimum reduction of at least $1,000,000. Each such termination, reduction or prepayment shall be irrevocable. Once reduced, the

Maximum Revolver Amount may not be increased. Proceeds of Advances shall not be used by Borrower to make a prepayment of the Term Loan.

(b) The applicable termination fee, reduction fee and prepayment fee set forth in Schedule 2.12 shall be presumed to be the amount of damages sustained by Lender as a result of an early termination, reduction or prepayment, as applicable. Borrower agrees that it is reasonable under the circumstances currently existing (including, without limitation, the financial state of the Borrower (including its lack of liquidity and creditworthiness and the resulting risks incurred by Lender) on the Closing Date, the borrowings that are reasonably expected by Borrower hereunder and the interest, fees and other charges that are reasonably expected to be received by Lender hereunder). In addition, Lender shall be entitled to such early termination fee upon the occurrence of any Event of Default described in Sections 9.4 and 9.5 hereof, even if Lender does not exercise its right to terminate any commitment to lend under this Agreement, but elects, at its option, to provide financing to Borrower or permits the use of cash collateral during an Insolvency Proceeding. The early termination fee, reduction fee and prepayment fee, as applicable, provided for in Schedule 2.12 shall be deemed included in the Obligations

2.12 **Fees.** Borrower shall pay to Lender the fees set forth on Schedule 2.12 attached hereto.

2.13 **Letters of Credit.**

(a) Subject to the terms and conditions of this Agreement, upon the request of Borrower made in accordance with this Section 2.13, Lender agrees to issue a requested Letter of Credit. Borrower may request that Lender issue, amend or extend a Letter of Credit by delivering to Lender the applicable Letter of Credit Agreements, completed to the satisfaction of Lender, and such other certificates, documents and information as Lender may request. Each such request shall be in form and substance reasonably satisfactory to Lender and shall specify (i) the amount of such Letter of Credit, (ii) the date of issuance, amendment, or extension of such Letter of Credit, (iii) the expiration date of such Letter of Credit, (iv) the name and address of the beneficiary of the Letter of Credit, and (v) such other information (including, in the case of an amendment, or extension, identification of the Letter of Credit to be so amended or extended) as shall be necessary to prepare, issue, amend or extend such Letter of Credit. Upon receipt of any Letter of Credit Agreements, Lender shall process such Letter of Credit Agreements and the certificates, documents and information delivered to it in connection therewith in accordance with its customary procedures and shall, subject to this Section 2.13, issue the Letter of Credit requested thereby (but in no event shall Lender be required to issue any Letter of Credit earlier than 3 Business Days after its receipt of the Letter of Credit Agreements therefor and all such other certificates, documents and information relating thereto) by issuing the original of such Letter of Credit (or amendment or extension) to the beneficiary thereof or as otherwise may be agreed by Lender and Borrower. Each request for the issuance of a Letter of Credit, or the amendment or extension of any outstanding Letter of Credit, shall be made in writing by an Authorized Person and delivered to Lender via hand delivery, facsimile, or other electronic method of transmission reasonably in advance of the requested date of issuance, amendment or extension. Each Letter of Credit shall (i) be denominated in Dollars in a minimum amount of $50,000, (ii) be a standby letter of credit or commercial letter of credit issued to support obligations of a Borrower or any of its Subsidiaries, contingent or otherwise, incurred in the ordinary course of business, (iii) expire on a date no more than 12 months after the date of issuance or last renewal of such Letter of Credit, which date shall be no later than the Maturity Date, and (iv) be subject to the Uniform Customs and/or ISP98, as set forth in the Letter of Credit Agreements or as determined by the Lender and, to the extent not inconsistent therewith, the laws of the State which governs this Agreement.

(b) [Reserved]

(c) If Lender makes a payment under a Letter of Credit, Borrower shall pay to Lender an amount equal to the applicable Letter of Credit Disbursement on the date such Letter of Credit Disbursement is made and, in the absence of such payment, the amount of the Letter of Credit Disbursement shall be immediately and automatically repaid to Lender through an automatic Advance hereunder (notwithstanding any failure to satisfy any condition precedent set forth in Section 4 or this Section). If Lender determines that Lender is unable to make such an automatic Advance to Borrower for the purpose of repaying the Letter of Credit Disbursement as a result of a proceeding under the Bankruptcy Code involving Borrower or otherwise, Borrower shall remain obligated to immediately pay to Lender the amount of the Letter of Credit Disbursement in immediately available funds, together with interest accrued on such unpaid Letter of Credit Disbursement at the default rate applicable to Advances under Section 2.6(b)**(i)** from the date of Lender's making such Letter of Credit Disbursement until such Letter of Credit Disbursement is paid in full. If a Letter of Credit Disbursement is automatically repaid through an Advance hereunder, Borrower's obligation to pay the amount of such Letter of Credit Disbursement to Lender shall be automatically converted into an obligation to repay such Advance under the terms of this Agreement. To the extent that the Letter of Credit Disbursement is actually repaid through an automatic Advance, the lack of a direct payment of the Letter of Credit Disbursement by Borrower shall not constitute an Event of Default under Section 9.1.

(d) Borrower's obligations under this Section 2.13 (including Borrower's reimbursement obligation) shall be absolute and unconditional under any and all circumstances and irrespective of any set off, counterclaim or defense to

payment which Borrower may have or have had against Lender or any beneficiary of a Letter of Credit or any other Person. Borrower also agrees that Lender shall not be responsible for, and the Borrower's reimbursement obligation hereunder shall not be affected by, among other things, the validity or genuineness of documents or of any endorsements thereon, even though such documents shall in fact prove to be invalid, fraudulent or forged, or any dispute between or among Borrower and any beneficiary of any Letter of Credit or any other party to which such Letter of Credit may be transferred or any claims whatsoever of Borrower against any beneficiary of such Letter of Credit or any such transferee. Lender shall not be liable for any error, omission, interruption or delay in transmission, dispatch or delivery of any message or advice, however transmitted, in connection with any Letter of Credit, except for errors or omissions caused by Lender's gross negligence or willful misconduct, as determined by a court of competent jurisdiction by final non-appealable judgment. Borrower agrees that any action taken or omitted by Lender under or in connection with any Letter of Credit or the related drafts or documents, if done in the absence of gross negligence or willful misconduct shall be binding on Borrower and shall not result in any liability of Lender to Borrower or any other Loan Party. The responsibility of Lender to Borrower in connection with any draft presented for payment under any Letter of Credit shall, in addition to any payment obligation expressly provided for in such Letter of Credit, be limited to determining that the documents (including each draft) delivered under such Letter of Credit in connection with such presentment are in conformity with such Letter of Credit.

(e) Borrower hereby agrees to indemnify, save, defend, and hold Lender harmless from any damage, loss, cost, expense, or liability, and reasonable attorneys fees incurred by Lender arising out of or in connection with any Letter of Credit; provided, however, that Borrower shall not be obligated hereunder to indemnify for any damage, loss, cost, expense, or liability that a court of competent jurisdiction finally determines to have resulted from the gross negligence or willful misconduct of Lender. Borrower understands and agrees that Lender shall not be liable for any error, negligence, or mistake, whether of omission or commission, in following Borrower's instructions or those contained in the Letter of Credit or any modifications, amendments, or supplements thereto. Borrower hereby acknowledges and agrees that Lender shall not be responsible for delays, errors, or omissions resulting from the malfunction of equipment in connection with any Letter of Credit.

(f) If by reason of (i) any change after the date hereof in any Applicable Law, treaty, rule, or regulation or any change after the date hereof in the interpretation or application thereof by any Governmental Authority, or (ii) compliance by Lender with any direction, request, or requirement (irrespective of whether having the force of law) of any Governmental Authority or monetary authority made or required after the date hereof, including, under Regulation D of the Federal Reserve Board as from time to time in effect (and any successor thereto):

(A) any reserve, deposit, or similar requirement is or shall be imposed or modified in respect of any Letter of Credit issued or caused to be issued hereunder or hereby, or

(B) there shall be imposed on Lender any other condition regarding any Letter of Credit,

and the result of the foregoing is to increase, directly or indirectly, the cost to the Lender of issuing, making, guaranteeing, or maintaining any Letter of Credit or to reduce the amount receivable in respect thereof, then, and in any such case, Lender may, at any time within a reasonable period after the additional cost is incurred or the amount received is reduced, notify Borrower, and Borrower shall pay within 30 days after demand therefor accompanied by a reasonably detailed calculation of the amount demanded, such amounts as Lender may specify to be necessary to compensate the Lender for such additional cost or reduced receipt, together with interest on such amount from the date of such demand until payment in full thereof at the highest rate then applicable to Advances hereunder; provided, however, that Borrower shall not be required to provide any compensation pursuant to this Section 2.13(f) for any such amounts incurred more than 180 days prior to the date on which the demand for payment of such amounts is first made to Borrower; provided further, however, that if an event or circumstance giving rise to such amounts is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof. The determination by Lender of any amount due pursuant to this Section 2.13(f), as set forth in a certificate setting forth the calculation thereof in reasonable detail, shall, in the absence of manifest or demonstrable error, be final and conclusive and binding on all of the parties hereto.

(g) To the extent that any provision of any Letter of Credit Agreement related to any Letter of Credit is inconsistent with the provisions of this Section 2.13, the provisions of this Section 2.13 shall apply.

2.14 **Illegality; Impracticability; Increased Costs.** In the event that, in each case after the date hereof, (i) any change in market conditions or any law, regulation, treaty, or directive, or any change therein or in the interpretation or application thereof make it unlawful or impractical for Lender to fund or maintain extensions of credit with interest based upon Daily Three Month LIBOR or to continue such funding or maintaining, or to determine or charge interest rates based upon Daily Three Month LIBOR, (ii) Lender determines that by reasons affecting the London interbank Eurodollar market, adequate and reasonable means do not exist for ascertaining Daily Three Month LIBOR, or (iii) Lender determines that the interest rate based on the Daily Three Month LIBOR will not adequately and fairly reflect the cost to Lender of maintaining or funding Advances or the Term Loan at the interest rate based upon Daily Three Month LIBOR, Lender shall give notice of such changed

circumstances to Borrower and (i) interest on the principal amount of such extensions of credit thereafter shall accrue interest at a rate equal to the Prime Rate plus the applicable Interest Rate Margin, and (ii) Borrower shall not be entitled to elect Daily Three Month LIBOR until Lender determines that it would no longer be unlawful or impractical to do so or that such increased costs would no longer be applicable (and Lender agrees to promptly notify Borrower at any time such changed circumstances no longer apply; provided, however, Lender shall have no liability to Borrower for failing to provide such notice).

2.15 **Capital Requirements.** If, after the date hereof, Lender determines that (i) the adoption after the date hereof of or change after the date hereof in any law, rule, regulation or guideline regarding capital or reserve requirements for banks or bank holding companies, or any change after the date hereof in the interpretation, implementation, or application thereof by any Governmental Authority charged with the administration thereof, including those changes resulting from the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Basel III, regardless of the date enacted, adopted or issued, or (ii) compliance by Lender or its parent bank holding company with any guideline, request or directive of any such entity regarding capital adequacy (whether or not having the force of law) issued after the date hereof has the effect of reducing the return on Lender's or such holding company's capital as a consequence of Lender's loan commitments hereunder to a level below that which such Lender or such holding company could have achieved but for such adoption, change, or compliance (taking into consideration such Lender's or such holding company's then existing policies with respect to capital adequacy and assuming the full utilization of such entity's capital) by any amount deemed by Lender to be material, then Lender may notify Borrower thereof. Following receipt of such notice, Borrower agrees to pay Lender on demand the amount of such reduction of return of capital as and when such reduction is determined, payable within 30 days after presentation by Lender of a statement in the amount and setting forth in reasonable detail Lender's calculation thereof and the assumptions upon which such calculation was based (which statement shall be deemed true and correct absent demonstrable error). In determining such amount, Lender may use any reasonable averaging and attribution methods. Failure or delay on the part of Lender to demand compensation pursuant to this Section shall not constitute a waiver of Lender's right to demand such compensation; provided that Borrower shall not be required to compensate Lender pursuant to this Section for any reductions in return incurred more than 180 days prior to the date that Lender demands compensation from Borrower in respect of such law, rule, regulation or guideline giving rise to such reductions; provided further that if such claim arises by reason of the adoption of or change in any law, rule, regulation or guideline that is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

3. SECURITY INTEREST.

3.1 **Grant of Security Interest.** Borrower hereby unconditionally grants, assigns, and pledges to Lender for the benefit of Lender and each Bank Product Provider that is a Lender, to secure payment and performance of the Obligations, a continuing security interest (hereinafter referred to as the "Security Interest") in all of its right, title, and interest in and to the Collateral. Following request by Lender, Borrower shall grant Lender a Lien and security interest in all Commercial Tort Claims that it may have against any Person. The Security Interest created hereby secures the payment and performance of the Obligations, whether now existing or arising hereafter. Without limiting the generality of the foregoing, this Agreement secures the payment of all amounts which constitute part of the Obligations and would be owed by Borrower to Lender or any other Bank Product Provider, but for the fact that they are unenforceable or not allowable (in whole or in part) as a claim in an Insolvency Proceeding involving Borrower or any other Loan Party due to the existence of such Insolvency Proceeding.

3.2 **Borrower Remains Liable.** Anything herein to the contrary notwithstanding, (a) Borrower shall remain liable under the contracts and agreements included in the Collateral to perform all of the duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by Lender of any of the rights hereunder shall not release Borrower from any of its duties or obligations under such contracts and agreements included in the Collateral, and (c) Lender shall not have any obligation or liability under such contracts and agreements included in the Collateral by reason of this Agreement, nor shall Lender be obligated to perform any of the obligations or duties of Borrower thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

3.3 **Assignment of Insurance.** As additional security for the Obligations, Borrower hereby assigns as security to Lender for the benefit of Lender and each Bank Product Provider that is a Lender all rights of Borrower under every policy of insurance covering the Collateral and all other assets and property of Borrower (including, without limitation, business interruption insurance and proceeds thereof) and all business records and other documents relating to it, and all monies (including proceeds and refunds) that may be payable under any policy, and Borrower and each other Loan Party hereby directs the issuer of each policy to pay all such monies directly and solely to Lender. If an Event of Default shall have occurred and be continuing, Lender may (but need not), in Lender's or Borrower's name, execute and deliver proofs of claim, receive payment of proceeds and endorse checks and other instruments representing payment of the policy of insurance, and adjust, litigate, compromise or release claims against the issuer of any policy. Any monies received under any insurance policy assigned as security to Lender, other than liability insurance policies, or received as payment of any award or compensation for condemnation or taking by eminent domain, shall be paid to Lender and, as determined by Lender in its sole discretion, either be applied to prepayment of the Obligations or disbursed to Borrower under payment terms reasonably satisfactory to Lender for application to the cost of

repairs, replacements, or restorations of the affected Collateral which shall be effected with reasonable promptness and shall be of a value at least equal to the value of the items or property destroyed.

3.4 **Financing Statements.** Borrower authorizes Lender to file financing statements describing Collateral to perfect Lender's and each Bank Product Provider's Security Interest in the Collateral, and Lender may describe the Collateral as "all personal property" or "all assets" or describe specific items of Collateral including without limitation any Commercial Tort Claims. All financing statements filed before the date of this Agreement to perfect the Security Interest were authorized by Borrower and each other Loan Party and are hereby ratified.

4. CONDITIONS.

4.1 **Conditions Precedent to the Initial Extension of Credit.** The obligation of Lender to make the initial extension of credit provided for hereunder is subject to the fulfillment, to the satisfaction of Lender, of each of the conditions precedent set forth on Exhibit B.

4.2 **Conditions Precedent to all Extensions of Credit.** The obligation of Lender to make any Advances hereunder (or to extend any other credit hereunder) at any time shall be subject to the following conditions precedent:

(a) the representations and warranties of each Loan Party and its Subsidiaries contained in this Agreement or in the other Loan Documents shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) on and as of the date of such extension of credit, as though made on and as of such date (except to the extent that such representations and warranties relate solely to an earlier date, in which case such representations and warranties shall continue to be true and correct as of such earlier date); and

(b) no Default or Event of Default shall have occurred and be continuing on the date of such extension of credit, nor shall either result from the making thereof.

Any request for an extension of credit shall be deemed to be a representation by each Loan Party that the statements set forth in this Section 4.2 are correct as of the time of such request and (ii) if such extension of credit is a request for an Advance or a Letter of Credit, sufficient Availability exists for such Advance or Letter of Credit pursuant to Section 2.1(a) and Section 2.13.

4.3 **Conditions Subsequent.** The obligation of Lender to continue to make Advances (or otherwise extend credit hereunder) is subject to the fulfillment, on or before the date applicable thereto, of the conditions subsequent set forth on Exhibit C (the failure by Borrower or any other Loan Party to so perform or cause to be performed such conditions subsequent as and when required by the terms thereof, shall constitute an Event of Default).

5. REPRESENTATIONS AND WARRANTIES.

In order to induce Lender to enter into this Agreement, Borrower, and each other Loan Party makes the representations and warranties to Lender set forth on Exhibit D. Each of such representations and warranties shall be true, correct, and complete, in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof), as of the Closing Date, and shall be true, correct, and complete, in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof), as of the date of the making of each Advance or other extension of credit made thereafter, as though made on and as of the date of such Advance or other extension of credit (except to the extent that such representations and warranties relate solely to an earlier date in which case such representations and warranties shall continue to be true and correct as of such earlier date) and such representations and warranties shall survive the execution and delivery of this Agreement.

6. AFFIRMATIVE COVENANTS.

Borrower and each other Loan Party covenants and agrees that until Payment in Full of the Obligations, Borrower and each other Loan Party shall, and shall cause each of its Subsidiaries to, comply with each of the following:

6.1 **Financial Statements, Reports, Certificates.** Deliver to Lender copies of each of the financial statements, reports, and other items set forth on Schedule 6.1 no later than the times specified therein. In addition, Borrower and each other Loan Party agree that no Subsidiary of Borrower or any other Loan Party will have a fiscal year different from that of Borrower. Borrower and each other Loan Party agree to maintain a system of accounting that enables it to produce financial statements in accordance with GAAP. Borrower and each other Loan Party shall also (a) keep a reporting system that shows all additions,

sales, claims, returns, and allowances with respect to the sales of such Loan Party and its Subsidiaries, and (b) maintain its billing systems/practices substantially as in effect as of the Closing Date and shall only make material modifications following prior notice to Lender.

6.2 **Collateral Reporting.** Provide Lender with each of the reports set forth on Schedule 6.2 at the times specified therein. In addition, Borrower agrees to use commercially reasonable efforts in cooperation with Lender to facilitate and implement a system of electronic collateral reporting in order to provide electronic reporting of each of the items set forth on such Schedule.

6.3 **Existence.** Except as otherwise permitted under Section 7.3 or Section 7.4, at all times maintain and preserve in full force and effect (a) its existence (including being in good standing in its jurisdiction of organization) and (b) all rights and franchises, licenses and permits material to its business; provided, however, that no Loan Party nor any of its Subsidiaries shall be required to preserve any such right or franchise, licenses or permits if the preservation thereof is no longer desirable in the conduct of the business of such Person, and that the loss thereof is not disadvantageous in any material respect to such Person or to the Lender; provided that Borrower delivers at least ten (10) days prior written notice to Lender of the election of such Loan Party or such Subsidiary not to preserve any such right or franchise, license or permit.

6.4 **Maintenance of Properties.** Maintain and preserve all of its assets that are necessary or useful in the proper conduct of its business in good working order and condition, ordinary wear, tear and casualty excepted and Permitted Dispositions excepted (and except where the failure to so maintain and preserve such assets could not reasonably be expected to result in a Material Adverse Change), and comply with the material provisions of all material leases to which it is a party as lessee, so as to prevent the loss or forfeiture thereof, unless such provisions are the subject of a Permitted Protest.

6.5 **Taxes.**

(a) Cause all assessments and taxes imposed, levied, or assessed against any Loan Party or its Subsidiaries, or any of their respective assets or in respect of any of its income, businesses, or franchises to be paid in full, before delinquency or before the expiration of any extension period, except to the extent that the validity of such assessment or tax shall be the subject of a Permitted Protest and so long as, in the case of an assessment or tax that has or may become a Lien against any of the Collateral, (i) such contest proceedings conclusively operate to stay the sale of any portion of the Collateral to satisfy such assessment or tax, and (ii) any such other Lien is at all times subordinate to Lender's Liens.

(b) Make timely payment or deposit of all tax payments and withholding taxes required of it and them by Applicable Laws, including those laws concerning F.I.C.A., F.U.T.A., state disability, and local, state, and federal income taxes, and will, upon request, furnish Lender with proof reasonably satisfactory to Lender indicating that such Loan Party and its Subsidiaries have made such payments or deposits.

6.6 **Insurance.** At Borrower's expense, maintain insurance with respect to the assets of each Loan Party and each of its Subsidiaries, wherever located, covering loss or damage by fire, theft, explosion, and all other hazards and risks as ordinarily are insured against by other Persons engaged in the same or similar businesses. Borrower also shall maintain, with respect to each Loan Party and each of its Subsidiaries, business interruption insurance, general liability insurance, flood insurance for Collateral located in a flood plain, product liability insurance, director's and officer's liability insurance, fiduciary liability insurance and employment practices liability insurance, as well as insurance against larceny, embezzlement, and criminal misappropriation. All such policies of insurance shall be with responsible and reputable insurance companies acceptable to Lender and in such amounts as is carried generally in accordance with sound business practice by companies in similar businesses similarly situated and located and in any event in amount, adequacy and scope reasonably satisfactory to Lender. All property insurance policies covering the Collateral are to be made payable to Lender for the benefit of Lender, as its interests may appear, in case of loss, pursuant to a lender loss payable endorsement reasonably acceptable to Lender and are to contain such other provisions as Lender may reasonably require to fully protect the Lender's interest in the Collateral and to any payments to be made under such policies. All certificates of property and general liability insurance are to be delivered to Lender, with the lender loss payable (but only in respect of Collateral) and additional insured endorsements (with respect to general liability coverage) in favor of Lender and shall provide for not less than 30 days (10 days in the case of non-payment) prior written notice to Lender of the exercise of any right of cancellation. If Borrower fails to maintain such insurance, Lender may arrange for such insurance, but at Borrower's expense and without any responsibility on Lender's part for obtaining the insurance, the solvency of the insurance companies, the adequacy of the coverage, or the collection of claims. Borrower shall give Lender prompt notice of any loss exceeding $100,000 covered by such casualty or business interruption insurance. Upon the occurrence and during the continuance of an Event of Default, Lender shall have the right (but no obligation) to file claims under any property and general liability insurance policies in respect of the Collateral, to receive, receipt and give acquittance for any payments that may be payable thereunder, and to execute any and all endorsements, receipts, releases, assignments, reassignments or other documents that may be necessary to effect the collection, compromise or settlement of any claims under any such insurance policies.

6.7 **Inspections, Exams, Audits and Appraisals.** Permit Lender and each of Lender's duly authorized representatives or agents to visit any of its properties and inspect any of its assets or books and records, to conduct inspections, exams, audits and appraisals of the Collateral, to examine and make copies of its books and records, and to discuss its affairs, finances, and accounts with, and to be advised as to the same by, its officers and employees at such reasonable times and intervals as Lender may designate and, so long as no Default or Event of Default exists, with reasonable prior notice to Borrower.

6.8 **Account Verification.** Permit Lender, in Lender's name or in the name of a nominee of Lender, to verify the validity, amount or any other matter relating to any Account, by mail, telephone, facsimile transmission or otherwise. Further, at the request of Lender, Borrower shall send requests for verification of Accounts or send notices of assignment of Accounts to Account Debtors and other obligors.

6.9 **Compliance with Laws.** Comply with the requirements of all Applicable Laws, rules, regulations, and orders of any Governmental Authority, other than laws, rules, regulations, and orders the non-compliance with which, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Change.

6.10 **Environmental.**

(a) Keep any property either owned or operated by any Loan Party or any of its Subsidiaries free of any Environmental Liens or post bonds or other financial assurances satisfactory to Lender and in an amount sufficient to satisfy the obligations or liability evidenced by such Environmental Liens;

(b) Comply, in all material respects, with Environmental Laws and provide to Lender documentation of such compliance which Lender reasonably requests, other than Environmental Laws the non-compliance with which, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Change;

(c) Promptly notify Lender of any release of which any Loan Party has knowledge of a Hazardous Material in any reportable quantity from or onto property owned or operated by any Loan Party or any of its Subsidiaries and take any Remedial Actions required to abate said release or otherwise to come into compliance, in all material respects, with applicable Environmental Law related to such release; and

(d) Promptly, but in any event within 5 Business Days of its receipt thereof, provide Lender with written notice of any of the following: (i) notice that an Environmental Lien has been filed against any of the real or personal property of any Loan Party or any of its Subsidiaries, (ii) commencement of any Environmental Action or written notice that an Environmental Action will be filed against any Loan Party or any of its Subsidiaries, and (iii) written notice of a violation, citation, or other administrative order from a Governmental Authority regarding any Environmental Law.

6.11 **Disclosure Updates.**

(a) Promptly and in no event later than 5 Business Days after an officer of Borrower obtains knowledge thereof, notify Lender:

(i) if any written information, exhibit, or report furnished to Lender contained, at the time it was furnished, any untrue statement of a material fact or omitted to state any material fact necessary to make the statements contained therein not misleading in light of the circumstances in which made. Any notification pursuant to the foregoing provision will not cure or remedy the effect of the prior untrue statement of a material fact or omission of any material fact nor shall any such notification have the effect of amending or modifying this Agreement or any of the Schedules hereto;

(ii) of all actions, suits, or proceedings brought by or against any Loan Party or any of its Subsidiaries before any court or Governmental Authority which, either individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change, provided that, in any event, such notification shall not be later than 5 days after service of process with respect thereto on any Loan Party or any of its Subsidiaries;

(iii) of (A) any disputes or claims by Borrower's customers exceeding $100,000 individually or $250,000 in the aggregate during any Fiscal Year; or (B) Goods returned to or recovered by Borrower outside of the ordinary course of business exceeding $100,000 individually or $250,000 in the aggregate during any Fiscal Year;

(iv) of any material loss or damage to any Collateral or any substantial adverse change in the Collateral;

(v) of a violation of any law, rule or regulation, the non-compliance with which reasonably could be expected to result in a Material Adverse Change; or

(vi) of the occurrence of any ERISA Event.

(b) Promptly and in no event later than 5 Business Days after an officer of Borrower obtains knowledge thereof, notify Lender of any event or condition which constitutes a Default or an Event of Default and provide a statement of the action that Borrower proposes to take with respect to such Default or Event of Default.

Upon request of Lender, each Loan Party shall deliver to Lender any other materials, reports, records or information reasonably requested relating to the operations, business affairs or financial condition of any Loan Party or any of its Subsidiaries or any Collateral.

6.12 **Collateral Covenants.** Comply with each of the following covenants.

(a) **Possession of Collateral**. In the event that any Collateral, including Proceeds, is evidenced by or consists of Negotiable Collateral, Investment Related Property, or Chattel Paper, in each case, having an aggregate value or face amount of $100,000 or more for all such Negotiable Collateral, Investment Related Property, or Chattel Paper not theretofore delivered to Lender, Borrower shall promptly (and in any event within 5 Business Days after receipt thereof), notify Lender thereof, and if and to the extent that perfection or priority of Lender's Security Interest is dependent on or enhanced by possession, the applicable Loan Party, promptly (and in any event within 5 Business Days) after request by Lender, shall execute such other documents and instruments as shall be requested by Lender or, if applicable, endorse and deliver physical possession of such Negotiable Collateral, Investment Related Property, or Chattel Paper to Lender, together with such undated powers (or other relevant document of assignment or transfer acceptable to Lender) endorsed in blank as shall be requested by Lender, and shall do such other acts or things deemed necessary or desirable by Lender to enhance, perfect and protect Lender's Security Interest therein;

(b) **Chattel Paper.**

(i) Promptly (and in any event within 5 Business Days) after request by Lender, each Loan Party shall take all steps reasonably necessary to grant Lender control of all electronic Chattel Paper of Borrower and any other Loan Party in accordance with the Code and all "transferable records" as that term is defined in Section 16 of the Uniform Electronic Transaction Act and Section 201 of the federal Electronic Signatures in Global and National Commerce Act as in effect in any relevant jurisdiction, to the extent that the individual or aggregate value or face amount of such electronic Chattel Paper equals or exceeds $100,000;

(ii) If any Loan Party retains possession of any Chattel Paper or instruments (which retention of possession shall be subject to the extent permitted hereby), promptly upon the request of Lender, such Chattel Paper and instruments shall be marked with the following legend: "This writing and the obligations evidenced or secured hereby are subject to the Security Interest of HC Capital Holdings 0909A, LLC as Lender";

(c) **Control Agreements.**

(i) Except to the extent otherwise provided by Section 7.11 or as may be agreed by Lender in its sole discretion, each Loan Party shall obtain a Control Agreement, from each bank or, maintaining a Deposit Account for such Loan Party; except that no Control Agreement shall be required for up to two (2) petty cash accounts maintained with banks (other than Lender) so long as each such petty cash accounts does not at any time contain more than $10,000.

(ii) Except to the extent otherwise provided by Section 7.11, each Loan Party shall obtain a Control Agreement, from each issuer of uncertificated securities, securities intermediary, or commodities intermediary issuing or holding any financial assets or commodities to or for any Loan Party;

(iii) Except to the extent otherwise provided by Section 7.11, each Loan Party shall cause Lender to obtain "control", as such term is defined in the Code, with respect to all of the investment property of any Loan Party; and

(iv) Except to the extent otherwise provided by Section 7.11, each Loan Party shall at all times cause all cash and Cash Equivalents of such Loan Party (including proceeds of any Collateral) to be immediately deposited in Deposit Accounts subject to a Control Agreement in favor of Lender;

(d) **Letter-of-Credit Rights**. If any Loan Party is or becomes the beneficiary of letters of credit having a face amount or value of $100,000 or more in the aggregate, then such Loan Party shall promptly (and in any event within 5 Business Days after becoming a beneficiary), notify Lender thereof and, promptly (and in any event within 2 Business Days) after request by Lender, enter into a tri-party agreement with Lender and the issuer or confirming bank with respect to letter-of-credit rights assigning such letter-of-credit rights to Lender and directing all payments thereunder to the Collection Account, all in form and substance reasonably satisfactory to Lender;

(e) **Commercial Tort Claims**. If any Loan Party or Loan Parties obtain Commercial Tort Claims, having a value, or involving an asserted claim, in the amount of $100,000 or more in the aggregate for all Commercial Tort Claims, then the applicable Loan Party or Loan Parties shall promptly (and in any event within 5 Business Days of obtaining such Commercial Tort Claim), notify Lender upon incurring or otherwise obtaining such Commercial Tort Claims and, promptly (and in any event within 2 Business Days) after request by Lender, amend Schedule 5.6(d) to the Information Certificate to describe such Commercial Tort Claims in a manner that reasonably identifies such Commercial Tort Claims and which is otherwise reasonably satisfactory to Lender, and hereby authorizes the filing of additional financing statements or amendments to existing financing statements describing such Commercial Tort Claims, and agrees to do such other acts or things deemed necessary or desirable by Lender to give Lender a first priority, perfected security interest in any such Commercial Tort Claim, which Commercial Tort Claim shall not be subject to any other Liens (other than junior Permitted Liens in favor of the Institutional Subordinated Creditors);

(f) **Government Contracts**. Other than Accounts and Chattel Paper the aggregate value of which does not at any one time exceed $100,000 if any Account or Chattel Paper of any Loan Party arises out of a contract or contracts with the United States of America or any State or any department, agency, or instrumentality thereof, Loan Parties shall promptly (and in any event within 5 Business Days of the creation thereof) notify Lender thereof and, promptly (and in any event within 2 Business Days) after request by Lender, execute any instruments or take any steps reasonably required by Lender in order that all moneys due or to become due under such contract or contracts shall be assigned for security purposes to Lender, for the benefit of Lender and each Bank Product Provider, and shall provide written notice thereof under the Assignment of Claims Act or other Applicable Law;

(g) **Intellectual Property.**

(i) Upon the request of Lender, in order to facilitate filings with the PTO and the United States Copyright Office, each Loan Party shall execute and deliver to Lender one or more Copyright Security Agreements, Patent Security Agreements or Trademark Security Agreements to further evidence Lender's Lien on such Loan Party's Patents, Trademarks, or Copyrights, and the General Intangibles of such Loan Party relating thereto or represented thereby;

(ii) Each Loan Party shall have the duty, with respect to Intellectual Property that is material and necessary in the conduct of such Loan Party's business, to protect and diligently enforce and defend at such Loan Party's expense such Intellectual Property, including (A) to diligently enforce and defend, including promptly suing for infringement, misappropriation, or dilution and to recover any and all damages for such infringement, misappropriation, or dilution, and filing for opposition, interference, and cancellation against conflicting Intellectual Property rights of any Person, (B) to prosecute diligently any trademark application or service mark application that is part of the Trademarks pending as of the date hereof or hereafter, (C) to prosecute diligently any patent application that is part of the Patents pending as of the date hereof or hereafter, (D) to take all reasonable and necessary action to preserve and maintain all of such Loan Party's Trademarks, Patents, Copyrights, Intellectual Property Licenses, and its rights therein, including paying all maintenance fees and filing of applications for renewal, affidavits of use, and affidavits of noncontestability, and (E) to require all employees, consultants, and contractors of each Loan Party who were involved in the creation or development of such Intellectual Property to sign agreements containing assignment to such Loan Party of Intellectual Property rights created or developed and obligations of confidentiality. No Loan Party shall abandon any Intellectual Property or Intellectual Property License that is material and necessary in the conduct of such Loan Party's business. Each Loan Party shall take the steps described in this Section 6.12(g)(ii) with respect to all new or acquired Intellectual Property to which it or any of its Subsidiaries is now or later becomes entitled that is material and necessary in the conduct of such Loan Party's business;

(iii) Each Loan Party acknowledges and agrees that Lender shall have no duties with respect to any Intellectual Property or Intellectual Property Licenses of any Loan Party. Without limiting the generality of this Section 6.12(g)(iii), each Loan Party acknowledges and agrees that Lender shall not be under any obligation to take any steps necessary to preserve rights in the Collateral consisting of Intellectual Property or Intellectual Property Licenses against any other Person, but Lender may do so at its option from and after the occurrence and during the continuance of an Event of Default, and all Lender Expenses incurred in connection therewith (including reasonable fees and expenses of attorneys and other professionals) shall be for the sole account of Loan Party and shall be chargeable to the Loan Account;

(iv) Each Loan Party shall promptly file an application with the United States Copyright Office for any Copyright that has not been registered with the United States Copyright Office if such Copyright is material and necessary in connection with the conduct of such Loan Party's business. Any expenses incurred in connection with the foregoing shall be borne by the Loan Parties;

(v) No Loan Party shall enter into any Intellectual Property License to receive any license or rights in any Intellectual Property of any other Person which is material and necessary in connection with the conduct of such Loan Party's business unless such Loan Party has used commercially reasonable efforts to permit the assignment of or grant of a security interest in such Intellectual Property License (and all rights of such Loan Party thereunder) to Lender (and any transferees of Lender);

(h) **Investment Related Property.**

(i) Upon the occurrence and during the continuance of an Event of Default, following the request of Lender, all sums of money and property paid or distributed in respect of the Investment Related Property that are received by any Loan Party shall be held by such Loan Party in trust for the benefit of Lender segregated from such Loan Party's other property, and such Loan Party shall deliver it promptly to Lender in the exact form received.

(ii) Each Loan Party shall cooperate with Lender in obtaining all necessary approvals and making all necessary filings under federal, state, local, or foreign law to effect the perfection of the Security Interest on the Investment Related Property or to effect any sale or transfer thereof upon the occurrence and during the continuance of an Event of Default;

(i) **[Reserved]**

(j) **Motor Vehicles.** Within 90 days following the Closing Date or such later date as may be agreed by the Lender in its sole discretion, Borrower shall deliver to Lender, an original certificate of title, a release signed by Wells Fargo Bank, National Association, an application naming Lender as a first priority lien holder thereto (if requested by Lender) and/or such other documentation as Lender shall request with respect to each item of Eligible Equipment which is a motor vehicle or which has a certificate of title (including all such Eligible Equipment described on Schedule 5.33 to the Information Certificate), and Borrower shall cause, or cooperate with Lender in causing, such certificate of title and related items to be submitted to the appropriate state motor vehicle filing office for reissuance to Lender with the Lender's Lien noted thereon. Borrower shall deliver all original certificates of title with respect to Eligible Equipment and, upon request by Lender, all other original certificates of title with respect to motor vehicles and with respect to other equipment which has a certificate of title to be held by Lender. If Lender, in its sole discretion, agrees to any elimination or addition of any item of Eligible Equipment, upon request by Lender, Borrower shall amend Schedule 5.29 to the Information Certificate to accomplish such elimination or addition.

6.13 **Material Contracts.** Contemporaneously with the delivery of each Compliance Certificate pursuant to Section 6.1, provide Lender with copies of (a) each Material Contract entered into since the delivery of the previous Compliance Certificate, and (b) each material amendment or modification of any Material Contract entered into since the delivery of the previous Compliance Certificate. Each Loan Party shall maintain all Material Contracts in full force and effect and shall not default in the payment or performance of its obligations thereunder, except when such failure could not reasonably be expected to result in a Material Adverse Change.

6.14 **Location of Inventory and Equipment.** Keep the Inventory and Equipment of each Loan Party and each of its Subsidiaries (other than vehicles and Equipment out for repair and Inventory in transit) only at the locations identified on Schedule 5.29 to the Information Certificate or otherwise expressly permitted by Section 7.16 and keep the chief executive office of each Loan Party and each of its Subsidiaries only at the locations identified on Schedule 5.6(b) to the Information Certificate; provided, however, that Borrower may amend Schedule 5.29 to the Information Certificate so long as such amendment occurs by written notice to Lender not less than 10 days prior to the date on which such Inventory or Equipment is moved to such new location, and so long as, at the time of such written notification, the applicable Loan Party provides Lender a Collateral Access Agreement with respect thereto if such location is not owned by such Loan Party.

6.15 **Further Assurances.**

(a) At any time upon the reasonable request of Lender, execute or deliver to Lender any and all financing statements, fixture filings, security agreements, pledges, collateral assignments, endorsements of certificates of title, opinions of counsel, and all other documents (the "Additional Documents") that Lender may reasonably request and in form and substance reasonably satisfactory to Lender, to create, perfect, and continue perfection or to better perfect Lender's Liens in the assets of each Loan Party (whether now owned or hereafter arising or acquired, tangible or intangible, real or personal), and in

order to fully consummate all of the transactions contemplated hereby and under the other Loan Documents; provided that the foregoing shall not apply to any Loan Party that is a CFC if providing such documents would result in adverse tax consequences or the costs to the Loan Parties of providing such documents are unreasonably excessive (as reasonably determined by Lender in consultation with Borrower) in relation to the benefits to Lender afforded thereby. To the maximum extent permitted by Applicable Law, if any Loan Party refuses or fails to execute or deliver any reasonably requested Additional Documents within a reasonable period of time, not to exceed 10 days following the request to do so, such Loan Party hereby authorizes Lender to execute any such Additional Documents in the applicable Loan Party's name, as applicable, and authorizes Lender to file such executed Additional Documents in any appropriate filing office. In furtherance and not in limitation of the foregoing, each Loan Party shall take such actions as Lender may reasonably request from time to time to ensure that the Obligations are guaranteed by the Guarantors and are secured by substantially all of the personal property assets of each Loan Party and all of the outstanding capital Stock of each Loan Party (subject to exceptions and limitations contained in the Loan Documents including with respect to CFCs);

(b) Each Loan Party authorizes the filing by Lender of financing or continuation statements, or amendments thereto, and such Loan Party will execute and deliver to Lender such other instruments or notices, as Lender may reasonably request, in order to perfect and preserve the Security Interest granted or purported to be granted hereby;

(c) Each Loan Party authorizes Lender at any time and from time to time to file, transmit, or communicate, as applicable, financing statements and amendments (i) describing the Collateral as "all personal property of debtor" or "all assets of debtor" or words of similar effect, (ii) describing the Collateral as being of equal or lesser scope or with greater detail, or (iii) that contain any information required by Part 5 of Article 9 of the Code for the sufficiency or filing office acceptance of such financing statement. Each Loan Party also hereby ratifies any and all financing statements or amendments previously filed by Lender in any jurisdiction; and

(d) Each Loan Party acknowledges that no Loan Party is authorized to file any financing statement or amendment or termination statement with respect to any financing statement filed in connection with this Agreement without the prior written consent of Lender, subject to such Loan Party's rights under Section 9-509(d)(2) of the Code.

6.16 **Material Licenses**. Contemporaneously with the delivery of each Compliance Certificate pursuant to Section 6.1, provide Lender with copies of each Material License entered into since delivery of the previous Compliance Certificate. Borrower and each other Loan Party shall maintain all of its Material Licenses in full force and effect, except when such failure could not reasonably be expected to result in a Material Adverse Change.

6.17 **Agricultural Matters**.

(a) Borrower and each of its Subsidiaries will comply with all payment instructions imposed on Borrower or such Subsidiary in any notification received by Borrower or such Subsidiary, whether pursuant to the UCC, the FSA or otherwise, and whether sent by a seller of farm products, a lender to such seller, the Secretary of State of any state or any other Person, of any Lien on any farm products purchased or to be purchased hereafter.

(b) Borrower and its Subsidiaries shall pay each of its invoices from vendors and suppliers of perishable agricultural commodities or other farm products in a manner and within a time period consistent with Borrower's or such Subsidiary's past practices, except for invoices being contested in good faith by appropriate proceedings and as to which adequate reserves have been taken in accordance with GAAP.

7. NEGATIVE COVENANTS.

Borrower and each other Loan Party covenants and agrees that until Payment in Full of the Obligations, neither Borrower nor any other Loan Party will, nor will it permit any of its Subsidiaries to, do any of the following:

7.1 **Indebtedness.** Create, incur, assume, suffer to exist, guarantee, or otherwise become or remain, directly or indirectly, liable with respect to any Indebtedness, except for Permitted Indebtedness.

7.2 **Liens.** Create, incur, assume, or suffer to exist, directly or indirectly, any Lien on or with respect to any of its assets, of any kind, whether now owned or hereafter acquired, or any income or profits therefrom, except for Permitted Liens.

7.3 **Restrictions on Fundamental Changes.**

(a) Enter into any merger, consolidation, reorganization, or recapitalization, or reclassify its Stock;

(b) Liquidate, wind up, or dissolve itself (or suffer any liquidation or dissolution);

(c) Suspend or cease operation of a substantial portion of its or their business; or

(d) Form or acquire any direct or indirect Subsidiary after the Closing Date without the prior written consent of Lender, which consent may be given or withheld by Lender in its sole discretion. If Lender provides its prior written consent to the formation or acquisition of any such Subsidiary after the Closing Date, at the time the applicable Loan Party forms or acquires any such Subsidiary, such Loan Party, as applicable, shall (a) within 10 days of such formation or acquisition (or such later date as permitted by Lender in its sole discretion) cause any such Subsidiary to provide to Lender a joinder to this Agreement and a Guaranty (or a joinder to an existing Guaranty), together with such other security documents, as well as appropriate financing statements, all in form and substance reasonably satisfactory to Lender (including being sufficient to grant Lender a first priority Lien (subject to Permitted Liens) in and to all assets of such newly formed or acquired Subsidiary); provided that the Guaranty and such other security documents shall not be required to be provided to Lender with respect to any such Subsidiary of a Loan Party that is a CFC if providing such documents would result in adverse tax consequences or the costs to the Loan Parties of providing such Guaranty, executing any security documents or perfecting the security interests created thereby are unreasonably excessive (as reasonably determined by Lender in consultation with Borrower) in relation to the benefits of Lender of the security or guarantee afforded thereby, (b) within 10 days of such formation or acquisition (or such later date as permitted by Lender in its sole discretion) provide to Lender a pledge agreement and appropriate certificates and powers or financing statements, pledging all of the direct or beneficial ownership interest in such Subsidiary reasonably satisfactory to Lender; provided that only 65% of the total outstanding voting Stock of any first tier Subsidiary of a Loan Party that is a CFC (and none of the Stock of any Subsidiary of such CFC) shall be required to be pledged if pledging a greater amount would result in adverse tax consequences or the costs to the Loan Parties of providing such pledge or perfecting the security interests created thereby are unreasonably excessive (as determined by Lender in consultation with Borrower) in relation to the benefits of Lender of the security or guarantee afforded thereby (which pledge, if reasonably requested by Lender, shall be governed by the laws of the jurisdiction of such Subsidiary), and (c) simultaneously with such formation or acquisition (or such later date as permitted by Lender in its sole discretion) provide to Lender all other documentation, including articles of organization, bylaws, operating agreements, resolutions, certificates or authority, certificates of good standing and opinions of counsel reasonably satisfactory to Lender, which in Lender's opinion is appropriate with respect to the execution and delivery of the applicable documentation referred to above. Any joinder, guaranty, security agreement, document, agreement, or instrument executed or issued pursuant to this Section 7.3(d) shall be a Loan Document.

7.4 **Disposal of Assets.** Other than Permitted Dispositions or transactions expressly permitted by Sections 7.3 or 7.12, sell, assign (by operation of law or otherwise) or otherwise dispose of, or grant any option with respect to, any of the Collateral or any other asset except as expressly permitted by this Agreement. Lender shall not be deemed to have consented to any sale or other disposition of any of the Collateral or any other asset except as expressly permitted in this Agreement or the other Loan Documents.

7.5 **Change Name.** Change the name, organizational identification number, state of organization, organizational identity or "location" for purposes of Section 9-307 of the Code of any Loan Party or any of its Subsidiaries, in each case without providing at least 45 days prior written notice thereof to Lender.

7.6 **Nature of Business.** Make any change in the nature of its or their business as conducted on the date of this Agreement or acquire any properties or assets that are not reasonably related to the conduct of such business activities; provided, however, that the foregoing shall not prevent any Loan Party or any of its Subsidiaries from engaging in any business that is reasonably related or ancillary to its business.

7.7 **Prepayments and Amendments.**

(a) Except in connection with Refinancing Indebtedness permitted by Section 7.1, make any payment on account of Indebtedness or other obligations which have been contractually subordinated in right of payment to the Obligations if such payment is not permitted at such time under this Agreement and the applicable subordination terms and conditions, including, without limitation, making any payment in respect of any Subordinated Debt if such payment is not expressly permitted under this Agreement and under the applicable Subordination Agreement; or

(b) Directly or indirectly, amend, modify, or change any of the terms or provisions of

(i) any agreement, instrument, document, indenture, or other writing evidencing or governing any of the Subordinated Debt, except to the extent expressly permitted under the terms of the applicable Subordination Agreement and not inconsistent with the provisions of this Agreement;

(ii) any Material Contract except to the extent that such amendment, modification, or change could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Change; or

(iii) the Governing Documents of any Loan Party or any of its Subsidiaries if the effect thereof, either individually or in the aggregate, could reasonably be expected to be materially adverse to the interests of Lender.

7.8 **Change of Control.** Cause, permit, or suffer, directly or indirectly, any Change of Control.

7.9 **Restricted Junior Payments.** Declare or make any Restricted Junior Payment, except subject to the terms and conditions of the Institutional Subordinated Creditors Subordination Agreement and only to the extent expressly permitted under the Institutional Subordinated Creditors Subordination Agreement, Borrower may make regularly scheduled payments of principal and interest in respect of the Subordinated Debt owed by Borrower to the Institutional Subordinated Creditors (and payments of costs and expenses related thereto) when such regularly scheduled payments of principal and interest in respect of such Subordinated Debt (and payments of costs and expenses related thereto) become due and payable on a non-accelerated basis.

7.10 **Accounting Methods.** Modify or change its method of accounting (other than as may be required to be in conformity with GAAP).

7.11 **Investments; Controlled Investments.**

(a) Except for Permitted Investments, directly or indirectly, make or acquire any Investment or incur any liabilities (including contingent obligations) for or in connection with any Investment.

(b) Other than amounts deposited into Deposit Accounts identified on Schedule 5.15 to the Information Certificate which are specially and exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the employees of any Loan Party or its Subsidiaries and other than amounts permitted in the petty cash accounts described in the following sentence, make, acquire, or permit to exist Permitted Investments consisting of cash, Cash Equivalents, or amounts credited to Deposit Accounts or Securities Accounts unless such Loan Party or such Subsidiary, as applicable, and the applicable bank or securities intermediary have entered into Control Agreements with Lender governing such Permitted Investments in order to perfect (and further establish) Lender's Liens in such Permitted Investments. No Loan Party shall, or shall permit any of its Subsidiaries, to establish or maintain any Deposit Account or Securities Account with a banking institution other than Lender, except for up to two (2) petty cash accounts maintained with banks (other than Lender) so long as such petty cash accounts at no time contain more than $10,000 in the aggregate.

7.12 **Transactions with Affiliates.** Directly or indirectly enter into or permit to exist any transaction with any Loan Party or any Affiliate of any Loan Party or any of its Subsidiaries except for:

(a) so long as it has been approved by a Loan Party's or its applicable Subsidiary's Board of Directors (or comparable governing body) in accordance with Applicable Law, any reasonable and customary indemnity provided for the benefit of directors (or comparable managers) of such Loan Party or its applicable Subsidiary;

(b) so long as it has been approved by a Loan Party's or its applicable Subsidiary's Board of Directors (or comparable governing body) in accordance with Applicable Law, the payment of reasonable compensation, severance, or employee benefit arrangements to employees, officers, and outside directors of such Loan Party or its applicable Subsidiary in the ordinary course of business and consistent with industry practice;

(c) transactions expressly permitted by Section 7.3 or Section 7.9;

(d) so long as Borrower has provided prior written notice thereof to Lender, a transaction not otherwise prohibited by this Agreement which has terms and conditions as favorable to such Loan Party as would be obtainable by such Loan Party in a comparable arms-length transaction with a Person which is not another Loan Party, Subsidiary or Affiliate;

(e) the payment of fees and reimbursement of expenses pursuant to the Management Agreement; and

(f) the transactions contemplated by the Closing Date Credit Line.

7.13 **Use of Proceeds.** Use the proceeds of any loan made hereunder for any purpose other than (i) with respect to the Term Loan, (a) to pay fees, costs, and expenses, including Lender Expenses, incurred in connection with this Agreement, the other Loan Documents, and the transactions contemplated hereby and thereby, and (b) consistent with the terms and conditions

hereof, (1) for working capital purposes of the Borrower, and (2) to pay Restricted Junior Payments to the extent permitted by Section 7.9 and (ii) with respect to Advances, (A) if any amounts are outstanding under the Closing Date Credit Line, solely to repay principal, interest, fees and other amounts due under the Closing Date Credit Line and (B) otherwise, for general corporate purposes; provided, however, that no part of the proceeds of the loans made to Borrower will be used to purchase or carry any Margin Stock, to extend credit to others for the purpose of purchasing or carrying any Margin Stock or for any other purpose, in each case that violates the provisions of Regulation T, U or X of the Board of Governors of the Federal Reserve System.

7.14 **Limitation on Issuance of Stock.** Issue or sell or enter into any agreement or arrangement for the issuance and sale of any of its Stock which would result in a Change of Control.

7.15 **Consignments.** Consign any of its Inventory or sell any of its Inventory on bill and hold, sale or return, sale on approval, or other conditional terms of sale, except as set forth on Schedule 7.15 to the Information Certificate.

7.16 **Inventory and Equipment with Bailees.** Store the Inventory or Equipment of any Loan Party or any of its Subsidiaries at any time now or hereafter with a bailee, warehouseman, or similar party, except as set forth on Schedule 5.29 to the Information Certificate or on Schedule 7.16 to the Information Certificate; provided, however, that Borrower may amend Schedule 5.29 to the Information Certificate so long as such amendment occurs by written notice to Lender not less than 10 days prior to the date such Inventory or Equipment is moved to such new location, and so long as, at the time of such written notice, the applicable Loan Party provides Lender a Collateral Access Agreement with respect to such location if such location is not owned by such Loan Party; provided, further, however, that no Collateral Access Agreement shall be required with respect to any such additional bailee or warehouseman location at which the maximum amount of Inventory and Equipment stored at such location does not exceed $100,000.

8. FINANCIAL COVENANTS.

Borrower covenants and agrees that until Payment in Full of the Obligations, Borrower will comply with each of the following financial covenants:

8.1 **Fixed Charge Coverage Ratio**. At all times Borrower shall maintain a Fixed Charge Coverage Ratio, measured for the trailing twelve month period as of the last day of each Fiscal Quarter specified below, of not less than the minimum required ratio set forth opposite the applicable Fiscal Quarter of Borrower set forth below:

Applicable Trailing Twelve Months Period Ended as of the following Fiscal Quarter	Minimum Required Fixed Charge Coverage Ratio
Q1 and Q2 2015	0.80 :1.00
Q3 and Q4 2015	1.00 :1.00
Q1 2016 and each Fiscal Quarter thereafter	1.10 :1.00

8.2 **Non-Financed Capital Expenditures**. Borrower shall not make or incur any Non-Financed Capital Expenditure in any Fiscal Year which would cause the aggregate amount of Non-Financed Capital Expenditure made or incurred by Borrower in such Fiscal Year to exceed $800,000.

8.3 **Minimum EBITDA**. At all times, Borrower shall achieve EBITDA, measured for the trailing twelve month period as of the last day of such Fiscal Quarter specified below, of not less than the minimum required amount set forth opposite the applicable Fiscal Quarter of Borrower set forth below:

Applicable Fiscal Quarter End	Minimum Required EBITDA for Trailing Twelve Months Period
Q4 2014	$0
Q1 2015	$500,000
Q2 2015	$1,000,000

Q3 2015	$1,500,000
Q4 2015	$2,000,000
Q1 2016	$2,250,000
Q2 2016	$2,500,000
Q3 2016	$2,750,000
Q4 2016	$3,000,000
Q1 2017	$3,250,000
Q2 2017	$3,500,000
Q3 2017	$3,750,000
Q4 2017 and each Fiscal Quarter Thereafter	$4,000,000

9. EVENTS OF DEFAULT.

Any one or more of the following events shall constitute an event of default (each, an "Event of Default") under this Agreement:

9.1 If Borrower fails to pay when due and payable, or when declared due and payable, all or any portion of the Obligations consisting of principal, interest, fees, charges or other amounts due Lender or any Bank Product Provider, reimbursement of Lender Expenses, or other amounts constituting Obligations (including any portion thereof that accrues after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding);

9.2 If any Loan Party or any of its Subsidiaries:

(a) fails to perform or observe any covenant or other agreement contained in any of (i) Sections 4.3 6.1, 6.2, 6.3 (solely if any Loan Party is not in good standing in its jurisdiction of organization), 6.5(a) (solely with respect to F.I.C.A., F.U.T.A., federal income taxes and any other taxes or assessments the non-payment of which may result in a lien having priority over Lender's Liens), 6.5(b) 6.6, 6.7 (solely if any Loan Party or any of its Subsidiaries refuses to allow Lender or its representatives or agents to visit its properties, inspect its assets or books or records, examine and make copies of its books and records, or discuss its affairs, finances, and accounts with its officers and employees), 6.8, 6.11, 6.12; 6.13, 6.14, 6.16 or 6.17 of this Agreement, or (ii) Section 7 of this Agreement, or (iii) Section 8 of this Agreement;

(b) fails to perform or observe any covenant or other agreement contained in any of Sections 6.3 (other than if a Loan Party is not in good standing in its jurisdiction of organization), 6.4, 6.5(a) (other than F.I.C.A., F.U.T.A., federal income taxes and any other taxes or assessments the non-payment of which may result in a lien having priority over Lender's Liens), 6.7 (other than if any Loan Party or any of its Subsidiaries refuses to allow Lender or its representatives of agents to visit its properties, inspect its assets or books or records, examine and make copies of its books or records or disclose its affairs, finances, and accounts with its officers and employees), 6.9, 6.10, and 6.15 of this Agreement and such failure continues for a period of 15 days after the earlier of (i) the date on which such failure shall first become known to any officer of any Loan Party or (ii) the date on which written notice thereof is given to any Loan Party by Lender; or

(c) fails to perform or observe any covenant or other agreement contained in this Agreement, or in any of the other Loan Documents, in each case, other than any such covenant or agreement that is unable to be cured or is the subject of another provision of this Section 9 (in which event such other provision of this Section 9 shall govern), and such failure continues for a period of 30 days after the earlier of (i) the date on which such failure shall first become known to any officer of any Loan Party or (ii) the date on which written notice thereof is given to any Loan Party by Lender.

9.3 If one or more judgments, orders, or awards for the payment of money involving an aggregate amount of $250,000, or more (except to the extent fully covered (other than to the extent of customary deductibles) by insurance pursuant to which the insurer has not denied coverage) is entered or filed against a Loan Party or any of its Subsidiaries or against any Guarantor, or with respect to any of their respective assets, and either (a) there is a period of 30 consecutive days at any time after the entry of any such judgment, order, or award during which (1) the same is not discharged, satisfied, vacated, or bonded pending appeal, or (2) a stay of enforcement thereof is not in effect, or (b) any levy, enforcement proceeding or other enforcement action or activity is commenced upon such judgment, order, or award;

9.4 If an Insolvency Proceeding is commenced by a Loan Party or any of its Subsidiaries or by any Guarantor;

9.5 If an Insolvency Proceeding is commenced against a Loan Party or any of its Subsidiaries or against any Guarantor and any of the following events occur: (a) such Loan Party, such Subsidiary or such Guarantor consents to the institution of such Insolvency Proceeding against it, (b) the petition commencing the Insolvency Proceeding is not timely controverted, (c) the petition commencing the Insolvency Proceeding is not dismissed within 60 calendar days of the date of the filing thereof, (d) an interim trustee is appointed to take possession of all or any substantial portion of the properties or assets of, or to operate all or any substantial portion of the business of, such Loan Party, such Subsidiary or such Guarantor, or (e) an order for relief shall have been issued or entered therein; provided that Lender shall have no obligation to provide any extension of credit to Borrower during such 60 calendar day period specified in subsection (c);

9.6 If any Loan Party or any of its Subsidiaries or any Guarantor is enjoined, restrained, or in any way prevented by court order from continuing to conduct all or any material part of the business affairs of such Loan Party, such Subsidiary or such Guarantor, taken as a whole;

9.7 If there is (a) an event of default (as defined under the Subordinated Securities Purchase Agreement) under the Subordinated Securities Purchase Agreement or related documents, or (b) a default by a Loan Party or any of its Subsidiaries or any Guarantor in one or more agreements (other than as described in clause (a) above) to which such Loan Party, such Subsidiary or such Guarantor is a party with one or more third Persons relative to such Loan Party's, such Subsidiary's or such Guarantor's Indebtedness of $250,000 or more, and such default (i) occurs at the final maturity of the obligations thereunder, or (ii) results in a right by such third Person, irrespective of whether exercised and irrespective of whether prohibited by any Subordination Agreement, to accelerate the maturity of the obligations of such Loan Party, such Subsidiary or such Guarantor thereunder or to exercise any other right or remedy, or (c) a default by a Loan Party or any of its Subsidiaries or any Guarantor in, or an involuntary early termination of (other than by a Loan Party or any of its Subsidiaries), one or more Hedge Agreements to which such Loan Party, such Subsidiary or such Guarantor is a party involving an amount of $250,000 or more;

9.8 If any warranty, representation, certificate, statement, or Record made herein or in any other Loan Document or delivered in writing to Lender in connection with this Agreement or any other Loan Document proves to be untrue in any material respect (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) as of the date of issuance or making or deemed making thereof;

9.9 If the obligation of any Guarantor under any Guaranty or any other Loan Document to which any Guarantor is a party is limited or terminated by operation of law or by such Guarantor (other than in accordance with the terms of this Agreement or such Guaranty), or if any Guarantor fails to perform any obligation under any Guaranty or under any such Loan Document, or repudiates or revokes or purports to repudiate or revoke any obligation under any Guaranty or any such Loan Document, or any Guarantor is dissolved, liquidated or ceases to exist for any reason (in each case other than as a result of a transaction expressly permitted under the Loan Documents);

9.10 If this Agreement or any other Loan Document that purports to create a Lien securing any or all of the Obligations, shall, for any reason, fail or cease to create a valid and perfected first-priority Lien on the Collateral covered thereby, except for Permitted Liens or as a result of a disposition of the applicable Collateral in a transaction permitted under this Agreement;

9.11 [Reserved];

9.12 If any event or circumstance shall occur which, in the sole discretion of Lender exercised in good faith, would be reasonably likely to cause Lender to suspect that any Loan Party or any Guarantor has engaged in fraudulent activity with respect to the Collateral or other matters;

9.13 Any director, officer or owner of at least ten percent (10%) of the issued and outstanding ownership interests of a Loan Party or a Guarantor is indicted for a felony offense under state or federal law involving embezzlement, fraud or any other financial crime or any other felony offense under state or federal law involving intentional misconduct, or a Loan Party or a Guarantor hires an officer or appoints a director who has been convicted of any such felony offense, or a Person becomes an

owner of at least ten percent (10%) of the issued and outstanding ownership interests of a Loan Party or a Guarantor who has been convicted of any such felony offense.

9.14 If any Loan Party or any Guarantor fails to pay any indebtedness or obligation owed to Lender or its Affiliates which is unrelated to the Credit Facility or this Agreement as it becomes due and payable or the occurrence of any default or event of default under any agreement between any Loan Party or any Guarantor and Lender or its Affiliates unrelated to the Loan Documents;

9.15 The validity or enforceability of any Loan Document as against any Loan Party or of any Guaranty as against such Guarantor shall at any time for any reason be declared to be null and void, or a proceeding shall be commenced by a Loan Party or any Subsidiary of a Loan Party or by any Guarantor, or by any Governmental Authority having jurisdiction over a Loan Party or any Subsidiary of a Loan Party or any Guarantor, seeking to establish the invalidity or unenforceability thereof as against any Loan Party or any Guarantor, or a Loan Party or any Subsidiary of a Loan Party or any Guarantor shall deny that such Loan Party or such Subsidiary or such Guarantor has any liability or obligation purported to be created under any Loan Document or any Guaranty;

9.16 If (i) an ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or could reasonably be expected to result in liability of any Loan Party under Title IV of ERISA to the Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount in excess of $250,000, or (ii) any Loan Party or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan;

9.17 [Reserved];

9.18 If Borrower implements any product recall involving any products of Borrower which Borrower's customers have purchased from Borrower in an aggregate amount in excess of $250,000 during any Fiscal Year;

9.19 Any Loan Party or any Guarantor (i) becomes the subject of any governmental investigation related to any felony offense, or is indicted by any Governmental Authority with respect to any felony offense, under federal or state law; provided, however, that the investigation which was commenced by the USAO NDIL and described in, and deferred pursuant to, the Deferred Prosecution Agreement, shall not be deemed a violation of this Section 9.19 so long as any such investigation or prosecution continues to be deferred under the Deferred Prosecution Agreement and so long as Borrower has not failed to cure a material breach under the Deferred Prosecution Agreement within the applicable cure period (if any) under the Deferred Prosecution Agreement, or (ii) becomes the subject of any investigation, prosecution, charge or action related to any offense or any violation of law related to the factual matters described in the Deferred Prosecution Agreement by any federal or state agency or department or other Governmental Authority other than the USAO NDIL; or

9.20 (a) Borrower receives notice from the USAO NDIL that a material breach has occurred under any provision of the Deferred Prosecution Agreement and such material breach has not been cured within the applicable cure period (if any) under the Deferred Prosecution Agreement, (b) the USAO NDIL commences or recommences any investigation or prosecution with respect to any matter or matters described in the factual statement of the Deferred Prosecution Agreement, or (c) the Deferred Prosecution Dismissal has not occurred on or before February 28, 2015.

10. RIGHTS AND REMEDIES.

10.1 **Rights and Remedies.** Upon the occurrence and during the continuance of an Event of Default, Lender may (in each case under clauses (a) or (b) by written notice to Borrower; provided that no such notice shall be required with respect to Events of Default under Section 9.4 or Section 9.5), in addition to any other rights or remedies provided for hereunder or under any other Loan Document or by Applicable Law, do any one or more of the following:

(a) declare the Obligations (other than the Hedge Obligations, which may be accelerated in accordance with the terms of the applicable Hedge Agreement), whether evidenced by this Agreement or by any of the other Loan Documents immediately due and payable, whereupon the same shall become and be immediately due and payable and Borrower and each other Loan Party shall be obligated to repay all of such Obligations in full, without presentment, demand, protest, or further notice or other requirements of any kind, all of which are hereby expressly waived by Borrower and each Loan Party;

(b) declare the funding obligations of Lender under this Agreement terminated, whereupon such funding obligations shall immediately be terminated together with any obligation of Lender hereunder to make Advances or to issue Letters of Credit;

(c) give notice to an Account Debtor or other Person obligated to pay an Account, a General Intangible, Negotiable Collateral, or other amount due, notice that the Account, General Intangible, Negotiable Collateral or other amount due has been assigned to Lender for security and must be paid directly to Lender and Lender may collect the Accounts, General Intangible and Negotiable Collateral of each Loan Party directly, and any collection costs and expenses shall constitute part of the Obligations under the Loan Documents;

(d) in Lender's name or in each Loan Party's name, as such Loan Party's agent and attorney-in-fact, notify the United States Postal Service to change the address for delivery of such Loan Party's mail to any address designated by Lender, otherwise intercept such Loan Party's mail, and receive, open and dispose of such Loan Party's mail, applying all Collateral as permitted under this Agreement and holding all other mail for such Loan Party's account or forwarding such mail to such Loan Party's last known address;

(e) without notice to or consent from any Loan Party, and without any obligation to pay rent or other compensation, take exclusive possession of all locations where any Loan Party conducts its business or has any rights of possession and use the locations to store, process, manufacture, sell, use, and liquidate or otherwise dispose of items that are Collateral, and for any other incidental purposes deemed appropriate by Lender in good faith; and

(f) exercise all other rights and remedies provided for in this Agreement, in the other Loan Documents, or otherwise available to it, including, without limitation, all the rights and remedies of a secured party on default under the Code or any other Applicable Law.

10.2 **Additional Rights and Remedies**. Without limiting the generality of the foregoing and upon the occurrence and during the continuance of an Event of Default, Borrower and each other Loan Party expressly agrees that:

(a) Lender, without demand of performance or other demand, advertisement or notice of any kind (except a notice specified below of time and place of public or private sale) to or upon Borrower, any Loan Party or any other Person (all and each of which demands, advertisements and notices are hereby expressly waived to the maximum extent permitted by the Code or any other Applicable Law), may take immediate possession of all or any portion of the Collateral and (i) require Borrower and each other Loan Party to, and Borrower and each other Loan Party hereby agrees that it will at its own expense and upon request of Lender forthwith, assemble all or part of the Collateral as directed by Lender and make it available to Lender at one or more locations designated by Lender where Borrower or such other Loan Party conducts business, and (ii) without notice except as specified below, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any of Lender's, Borrower's or such other Loan Party's offices or elsewhere, for cash, on credit, and upon such other terms as Lender may deem commercially reasonable. Borrower and each other Loan Party agrees that, to the extent notice of sale shall be required by law, at least 10 days notice to Borrower or such other Loan Party of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification and such notice shall constitute a reasonable "authenticated notification of disposition" within the meaning of Section 9-611 of the Code. Lender shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. Lender may adjourn any public or private sale from time to time, and such sale may be made at the time and place to which it was so adjourned. Borrower and each other Loan Party agrees that the internet shall constitute a "place" for purposes of Section 9-610(b) of the Code. Borrower and each other Loan Party agrees that any sale of Collateral to a licensor pursuant to the terms of a license agreement between such licensor and Borrower or such other Loan Party is sufficient to constitute a commercially reasonable sale (including as to method, terms, manner, and time) within the meaning of Section 9-610 of the Code;

(b) Lender may, in addition to other rights and remedies provided for herein, in the other Loan Documents, or otherwise available to it under Applicable Law and without the requirement of notice to or upon any Loan Party or any other Person (which notice is hereby expressly waived to the maximum extent permitted by the Code or any other Applicable Law), (i) with respect to any Loan Party's Deposit Accounts in which Lender's Liens are perfected by control under Section 9-104 of the Code, instruct the bank maintaining such Deposit Account for the applicable Loan Party to pay the balance of such Deposit Account to or for the benefit of Lender, and (ii) with respect to any Loan Party's Securities Accounts in which Lender's Liens are perfected by control under Section 9-106 of the Code, instruct the securities intermediary maintaining such Securities Account for the applicable Loan Party to (A) transfer any cash in such Securities Account to or for the benefit of Lender, or (B) liquidate any financial assets in such Securities Account that are customarily sold on a recognized market and transfer the cash proceeds thereof to or for the benefit of Lender;

(c) any cash held by Lender as Collateral and all cash proceeds received by Lender in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied against the Obligations in the order set forth in Section 10.5 of this Agreement. In the event the proceeds of Collateral are insufficient to satisfy all of the Obligations in full, Borrower and each other Loan Party shall remain jointly and severally liable for any such deficiency; and

(d) the Obligations arise out of a commercial transaction, and that if an Event of Default shall occur and be continuing Lender shall have the right to an immediate writ of possession without notice of a hearing. Lender shall have the right to the appointment of a receiver for each Loan Party or for the properties and assets of each Loan Party, and Borrower and each other Loan Party hereby consents to such rights and such appointment and hereby waives any objection Borrower or such Loan Party may have thereto or the right to have a bond or other security posted by Lender.

Notwithstanding the foregoing or anything to the contrary contained in Section 10.1, upon the occurrence of any Default or Event of Default described in Section 9.4 or Section 9.5 with respect to Borrower, in addition to the remedies set forth above, without any notice to Borrower or any other Person or any act by Lender, all obligations of Lender to provide any further extensions of credit hereunder shall automatically terminate and the Obligations (other than the Hedge Obligations), inclusive of all accrued and unpaid interest thereon and all fees and all other amounts owing under this Agreement or under any of the other Loan Documents, shall automatically and immediately become due and payable and Borrower shall be obligated to repay all of such Obligations in full, without presentment, demand, protest, or notice of any kind, all of which are expressly waived by Borrower and each other Loan Party.

10.3 **Lender Appointed Attorney in Fact**. Borrower and each other Loan Party hereby irrevocably appoints Lender its attorney-in-fact, with full authority in the place and stead of Borrower or such Loan Party and in the name of Borrower or such Loan Party or otherwise, at such time as an Event of Default has occurred and is continuing, to take any action and to execute any instrument which Lender may reasonably deem necessary or advisable to accomplish the purposes of this Agreement, including:

(a) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in connection with the Accounts or any other Collateral of Borrower or such other Loan Party;

(b) to receive, indorse, and collect any drafts or other instruments, documents, Negotiable Collateral or Chattel Paper;

(c) to file any claims or take any action or institute any proceedings which Lender may deem necessary or desirable for the collection of any of the Collateral of Borrower or such other Loan Party or otherwise to enforce the rights of Lender with respect to any of the Collateral;

(d) to repair, alter, or supply Goods, if any, necessary to fulfill in whole or in part the purchase order of any Person obligated to Borrower or such other Loan Party in respect of any Account of Borrower or such other Loan Party;

(e) to use any Intellectual Property or Intellectual Property Licenses of Borrower or such other Loan Party including but not limited to any labels, Patents, Trademarks, trade names, URLs, domain names, industrial designs, Copyrights, or advertising matter, in preparing for sale, advertising for sale, or selling Inventory or other Collateral and to collect any amounts due under Accounts, contracts or Negotiable Collateral of Borrower or such other Loan Party;

(f) to take exclusive possession of all locations where Borrower or such other Loan Party conducts its business or has rights of possession, without notice to or consent of Borrower or any Loan Party and to use such locations to store, process, manufacture, sell, use, and liquidate or otherwise dispose of items that are Collateral, without obligation to pay rent or other compensation for the possession or use of any location;

(g) Lender shall have the right, but shall not be obligated, to bring suit in its own name or in the applicable Loan Party's name, to enforce the Intellectual Property and Intellectual Property Licenses and, if Lender shall commence any such suit, Borrower or such other Loan Party shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents reasonably required by Lender in aid of such enforcement; and

(h) to the extent permitted by law, Borrower and each other Loan Party hereby ratifies all that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until all commitments of Lender under this Agreement to provide extensions of credit are terminated and all Obligations have been paid in full in cash.

10.4 **Remedies Cumulative.** The rights and remedies of Lender under this Agreement, the other Loan Documents, and all other agreements shall be cumulative. Lender shall have all other rights and remedies not inconsistent herewith as provided under the Code, by law, or in equity. No exercise by Lender of one right or remedy shall be deemed an election, and no waiver by Lender of any Default or Event of Default shall be deemed a continuing waiver. No delay by Lender shall constitute a waiver, election, or acquiescence by it.

10.5 **Crediting of Payments and Proceeds**. All payments received by Lender with respect to the Obligations and all net proceeds from the enforcement of the Obligations shall be applied in such manner as Lender shall determine in its sole discretion and, thereafter, to Borrower (to be wired to the Designated Account) or such other Person entitled thereto under Applicable Law.

10.6 **Marshaling.** Lender shall not be required to marshal any present or future collateral security (including but not limited to the Collateral) for, or other assurances of payment of, the Obligations or any of them or to resort to such collateral security or other assurances of payment in any particular order, and all of its rights and remedies under the Loan Documents and in respect of such collateral security and other assurances of payment shall be cumulative and in addition to all other rights and remedies, however existing or arising. To the extent that it lawfully may, Borrower and each other Loan Party hereby agrees that it will not invoke any law relating to the marshaling of collateral which might cause delay in or impede the enforcement of Lender's rights and remedies under the Loan Documents or under any other instrument creating or evidencing any of the Obligations or under which any of the Obligations are outstanding or by which any of the Obligations are secured or payment thereof is otherwise assured, and, to the extent that it lawfully may, Borrower hereby irrevocably waives the benefits of all such laws.

10.7 **License**. Borrower and each other Loan Party hereby grants to Lender a non-exclusive, worldwide and royalty-free license to use or otherwise exploit all Intellectual Property rights of Borrower and such other Loan Party for the purpose of: (a) completing the manufacture of any in-process materials upon the occurrence and during the continuance of any Event of Default so that such materials become saleable Inventory, all in accordance with the same quality standards previously adopted by Borrower or such other Loan Party for its own manufacturing; and (b) selling, leasing or otherwise disposing of any or all Collateral upon the occurrence and during the continuance of any Event of Default.

11. WAIVERS; INDEMNIFICATION.

11.1 **Demand; Protest; etc**. Borrower and each other Loan Party waives demand, protest, notice of protest, notice of default or dishonor, notice of payment and nonpayment, nonpayment at maturity, release, compromise, settlement, extension, or renewal of documents, instruments, chattel paper, and guarantees at any time held by Lender on which Borrower or such other Loan Party may in any way be liable.

11.2 **The Lender's Liability for Collateral.** Borrower and each other Loan Party hereby agrees that: (a) so long as Lender complies with its obligations, if any, under the Code, Lender shall not in any way or manner be liable or responsible for: (i) the safekeeping of the Collateral, (ii) any loss or damage thereto occurring or arising in any manner or fashion from any cause, (iii) any diminution in the value thereof, or (iv) any act or default of any carrier, warehouseman, bailee, forwarding agency, or other Person, and (b) all risk of loss, damage, or destruction of the Collateral shall be borne by Borrower and such other Loan Party.

11.3 **Indemnification.** Borrower and each other Loan Party shall pay, indemnify, defend, and hold the Lender-Related Persons (each, an "Indemnified Person") harmless (to the fullest extent permitted by law) from and against any and all claims, demands, suits, actions, investigations, proceedings, liabilities, fines, costs, penalties, and damages, and all reasonable fees and disbursements of attorneys, experts, or consultants and all other costs and expenses actually incurred in connection therewith or in connection with the enforcement of this indemnification (as and when they are incurred and irrespective of whether suit is brought), at any time asserted against, imposed upon, or incurred by any of them (a) in connection with or as a result of or related to the execution and delivery, enforcement, performance, or administration (including any restructuring, waiver, amendment, forbearance or workout with respect hereto) of this Agreement, any of the other Loan Documents or the transactions contemplated hereby or thereby or the monitoring of compliance by each Loan Party and each of its Subsidiaries with the terms of the Loan Documents, (b) with respect to any investigation, litigation, or proceeding related to this Agreement, any other Loan Document or the use of the proceeds of the credit provided hereunder (irrespective of whether any Indemnified Person is a party thereto), or any act, omission, event, or circumstance in any manner related thereto, (c) in connection with the custody, preservation, use or operation of, or, upon an Event of Default, the sale of, collection from, or other realization upon, any of the Collateral in accordance with this Agreement and the other Loan Documents, (d) with respect to the failure by Borrower or any other Loan Party to perform or observe any of the provisions hereof or any other Loan Document, (e) in connection with the exercise or enforcement of any of the rights of Lender hereunder or under any other Loan Document, (f) in connection with or arising out of any presence or release of Hazardous Materials at, on, under, to or from any assets or properties owned, leased or operated by any Loan Party or any of its Subsidiaries or any Environmental Actions, Environmental Liabilities or Remedial Actions related in any way to any such assets or properties of any Loan Party or any of its Subsidiaries and (g) in connection with the negotiation, preparation and filing and recordation of the Loan Documents, (each and all of the foregoing, the "Indemnified Liabilities"). The foregoing to the contrary notwithstanding, neither Borrower nor any other Loan Party shall have any obligation to any Indemnified Person under this Section 11.3 with respect to any Indemnified Liability that a court of competent jurisdiction finally determines to have resulted from the gross negligence or willful misconduct of such Indemnified Person or its officers, directors, employees, or attorneys. This provision shall survive the termination of this Agreement and the

repayment of the Obligations. If any Indemnified Person makes any payment to any other Indemnified Person with respect to an Indemnified Liability as to which Borrower or any other Loan Party was required to indemnify the Indemnified Person receiving such payment, the Indemnified Person making such payment is entitled to be indemnified and reimbursed by Borrower or such Loan Party with respect thereto. **WITHOUT LIMITATION, THE FOREGOING INDEMNITY SHALL APPLY TO EACH INDEMNIFIED PERSON WITH RESPECT TO INDEMNIFIED LIABILITIES WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF ANY NEGLIGENT ACT OR OMISSION OF SUCH INDEMNIFIED PERSON OR OF ANY OTHER PERSON.**

12. NOTICES.

Unless otherwise provided in this Agreement, all notices or demands relating to this Agreement or any other Loan Document shall be in writing and (except for financial statements and other informational documents which may be sent by first-class mail, postage prepaid) shall be personally delivered or sent by certified mail (postage prepaid, return receipt requested), overnight courier, electronic mail (at such email addresses as a party may designate in accordance herewith), or telefacsimile. In the case of notices or demands to Borrower, any other Loan Party or Lender, as the case may be, they shall be sent to the respective address set forth below:

If to Borrower:

NATURAL AMERICAN FOODS, INC.
10464 Bryan Highway
Onsted, Michigan 49265
Attn: Jack Irvin
Fax: (517) 467-2840
Email: jack@groebfarms.com

with courtesy copies to (which shall not constitute Notice for purposes of this Section 12):

FOLEY & LARDNER LLP
777 East Wisconsin Avenue, Suite 3800
Milwaukee, Wisconsin 53202
Attn: Patricia J. Lane
Fax: (414) 297-4900
Email: plane@foley.com

If to Lender:

HC CAPITAL HOLDINGS 0909A, LLC
c/o Peak Rock Capital
13413 Galleria Circle, Suite Q-300
Austin, TX 78738
Attn: Robert M. Strauss
Fax: (512) 765-6530
Email: Strauss@peakrockcapital.com

with courtesy copies to (which shall not constitute Notice for purposes of this Section 12)

KIRKLAND & ELLIS LLP
601 Lexington Avenue
New York, NY 10022
Attn: Leonard Klingbaum
Fax: (212) 446-6460
Email: Leonard.Klingbaum@kirkland.com

Any party hereto may change the address at which it is to receive notices hereunder, by notice in writing in the foregoing manner given to the other party. All notices or demands sent in accordance with this Section 12, shall be deemed received on the earlier of the date of actual receipt or 3 Business Days after the deposit thereof in the mail; provided, that (a) notices sent by overnight courier service shall be deemed to have been given when received, (b) notices by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient) and (c) notices by electronic mail shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return email or other written acknowledgment). Any notice given by Lender to Borrower as

provided in this Section 12 shall be deemed sufficient notice as to all Loan Parties, regardless of whether each Loan Party is sent a separate copy of such notice or whether each Loan Party is specifically identified in such notice.

13. CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER.

(a) **THE VALIDITY OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (UNLESS EXPRESSLY PROVIDED TO THE CONTRARY IN ANOTHER LOAN DOCUMENT IN RESPECT OF SUCH OTHER LOAN DOCUMENT), THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF AND THEREOF, AND THE RIGHTS OF THE PARTIES HERETO AND THERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR THEREUNDER OR RELATED HERETO OR THERETO AS WELL AS ALL CLAIMS, CONTROVERSIES OR DISPUTES ARISING UNDER OR RELATED TO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK (OTHER THAN ITS CONFLICT OF LAWS RULES AND EXCEPT TO THE EXTENT THE LAW OF ANY OTHER JURISDICTION APPLIES AS TO THE PERFECTION OR ENFORCEMENT OF LENDER'S LIEN IN ANY COLLATERAL AND EXCEPT TO THE EXTENT EXPRESSLY PROVIDED TO THE CONTRARY IN ANY LOAN DOCUMENT) AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA (INCLUDING THE BANKRUPTCY CODE).**

(b) **THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS MAY BE TRIED AND LITIGATED IN THE STATE AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, FEDERAL COURTS LOCATED IN THE SOUTHERN DISTRICT OF NEW YORK, STATE OF NEW YORK; PROVIDED, HOWEVER, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT LENDER'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE LENDER ELECTS TO BRING SUCH ACTION OR WHERE SUCH COLLATERAL OR OTHER PROPERTY MAY BE FOUND. BORROWER AND EACH OTHER LOAN PARTY AND LENDER WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 13(b)**.

(c) **TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, BORROWER AND EACH OTHER LOAN PARTY AND LENDER HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF ANY OF THE LOAN DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. BORROWER AND EACH OTHER LOAN PARTY AND LENDER REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.**

14. ASSIGNMENTS; SUCCESSORS. This Agreement shall bind and inure to the benefit of the respective successors and assigns of each of the parties; provided, however, that neither Borrower nor any other Loan Party may assign this Agreement or any other Loan Document or any rights or duties hereunder or under any of the other Loan Documents without Lender's prior written consent and any prohibited assignment shall be absolutely void *ab initio*. No consent to assignment by the Lender shall release Borrower or any other Loan Party from its Obligations. Lender may assign this Agreement and the other Loan Documents in whole or in part and its rights and duties hereunder or grant participations in the Obligations hereunder and thereunder and no consent or approval by Borrower or any other Loan Party is required in connection with any such assignment or participation; provided, however, if a payment made to any assignee of Lender would be subject to U.S. federal withholding tax imposed by FATCA if such assignee were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the IRC, as applicable), such assignee shall deliver to Borrower at the time or times prescribed by law and at such time or times reasonably requested by Borrower such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the IRC) and such additional documentation reasonably requested by Borrower as may be necessary for Borrower to comply with its obligations under FATCA and to determine that such assignee has complied with such assignee's obligations under FATCA or to determine the amount to deduct and withhold from such payment.

15. AMENDMENTS; WAIVERS. No failure by Lender to exercise any right, remedy, or option under this Agreement or any other Loan Document, or delay by Lender in exercising the same, will operate as a waiver thereof. No amendment of any provision of this Agreement or of any of the other Loan Documents will be effective unless it is in writing and signed by Lender and Borrower, and then only to the extent specifically stated. No waiver by Lender of any provision of this Agreement or of any of the other Loan Documents will be effective unless it is in writing and signed by Lender, and then only to the extent specifically

stated. No waiver or amendment by Lender on any occasion shall affect or diminish Lender's rights thereafter to require strict performance by Borrower and each other Loan Party of any provision of this Agreement. Lender's rights under this Agreement and the other Loan Documents will be cumulative and not exclusive of any other right or remedy that Lender may have. The Lender may require a written amendment to this Agreement in connection with any changes to any Schedule of the Information Certificate which Borrower makes to such Schedule of Information as permitted under this Agreement to reflect such changes to such Schedule of Information.

16. TAXES.

(a) All payments made by Borrower or any other Loan Party hereunder or under any note or other Loan Document will be made without setoff, counterclaim, or other defense. In addition, all such payments will be made free and clear of, and without deduction or withholding for, any present or future Taxes, and in the event any deduction or withholding of Taxes is required, Borrower shall comply with the next sentence of this Section 16(a). If any Taxes are so levied or imposed, Borrower agrees to pay the full amount of such Taxes and such additional amounts as may be necessary so that every payment of all amounts due under this Agreement, any note, or Loan Document, including any amount paid pursuant to this Section 16(a) after withholding or deduction for or on account of any Taxes, will not be less than the amount provided for herein; provided, however, that Borrower shall not be required to increase any such amounts if the increase in such amount payable results from Lender's or such Lender's own willful misconduct or gross negligence (as finally determined by a court of competent jurisdiction). Borrower will furnish to Lender as promptly as possible after the date the payment of any Tax is due pursuant to Applicable Law, certified copies of tax receipts evidencing such payment by Borrower.

(b) Borrower agrees to pay any present or future stamp, value added or documentary taxes or any other excise or property taxes, charges, or similar levies that arise from any payment made hereunder or from the execution, delivery, performance, recordation, or filing of, or otherwise with respect to this Agreement or any other Loan Document.

17. GENERAL PROVISIONS.

17.1 **Effectiveness.** This Agreement shall be binding and deemed effective when executed by Borrower, each Guarantor which is a party hereto and Lender.

17.2 **Section Headings.** Headings and numbers have been set forth herein for convenience only. Unless the contrary is compelled by the context, everything contained in each Section applies equally to this entire Agreement.

17.3 **Interpretation.** Neither this Agreement nor any uncertainty or ambiguity herein shall be construed against the Lender or any Loan Party, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to accomplish fairly the purposes and intentions of all parties hereto.

17.4 **Severability of Provisions.** Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

17.5 **Debtor-Creditor Relationship.** The relationship between the Lender, on the one hand, and the Loan Parties, on the other hand, is solely that of creditor and debtor. Lender shall not have (and shall not be deemed to have) any fiduciary relationship or duty to any Loan Party arising out of or in connection with the Loan Documents or the transactions contemplated thereby, and there is no agency or joint venture relationship between Lender, on the one hand, and the Loan Parties, on the other hand, by virtue of any Loan Document or any transaction contemplated therein.

17.6 **Counterparts; Electronic Execution.** This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Delivery of an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission also shall deliver an original executed counterpart of this Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.

17.7 **Revival and Reinstatement of Obligations.** If the incurrence or payment of the Obligations by Borrower, any other Loan Party or any Guarantor or the transfer to Lender of any property should for any reason subsequently be asserted, or declared, to be void or voidable under any state or federal law relating to creditors' rights, including provisions of the Bankruptcy Code relating to fraudulent conveyances, preferences, or other voidable or recoverable payments of money or transfers of property (each, a "Voidable Transfer"), and if Lender is required to repay or restore, in whole or in part, any such

Voidable Transfer, or elects to do so upon the reasonable advice of its counsel, then, as to any such Voidable Transfer, or the amount thereof that Lender is required or elects to repay or restore, and as to all reasonable costs, expenses, and attorneys fees of Lender related thereto, the liability of Borrower, such other Loan Party or such Guarantor automatically shall be revived, reinstated, and restored and shall exist as though such Voidable Transfer had never been made and all of Lender's Liens in the Collateral shall be automatically reinstated without further action.

17.8 **Confidentiality.**

(a) Lender agrees that material, non-public information regarding the Loan Parties and their respective Subsidiaries, their operations, assets, and existing and contemplated business plans ("Confidential Information") shall be treated by Lender in a confidential manner, and shall not be disclosed by Lender to Persons who are not parties to this Agreement, except: (i) to attorneys for and other advisors, accountants, auditors, and consultants to Lender and to employees, directors and officers of Lender (the Persons in this clause (i), "Lender Representatives") on a "need to know" basis in connection with this Agreement and the transactions contemplated hereby and on a confidential basis, (ii) to Subsidiaries and Affiliates of Lender, provided that any such Subsidiary or Affiliate shall have agreed in writing for Borrower's benefit to receive such information hereunder subject to the terms of this Section 17.8, (iii) as may be required by regulatory authorities, (iv) as may be required by statute, decision, or judicial or administrative order, rule, or regulation; provided that (x) prior to any disclosure under this clause (iv), the disclosing party agrees to provide Borrower with prior notice thereof, to the extent that it is practicable to do so and to the extent that the disclosing party is permitted to provide such prior notice to Borrower pursuant to the terms of the applicable statute, decision, or judicial or administrative order, rule, or regulation and (y) any disclosure under this clause (iv) shall be limited to the portion of the Confidential Information as may be required by such statute, decision, or judicial or administrative order, rule, or regulation, (v) as may be agreed to in advance in writing by Borrower, (vi) as requested or required by any Governmental Authority pursuant to any subpoena or other legal process, provided, that, (x) prior to any disclosure under this clause (vi) the disclosing party agrees to provide Borrower with prior written notice thereof, to the extent that it is practicable to do so and to the extent that the disclosing party is permitted to provide such prior written notice to Borrower pursuant to the terms of the subpoena or other legal process and (y) any disclosure under this clause (vi) shall be limited to the portion of the Confidential Information as may be required by such Governmental Authority pursuant to such subpoena or other legal process, (vii) as to any such information that is or becomes generally available to the public (other than as a result of prohibited disclosure by Lender or Lender Representatives), (viii) in connection with any assignment, participation or pledge of any Lender's interest under this Agreement, provided that prior to receipt of Confidential Information any such assignee, participant, or pledgee shall have agreed in writing for Borrower's benefit to receive such Confidential Information hereunder subject to the terms of this Section, (ix) in connection with any litigation or other adversary proceeding involving parties hereto which such litigation or adversary proceeding involves claims related to the rights or duties of such parties under this Agreement or the other Loan Documents; (x) to equity owners of each Loan Party and (xi) in connection with, and to the extent reasonably necessary for, the exercise of any secured creditor remedy under this Agreement or under any other Loan Document.

(b) Anything in this Agreement to the contrary notwithstanding, Lender may use the name, logos, and other insignia of the Loan Parties and the Maximum Credit provided hereunder in any "tombstone" or comparable advertising, on its website or in other marketing materials of Lender, in each case with the prior written approval of Borrower (not to be unreasonably withheld, conditioned or delayed).

17.9 **Lender Expenses.** Borrower and each other Loan Party agrees to pay the Lender Expenses on the earlier of (a) the first day of the month following the date on which such Lender Expenses were first incurred, or (b) the date on which demand therefor is made by Lender, and Borrower and each other Loan Party agrees that its obligations contained in this Section 17.9 shall survive payment or satisfaction in full of all other Obligations.

17.10 **Setoff**. Upon the occurrence and during the continuance of any Default or Event of Default, Lender may at any time, in its sole discretion and without demand or notice to anyone, setoff any liability owed to Borrower, any other Loan Party or any Guarantor by Lender against any of the Obligations, whether or not due.

17.11 **Survival.** All representations and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that Lender may have had notice or knowledge of any Default or Event of Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as any of the Obligations are outstanding and unpaid or any Letter of Credit is outstanding and so long as the obligation of Lender to provide extensions of credit hereunder has not expired or been terminated.

17.12 **Patriot Act.** Lender hereby notifies the Loan Parties that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and

address of each Loan Party and other information that will allow such Lender to identify each Loan Party in accordance with the Patriot Act. In addition, if Lender is required by law or regulation or internal policies to do so, it shall have the right to periodically conduct (a) Patriot Act searches, OFAC/PEP searches, and customary individual background checks for the Loan Parties, and (b) OFAC/PEP searches and customary individual background checks of the Loan Parties' senior management and key principals, and Borrower, each other Loan Party agrees to cooperate in respect of the conduct of such searches and further agrees that the reasonable costs and charges for such searches shall constitute Lender Expenses hereunder and be for the account of Borrower.

17.13 **Integration.** This Agreement, together with the other Loan Documents, reflects the entire understanding of the parties with respect to the transactions contemplated hereby and shall not be contradicted or qualified by any other agreement, oral or written, before the date hereof. The foregoing to the contrary notwithstanding, all Bank Product Agreements, if any, are independent agreements governed by the written provisions of such Bank Product Agreements, which will remain in full force and effect, unaffected by any repayment, prepayments, acceleration, reduction, increase, or change in the terms of any credit extended hereunder, except as otherwise expressly provided in such Bank Product Agreement.

17.14 **Bank Product Providers.** Each Bank Product Provider shall be deemed a third party beneficiary hereof and of the provisions of the other Loan Documents for purposes of any reference in a Loan Document to the parties for whom Lender is acting. Lender hereby agrees to act as agent for such Bank Product Providers and, by virtue of entering into a Bank Product Agreement, the applicable Bank Product Provider shall be automatically deemed to have appointed Lender as its agent and to have accepted the benefits of the Loan Documents; it being understood and agreed that the rights and benefits of each Bank Product Provider under the Loan Documents consist exclusively of such Bank Product Provider's being a beneficiary of the Liens and security interests (and, if applicable, guarantees) granted to Lender and the right to share in payments and collections of the Collateral as more fully set forth herein and in the other Loan Documents. In addition, each Bank Product Provider, by virtue of entering into a Bank Product Agreement, shall be automatically deemed to have agreed that Lender shall have the right, but shall have no obligation, to establish, maintain, relax, or release Reserves in respect of the Bank Product Obligations and that if Reserves are established there is no obligation on the part of Lender to determine or ensure whether the amount of any such reserve is appropriate or not. Notwithstanding anything to the contrary in this Agreement or any other Loan Document, no provider or holder of any Bank Product shall have any voting or approval rights hereunder solely by virtue of its status as the provider or holder of such agreements or products or the Obligations owing thereunder, nor shall the consent of any such provider or holder be required for any matter hereunder or under any of the other Loan Documents, including as to any matter relating to the Collateral or the release of Collateral or any other Loan Party.

[Signature pages to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered under seal as of the date first above written.

BORROWER:

NATURAL AMERICAN FOODS, INC.

By:_____
Name:
Title:

LENDER:

HC CAPITAL HOLDINGS 0909A, LLC

By:_____
Name:
Title:

Schedule 1.1

a. **Definitions**. As used in this Agreement, the following terms shall have the following definitions:

"Account" means an account (as that term is defined in Article 9 of the Code).

"Account Debtor" means an account debtor (as that term is defined in the Code).

"Additional Documents" has the meaning specified therefor in Section 6.15 of this Agreement.

"Advances" has the meaning specified therefor in Section 2.1(a) of this Agreement.

"Affiliate" means, as applied to any Person, any other Person who controls, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" means the possession, directly or indirectly through one or more intermediaries, of the power to direct the management and policies of a Person, whether through the ownership of Stock, by contract, or otherwise; provided, however, that, for purposes of the definition of Eligible Accounts and Section 7.12 of this Agreement: (a) any Person which owns directly or indirectly 10% or more of the Stock having ordinary voting power for the election of the board of directors or equivalent governing body of a Person or 10% or more of the partnership or other ownership interests of a Person (other than as a limited partner of such Person) shall be deemed an Affiliate of such Person, (b) each director (or comparable manager) of a Person shall be deemed to be an Affiliate of such Person, and (c) each partnership in which a Person is a general partner shall be deemed an Affiliate of such Person.

"Agreement" means this Credit and Security Agreement to which this Schedule 1.1 is attached.

"Applicable Law" means as to any Person, all statutes, rules, regulations, orders, or other requirements having the force of law and applicable to such Person, and all court orders and injunctions, and/or similar rulings applicable to such Person, in each case of or by any Governmental Authority, or court, or tribunal which has jurisdiction over such Person, or any property of such Person.

"Asset Sale" shall mean (a) any conveyance, sale, lease, sublease, assignment, transfer or other disposition (including by way of merger or consolidation but excluding any assignments or transfers in connection with the granting of any Lien otherwise permitted hereunder) and (b) any issuance or sale of any equity interests of any Subsidiary of Borrower, in the case of both (a) and (b), to any person other than (i) Borrower, (ii) any Loan Party or (iii) any other Subsidiary.

"Authorized Person" means any one of the individuals identified on Schedule A-2, as such Schedule is updated from time to time by written notice from Borrower to Lender.

"Automatic Revolver Request" has the meaning set forth in Section 2.3(a).

"Availability" means, as of any date of determination, the amount that Borrower is entitled to borrow as Advances under Section 2.1 of this Agreement (after giving effect to all then outstanding Obligations and obligations under the Closing Date Credit Line).

"Average Excess Availability" means, as of any date of determination for the applicable period of determination based upon the end-of-day amounts on the Lender's loan system, the amount of average Excess Availability, determined for such period, as determined by Lender in its sole discretion.

"Bank Product" means any one or more of the following financial products or accommodations extended to Borrower or its Subsidiaries by a Bank Product Provider: (a) commercial credit cards, (b) commercial credit card processing services, (c) debit cards, (d) stored value cards, (e) purchase cards (including so-called "procurement cards" or "P-cards"), (f) Cash Management Services, or (g) transactions under Hedge Agreements.

"Bank Product Agreements" means those agreements entered into from time to time by Borrower or its Subsidiaries with a Bank Product Provider in connection with the obtaining of any of the Bank Products, including, without limitation, all Cash Management Documents.

"Bank Product Collateralization" means providing cash collateral (pursuant to documentation reasonably satisfactory to Lender) to be held by Lender for the benefit of the Bank Product Provider in an amount determined by Lender as sufficient to satisfy the reasonably estimated credit exposure with respect to the then existing Bank Product Obligations (other than Hedge Obligations).

"Bank Product Obligations" means (a) all obligations, liabilities, reimbursement obligations, fees, or expenses owing by a Loan Party or its Subsidiaries to Lender or another Bank Product Provider pursuant to or evidenced by a Bank Product Agreement and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, and (b) all Hedge Obligations.

"Bank Product Provider" means Lender or any of its Affiliates, or any other institution, that provide Bank Products to Borrower or its Subsidiaries.

"Bank Product Reserve Amount" means, as of any date of determination, the Dollar amount of reserves that Lender has determined are necessary or appropriate to establish (based upon Lender's reasonable determination of credit and operating risk exposure to Borrower or its Subsidiaries in respect of Bank Product Obligations) in respect of Bank Products then provided or outstanding.

"Bankruptcy Code" means title 11 of the United States Code, as in effect from time to time.

"Bankruptcy Court" means the United States Bankruptcy Court for the Eastern District of Michigan, together with any other court having competent jurisdiction over the Case from time to time.

"Benefit Plan" means a "defined benefit plan" (as defined in Section 3(35) of ERISA) for which Borrower or any of its Subsidiaries or ERISA Affiliates has been an "employer" (as defined in Section 3(5) of ERISA) within the past six years.

"Board of Directors" means the board of directors (or comparable managers) of Borrower, any other Loan Party or any committee thereof duly authorized to act on behalf of the board of directors (or comparable managers).

"Books" means books and records (including Borrower's or any other Loan Party's Records indicating, summarizing, or evidencing Borrower's or such other Loan Party's assets (including the Collateral) or liabilities, Borrower's or such other Loan Party's Records relating to Borrower's or such other Loan Party's business operations or financial condition, or Borrower's or such other Loan Party's Goods or General Intangibles related to such information).

"Borrower" means Natural American Foods, Inc., a Delaware corporation.

"Borrowing" means a borrowing consisting of Advances (i) requested by Borrower, (ii) made by Lender pursuant to Section 2.6(c), or (iii) a Protective Advance.

"Borrowing Base" means, as of any date of determination, the result of:

(a) 85% (less the amount, if any, of the Dilution Reserve, if applicable) of the amount of Eligible Accounts, *plus*

(b) the *lower* of

(i) $15,000,000, or

(ii) (A) the lower of (I) 75% *times* the Value of Eligible Inventory consisting of raw materials, or

(II) 85% *times* the most recently determined Net Liquidation Percentage times the Value of Eligible Inventory consisting of raw materials, *plus*

(B) the lower of (I) 75% *times* the Value of Eligible Inventory consisting of finished goods, or

(II) 85%

times the most recently determined Net Liquidation Percentage *times* the Value of Eligible Inventory consisting of finished goods, *minus*

(c) the aggregate amount of Reserves established by Lender.

"Borrowing Base Certificate" means a form of borrowing base certificate in form and substance reasonably acceptable to Lender.

"Borrowing Request" a written request for a Borrowing substantially in the form of Exhibit F.

"Business Day" means any day that is not a Saturday, Sunday, or other day on which banks are authorized or required to close pursuant to the rules and regulations of the Federal Reserve System.

"Capital Expenditures" means, with respect to any Person for any period, the aggregate of all expenditures by such Person and its Subsidiaries during such period that are capital expenditures as determined in accordance with GAAP, whether such expenditures are paid in cash or financed.

"Capitalized Lease Obligation" means that portion of the obligations under a Capital Lease that is required to be capitalized in accordance with GAAP; provided that any lease that is treated as an operating lease for purposes of GAAP as of the date hereof shall not be treated as a Capital Lease for purposes of the definition of Fixed Charge and shall continue to be treated as an operating lease (and any future lease, if it were in effect on the date hereof, that would be treated as an operating lease for purposes of GAAP as of the date hereof shall be treated as an operating lease), notwithstanding any actual or proposed change in GAAP after the date hereof.

"Capital Lease" means a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP.

"Case" means case numbered 13-58200 for relief under chapter 11 of the Bankruptcy Code in the Bankruptcy Court.

"Cash Equivalents" means (a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within 1 year from the date of acquisition thereof, (b) marketable direct obligations issued or fully guaranteed by any state of the United States or any political subdivision of any such state or any public instrumentality thereof maturing within 1 year from the date of acquisition thereof and having one of the three highest ratings obtainable from either Standard & Poor's Rating Group ("S&P") or Moody's Investors Service, Inc. ("Moody's"), (c) commercial paper maturing no more than 270 days from the date of creation thereof and, at the time of acquisition, having a rating of at least A-1 from S&P or at least P-1 from Moody's, (d) certificates of deposit, time deposits, overnight bank deposits or bankers' acceptances maturing within 1 year from the date of acquisition thereof issued by any bank organized under the laws of the United States or any state thereof or the District of Columbia or any United States branch of a foreign bank having combined capital and surplus of not less than $250,000,000, (e) Deposit Accounts maintained with (i) any bank that satisfies the criteria described in clause (d) above, or (ii) any other bank organized under the laws of the United States or any state thereof so long as the full amount maintained with any such other bank is insured by the Federal Deposit Insurance Corporation, (f) repurchase obligations of any commercial bank satisfying the requirements of clause (d) of this definition or recognized securities dealer having combined capital and surplus of not less than $250,000,000, having a term of not more than seven days, with respect to securities satisfying the criteria in clauses (a) or (d) above, (g) debt securities with maturities of six months or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the criteria described in clause (d) above, and (h) Investments in money market funds substantially all of whose assets are invested in the types of assets described in clauses (a) through (g) above.

"Cash Management Services" means any cash management or related services including treasury, depository, return items, overdraft, controlled disbursement, merchant stored value cards, e-payables services, electronic funds transfer, interstate depository network, automatic clearing house transfer (including the Automated Clearing House processing of electronic funds transfers through the direct Federal Reserve Fedline system) and other cash management arrangements.

"Cash Management Documents" means the agreements governing each of the Cash Management Services of Lender or any other institution utilized by Borrower, which agreements shall currently include the Master Agreement for Treasury Management Services or other applicable treasury management services agreement, "Acceptance of Services", the

"Service Description" governing each such treasury management service used by Borrower, and all replacement or successor agreements which govern such Cash Management Services of Lender or any other institution.

"Casualty Event" means any event that gives rise to the receipt by Borrower or any other Loan Party of any casualty insurance proceeds or condemnation awards in respect of any tangible or real property (including any improvements thereon) to replace, restore or repair, or compensate for the loss of, such property.

"CFC" means a controlled foreign corporation (as that term is defined in the IRC).

"Change of Control" means that none of the Permitted Holders is a Lender under this Agreement and (i) the Permitted Holders shall fail to own beneficially (within the meaning of Rule 13d-5 of the Exchange Act as in effect on the Closing Date), directly or indirectly, in the aggregate Stock representing at least a majority of the aggregate ordinary voting power represented by the issued and outstanding Stock of Borrower, or (ii) (x) any person or "group" (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Closing Date) shall own beneficially (within the meaning of Rule 13d-5 of the Exchange Act as in effect on the Closing Date), directly or indirectly, Stock of the Borrower representing a greater amount of ordinary voting power in the aggregate than the voting power represented by all Stock of the Borrower owned beneficially (within the meaning of Rule 13d-5 of the Exchange Act as in effect on the Closing Date), directly or indirectly, by the Permitted Holders and (y) any person or "group" (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Closing Date), in each case other than the Permitted Holders, shall have the power, whether through voting or other shareholder arrangements or otherwise, to elect a majority of the board of directors of the Borrower.

"Chattel Paper" means chattel paper (as that term is defined in the Code), and includes tangible chattel paper and electronic chattel paper.

"Closing Date" means the date of the making of the initial Advance (or other extension of credit) under this Agreement.

"Closing Date Credit Line" means the revolving credit facility established on the Closing Date with BMO Harris Bank, N.A., in aggregate principal amount of up to $19,000,000.

"Code" means the New York Uniform Commercial Code, as in effect from time to time; provided, however, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, priority, or remedies with respect to Lender's Lien on any Collateral is governed by the Uniform Commercial Code as enacted and in effect in a jurisdiction other than the State of New York, the term "Code" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority, or remedies. To the extent that defined terms set forth herein shall have different meanings under different Articles under the Uniform Commercial Code, the meaning assigned to such defined term under Article 9 of the Uniform Commercial Code shall control.

"Collateral" means all of Borrower's:

(a) Accounts;

(b) Books;

(c) Chattel Paper;

(d) Deposit Accounts, money, cash and Cash Equivalents;

(e) Goods, including Equipment and Fixtures;

(f) General Intangibles;

(g) Inventory;

(h) Investment Related Property;

(i) Negotiable Collateral;

(j) Supporting Obligations;

(k) Commercial Tort Claims;

(l) Other assets of such Loan Party that now or hereafter come into the possession, custody, or control of Lender (or its agent or designee); and

(m) all of the proceeds (as such term is defined in the Code) and products, whether tangible or intangible, of any of the foregoing, including proceeds of insurance or Commercial Tort Claims covering or relating to any or all of the foregoing, and any and all Accounts, Books, Chattel Paper, Deposit Accounts, Equipment, Fixtures, General Intangibles, Inventory, Investment Related Property, Negotiable Collateral, Supporting Obligations, money, or other tangible or intangible property resulting from the sale, lease, license, exchange, collection, or other disposition of any of the foregoing, the proceeds of any award in condemnation with respect to any of the foregoing, any rebates or refunds, whether for taxes or otherwise, and all proceeds of any such proceeds, or any portion thereof or interest therein, and the proceeds thereof, and all proceeds of any loss of, damage to, or destruction of the above, whether insured or not insured, and, to the extent not otherwise included, any indemnity, warranty, or guaranty payable by reason of loss or damage to, or otherwise with respect to any of the foregoing (the "Proceeds"). Without limiting the generality of the foregoing, the term "Proceeds" includes whatever is receivable or received when Investment Related Property or proceeds are sold, exchanged, collected, or otherwise disposed of, whether such disposition is voluntary or involuntary, and includes proceeds of any indemnity or guaranty payable to Borrower or Lender from time to time with respect to any of the Investment Related Property.

Notwithstanding the foregoing, "Collateral" shall not include any rights or interest in any contract, lease, permit, license or license agreement covering real or personal property of Borrower if under the terms of such contract, lease, permit, license or license agreement, or Applicable Law with respect thereto, the grant of a security interest or lien therein is prohibited as a matter of law or under the terms of the such contract, lease, permit, license, or license agreement and such prohibition or restriction has not been waived or the consent of the party to such contract, lease, permit, license or license agreement has not been obtained (provided, that (A) the foregoing exclusion of this paragraph shall in no way be construed (1) to apply to the extent that any described prohibition or restriction is unenforceable under Section 9-406, 9-407, 9-408 or 9-409 of the Code or other Applicable Law, or (2) to apply to the extent that any consent or waiver has been obtained that would permit Lender's security interest or lien notwithstanding the prohibition or restriction on the pledge of such contract, lease, permit, license or license agreement and (B) the foregoing exclusion of this paragraph shall in no way be construed to limit, impair, or otherwise affect any of Lender's continuing security interests and liens upon any rights or interests of Borrower in or to (1) monies due or to become due under or in connection with any described contract, lease, permit, license, license agreement (including any Accounts), or (2) any proceeds from the sale, license, lease, or other dispositions of any such contract, lease, permit, license or license agreement.

"Collateral Access Agreement" means a landlord's disclaimer and consent, bailee letter, or acknowledgement agreement of any lessor, warehouseman, processor, consignee, or other Person in possession of, having a Lien upon, or having rights or interests in the Books, Equipment, Accounts or Inventory of any Loan Party or of any of its Subsidiaries, in each case, in favor of Lender with respect to the Collateral at such premises or otherwise in the custody, control or possession of such lessor, warehouseman, processor, consignee or other Person and in form and substance reasonably satisfactory to Lender.

"Collection Account" means the Deposit Account identified on Schedule A-1.

"Collections" means *all* cash, checks, notes, instruments, and other items of payment (including insurance Proceeds, cash Proceeds of asset sales, rental Proceeds, and tax refunds).

"Commercial Tort Claims" means commercial tort claims (as that term is defined in the Code), and includes those commercial tort claims listed on Schedule 5.6(d) to the Information Certificate.

"Compliance Certificate" means a certificate substantially in the form of Exhibit A delivered by the chief financial officer of Borrower to Lender.

"Confidential Information" has the meaning specified therefor in Section 17.8 of this Agreement.

"Confirmation Order" shall mean the order of the Bankruptcy Court in the Case confirming the Reorganization Plan on December 20, 2013.

"Confirmation Order Entry Date" shall mean the date on which the Confirmation Order was entered by the Bankruptcy Court.

"Continuing Director" means (a) any member of the Board of Directors who was a director (or comparable manager) of Borrower on the Closing Date, and (b) any individual who becomes a member of the Board of Directors of Borrower after the Closing Date if such individual was approved, appointed or nominated for election to the Board of Directors by a majority of the Continuing Directors, but excluding any such individual originally proposed for election in opposition to the Board of Directors in office at the Closing Date in an actual or threatened election contest relating to the election of the directors (or comparable managers) of Borrower and whose initial assumption of office resulted from such contest or the settlement thereof.

"Control Agreement" means a control agreement, in form and substance reasonably satisfactory to Lender, executed and delivered by a Loan Party or any of its Subsidiaries, Lender, and the applicable securities intermediary (with respect to a Securities Account), the applicable bank (with respect to a Deposit Account) or issuer (with respect to uncertificated securities).

"Copyrights" means any and all rights in any works of authorship, including (i) copyrights and moral rights, (ii) copyright registrations and recordings thereof and all applications in connection therewith including those listed on Schedule 5.25(b) to the Information Certificate, (iii) income, license fees, royalties, damages, and payments now and hereafter due or payable under and with respect thereto, including payments under all licenses entered into in connection therewith and damages and payments for past, present, or future infringements thereof, (iv) the right to sue for past, present, and future infringements thereof, and (v) all of each Loan Party's rights corresponding thereto throughout the world.

"Copyright Security Agreement" means each Copyright Security Agreement executed and delivered by the applicable Loan Party in favor of Lender, in form and substance reasonably acceptable to Lender.

"Credit Facility" means the Revolving Credit Facility and the Term Loan.

"Daily Balance" means, as of any date of determination and with respect to any Obligation, the amount of such Obligation owed at the end of such day.

"Daily Three Month LIBOR" means the rate per annum (rounded up to the nearest whole 1/8th of one percent) for United States dollar deposits quoted by Lender for the purpose of calculating the effective Interest Rate for loans that reference Daily Three Month LIBOR as the Inter-Bank Market Offered Rate in effect from time to time for the 3 month delivery of funds in amounts approximately equal to the principal amount of such loans. Borrower understands and agrees that Lender may base its quotation of the Inter-Bank Market Offered Rate upon such offers or other market indicators of the Inter-Bank Market as Lender in its discretion deems appropriate, including but not limited to the rate offered for U.S. dollar deposits on the London Inter-Bank Market. When interest is determined in relation to Daily Three Month LIBOR, each change in the interest rate shall become effective each Business Day that Lender determines that Daily Three Month LIBOR has changed.

"Default" means an event, condition, or default that, with the giving of notice, the passage of time, or both, would be an Event of Default.

"Deferred Prosecution Agreement" means that certain Deferred Prosecution Agreement signed by Borrower on or about February 11, 2013 and filed on or about February 15, 2013, between Borrower and the USAO NDIL, approved by the United States District Court for the Northern District of Illinois, Eastern Division.

"Deferred Prosecution Dismissal" means the dismissal with prejudice of the information filed by the USAO NDIL against Borrower pursuant to the Deferred Prosecution Agreement and the related expiration of the Deferred Prosecution Agreement.

"Deposit Account" means any deposit account (as that term is defined in the Code).

"Designated Account" means the operating Deposit Account of Borrower at Lender identified on Schedule D-1

"Dilution" means, as of any date of determination, a percentage that is the result of dividing the Dollar amount of (a) bad debt write-downs, discounts, advertising allowances, credits, deductions, or other dilutive items as determined by Lender with respect to Borrower's Accounts, by (b) Borrower's billings with respect to Accounts.

"Dilution Reserve" means, as of any date of determination, an amount sufficient to reduce the advance rate against Eligible Accounts by 1 percentage point for each percentage point by which Dilution is in excess of 5%.

"DIP Credit Agreement" means the Senior Secured Superpriority Priming Debtor-in-Possession Credit and Security Agreement, dated as of October 3, 2013, by and between Groeb Farms, Inc., as borrower and HC Capital Holdings 0909A, LLC, as Lender.

"Dollars" or "$" means United States dollars.

"EBITDA" means, with respect to any fiscal period, the consolidated net income (or loss) of Borrower and its Subsidiaries, minus non-cash gains and non-cash income and decreases in LIFO reserves, *plus* non-cash losses, non-cash charges, non-cash expenses and non-cash write downs, unusual or non-recurring costs or expenses, Interest Expense, income taxes, depreciation and amortization, increases in LIFO reserves for such period and management fees and expenses paid or accrued in such fiscal period, in each case, determined on a consolidated basis in accordance with GAAP.

"Eligible Accounts" means those Accounts created by Borrower in the ordinary course of its business, that arise out of Borrower's sale or lease of Goods or rendition of services, that comply with each of the representations and warranties respecting Eligible Accounts made in the Loan Documents, and that are not excluded as ineligible by virtue of one or more of the excluding criteria set forth below; provided, however, that such criteria may be revised from time to time by Lender in Lender's reasonable discretion. In determining the amount to be included, Eligible Accounts shall be calculated net of customer deposits, credits and unapplied cash. Eligible Accounts shall not include the following:

(a) Accounts that the Account Debtor has failed to pay within the earlier of 90 days after the original invoice date or 60 days after the original due date;

(b) Accounts with selling terms of more than 60 days;

(c) Accounts owed by an Account Debtor (or its Affiliates) where twenty-five percent (25%) or more of all Accounts owed by that Account Debtor (or its Affiliates) are deemed ineligible under clause (a) or (b) above or clauses (i) or (s) below;

(d) Accounts with respect to which the Account Debtor is an Affiliate, agent or equity owner of Borrower or an employee or agent of Borrower or any Affiliate of Borrower;

(e) Accounts arising in a transaction wherein Goods are placed on consignment or are sold pursuant to a guaranteed sale, a sale or return, a sale on approval, or any other terms by reason of which the payment by the Account Debtor may be conditional or contingent;

(f) Accounts that are not payable in Dollars;

(g) Accounts with respect to which the Account Debtor either (i) does not maintain its chief executive office in the United States or Canada, or (ii) is not organized under the laws of the United States or any state thereof or under the laws of Canada or any province thereof, or (iii) is the government of any foreign country or sovereign state, or of any state, province, municipality, or other political subdivision thereof, or of any department, agency, public corporation, or other instrumentality thereof, unless (x) the Account is supported by an irrevocable letter of credit reasonably satisfactory to Lender (as to form, substance, and issuer or domestic confirming bank) that has been delivered to Lender and is directly drawable by Lender, or (y) the Account is guaranteed pursuant to an approved working capital guarantee from the Export-Import Bank of the United States in favor of Lender and acceptable to Lender in all respects;

(h) Accounts with respect to which the Account Debtor is either (i) the United States or any department, agency, or instrumentality of the United States (exclusive, however, of Accounts with respect to which Borrower has complied, to the reasonable satisfaction of Lender, with the Assignment of Claims Act, 31 USC §3727), or (ii) any state of the United States;

(i) Accounts with respect to which the Account Debtor is a creditor of Borrower, has or has asserted a right of setoff, or has disputed its obligation to pay all or any portion of the Account, to the extent of such claim, right of setoff, or dispute;

(j) That portion of Accounts which reflect a reasonable reserve for warranty claims or returns or amounts which are owed to account debtors, including those for rebates, allowances, co-op advertising, new store allowances or other deductions;

(k) Accounts owing by a single Account Debtor or group of Affiliated Account Debtors whose total obligations owing to Borrower exceed fifteen percent (15%) of the aggregate amount of all otherwise Eligible Accounts (but the portion of the Accounts not in excess of the foregoing applicable percentages may be deemed Eligible Accounts), such percentage being subject to reduction if the creditworthiness of such Account Debtor deteriorates;

(l) Accounts with respect to which the Account Debtor is subject to an Insolvency Proceeding, is not Solvent or has gone out of business, or as to which Borrower has received notice of an imminent Insolvency Proceeding or a material impairment of the financial condition of such Account Debtor;

(m) Accounts, the collection of which, Lender, in its reasonable discretion, believes to be doubtful by reason of the Account Debtor's financial condition;

(n) Accounts representing credit card sales or "C.O.D." sales;

(o) Accounts that are not subject to a valid and perfected first priority Lender's Lien or that are subject to any other Lien (other than the junior Permitted Lien in favor of the Institutional Subordinated Creditors);

(p) Accounts that consist of progress billings (such that the obligation of the Account Debtors with respect to such Accounts is conditioned upon Borrower's satisfactory completion of any further performance under the agreement giving rise thereto) or retainage invoices;

(q) Accounts with respect to which the Account Debtor is a Sanctioned Person or Sanctioned Entity;

(r) that portion of Accounts which represent finance charges, service charges, sales taxes or excise taxes;

(s) that portion of Accounts which has been restructured, extended, amended or otherwise modified;

(t) bill and hold invoices, except those with respect to which Lender shall have received an agreement in writing from the Account Debtor, in form and substance satisfactory to Lender, confirming the unconditional obligation of the Account Debtor to take the Goods related thereto and pay such invoice, so long as such Accounts satisfy all other criteria for Eligible Accounts hereunder;

(u) Accounts which have not been invoiced;

(v) Accounts constituting (i) Proceeds of copyrightable material unless such copyrightable material shall have been registered with the United States Copyright Office, or (ii) Proceeds of patentable inventions unless such patentable inventions have been registered with the United States Patent and Trademark Office; and

(w) Accounts or that portion of Accounts otherwise deemed ineligible by Lender in its reasonable discretion.

Any Accounts which are not Eligible Accounts shall nonetheless constitute Collateral.

"Eligible Equipment" means Equipment of Borrower which is subject to a valid and perfected first priority Lender's Lien, is not subject to a Lien in favor of any Person other than Lender, is designated by Lender as eligible, and covered by the most recent acceptable appraisal received by Lender. All Equipment which does not constitute Eligible Equipment shall nonetheless constitute Collateral.

"Eligible Inventory" means Inventory consisting of raw materials and finished goods held for sale in the ordinary course of Borrower's business, that complies with each of the representations and warranties respecting Eligible Inventory made in the Loan Documents, and that is not excluded as ineligible by virtue of one or more of the excluding criteria set forth below; provided, however, that such criteria may be revised from time to time by Lender in Lender's reasonable discretion. An item of Inventory shall not be included in Eligible Inventory if:

(a) Borrower does not have good, valid, and marketable title thereto;

(b) it consists of work-in-process Inventory, components which are not part of finished goods, supplies used or consumed in Borrower's business, or Goods that constitute spare parts or maintenance parts (other than after-market parts), packaging and shipping materials, or sample inventory or customer supplied parts or Inventory;

(c) it consists of Inventory that is perishable or live or where less than 8 weeks remain until the Inventory's stated expiration or "sell-by" or "use-by" date;

(d) Borrower does not have actual and exclusive possession thereof (either directly or through a bailee or agent of Borrower);

(e) it is not located at one of the locations in the continental United States set forth on Schedule 5.29 to the Information Certificate, except for Transfer Eligible Inventory;

(f) [Reserved]

(g) [Reserved]

(h) it is located on real property leased by Borrower or in a contract warehouse or on the real property of any other Person, in each case, unless it is subject to a Collateral Access Agreement executed by the lessor, warehouseman or other Person, as the case may be, and unless it is segregated or otherwise separately identifiable from Goods of others, if any, stored on the premises;

(i) it is the subject of a bill of lading or other document of title;

(j) it is on consignment from any consignor; or on consignment to any consignee or subject to any bailment unless the consignee or bailee has (i) executed an agreement with Lender, and (ii) provided evidence acceptable to Lender that Borrower has properly perfected a first priority security interest in such consigned Inventory and has properly notified in writing the other creditors of consignee who hold an interest in such Inventory of Borrower's security interest in such Inventory, and (iii) Borrower has taken such other actions with respect to such consigned Inventory as Lender may reasonably request;

(k) it is not subject to a valid and perfected first priority Lender's Lien;

(l) it consists of goods returned, rejected or put on hold by Borrower's customers;

(m) it consists of Goods that are damaged, contaminated, spoiled, defective, obsolete or slow moving;

(n) Inventory that Borrower has returned, has attempted to return, is in the process of returning or intends to return to the vendor of such Inventory;

(o) it consists of Goods that are restricted or controlled, or regulated items;

(p) it consists of Goods that are bill and hold Goods;

(q) it is subject to third party trademark, licensing or other proprietary rights;

(r) it consists of customer-specific Inventory not supported by purchase orders; or

(s) Inventory otherwise deemed ineligible by Lender in its reasonable discretion.

Any Inventory which is not Eligible Inventory shall nonetheless constitute Collateral.

"Environmental Action" means any written complaint, summons, citation, notice, directive, order, claim, litigation, investigation, judicial or administrative proceeding, judgment, letter, or other written communication from any Governmental Authority, or any third party involving violations of Environmental Laws or releases of Hazardous Materials (a) from any assets, properties, or businesses of any Loan Party, any Subsidiary of a Loan Party, or any of their predecessors in interest, (b) from adjoining properties or businesses, or (c) from or onto any facilities which received Hazardous Materials generated by any Loan Party, any Subsidiary of a Loan Party, or any of their predecessors in interest.

"Environmental Law" means any applicable federal, state, provincial, foreign or local statute, law, rule, regulation, ordinance, code, binding and enforceable guideline, binding and enforceable written policy, or rule of common law now or hereafter in effect and in each case as amended, or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree or judgment, in each case, to the extent binding on any Loan Party or any of its Subsidiaries, relating to the environment, the effect of the environment on employee health, or Hazardous Materials, in each case as amended from time to time.

"Environmental Liabilities" means all liabilities, monetary obligations, losses, damages, costs and expenses (including all reasonable fees, disbursements and expenses of counsel, experts, or consultants, and costs of investigation and feasibility studies), fines, penalties, sanctions, and interest incurred as a result of any claim or demand, or Remedial Action required, by any Governmental Authority or any third party, and which relate to any Environmental Action.

"Environmental Lien" means any Lien in favor of any Governmental Authority for Environmental Liabilities.

"Equipment" means equipment (as that term is defined in the Code).

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute thereto.

"ERISA Affiliate" means (a) any Person subject to ERISA whose employees are treated as employed by the same employer as the employees of any Loan Party or its Subsidiaries under IRC Section 414(b), (b) any trade or business subject to ERISA whose employees are treated as employed by the same employer as the employees of any Loan Party or its Subsidiaries under IRC Section 414(c), (c) solely for purposes of Section 302 of ERISA and Section 412 of the IRC, any organization subject to ERISA that is a member of an affiliated service group of which any Loan Party or any of its Subsidiaries is a member under IRC Section 414(m), or (d) solely for purposes of Section 302 of ERISA and Section 412 and 430 of the IRC, any Person subject to ERISA that is a party to an arrangement with any Loan Party or any of its Subsidiaries and whose employees are aggregated with the employees of a Loan Party or its Subsidiaries under IRC Section 414(o).

"ERISA Event" means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of any Loan Party or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which such entity was a "substantial employer" as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by any Loan Party or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate, the treatment of a Pension Plan amendment as a termination under Section 4041 or 4041A of ERISA; (e) the institution by the PBGC of proceedings to terminate a Pension Plan; (f) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (g) the determination that any Pension Plan is considered an at-risk plan or a plan in endangered or critical status within the meaning of Sections 430, 431 and 432 of the IRC or Sections 303, 304 and 305 of ERISA; or (h) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon any Loan Party or any ERISA Affiliate.

"Event of Default" has the meaning specified therefor in Section 9 of this Agreement.

"Excess Availability" means, as of any date of determination, the amount of Availability *minus* the aggregate amount, if any, owing under the Closing Date Credit Line *minus* the aggregate amount, if any, of all trade payables and other obligations of Borrower and its Subsidiaries aged in excess of 90 days beyond their terms as of the end of the immediately preceding month (excluding trade payables subject to dispute), and all book overdrafts and fees of Borrower and its Subsidiaries, in each case as determined by Lender in its sole discretion.

"Excess Cash Flow" means, with respect to any Person for the applicable period, such Person's EBITDA *minus* (a) Non-Financed Capital Expenditures made (to the extent not already incurred in a prior period) or incurred during such period, *minus* (b) cash taxes paid during such period to the extent greater than zero, *minus* (c) Fixed Charges for such period.

"Excess Cash Flow Period" shall mean (i) with respect to the initial Excess Cash Flow Period, the period beginning with the Closing Date and ending December 31, 2014 and (ii) with respect to each subsequent Excess Cash Flow Period, each Fiscal Year of Borrower thereafter.

"Exchange Act" means the Securities Exchange Act of 1934, as in effect from time to time.

"Farm Product Lien Amount" means any amount which Borrower owes to a producer or seller of farm products which is secured by a Lien.

"Farm Products Reserve" means a reserve equal to the Farm Product Lien Amount determined by Lender from time to time in its sole discretion.

"FATCA" means Sections 1471 through 1474 of the IRC as of the date of this Agreement (or any amendment or successor version that is substantially comparable) and any current or future regulations or official interpretations thereof.

"Filing Date" means October 1, 2013.

"Financial Covenants" means each of the financial covenants set forth in Section 8, regardless of whether such financial covenant is currently applicable to Borrower.

"Fiscal Month" means any of the twelve periods comprising Borrower's Fiscal Year, determined in accordance with Borrower's historical practice.

"Fiscal Quarter" means a period of three consecutive Fiscal Months ending on or about March 31, June 30, September 30 or December 31.

"Fiscal Year" means a period of twelve Fiscal Months ending on or about December 31.

"Fixed Charges" means, with respect to any fiscal period and with respect to Borrower and its Subsidiaries determined on a consolidated basis in accordance with GAAP, the sum, without duplication, of (a) cash Interest Expense paid during such period (other than interest paid-in-kind, amortization of financing fees, and other non-cash Interest Expense), (b) principal payments paid in cash in respect of Indebtedness (other than Indebtedness of types described in clauses (e) through (g) of the definition of Indebtedness) paid during such period, including cash payments with respect to Capital Leases, but excluding principal payments made with respect to the Revolving Credit Facility unless accompanied by a permanent reduction in the commitments thereunder, and (c) all Restricted Junior Payments of Borrower (excluding all payments in cash of management, consulting, monitoring, sale representation, advisory or other service fees (and related costs and expenses)) to any Affiliate of Borrower and other dividends or distributions paid in cash during such period.

"Fixed Charge Coverage Ratio" means, with respect to Borrower and its Subsidiaries for any period, the ratio of (i) EBITDA for such period, *minus* (a) Non-Financed Capital Expenditures made (to the extent not already incurred in a prior period) or incurred during such period, *minus* (b) cash taxes paid during such period, to the extent greater than zero, to (ii) Fixed Charges for such period.

"Fixtures" means fixtures (as that term is defined in the Code).

"Foreign Subsidiary" means, with respect to any Person, any Subsidiary of such Person that is not organized or existing under the laws of the United States of America, any state thereof or the District of Columbia and any Subsidiary that holds no material assets other than interests in Foreign Subsidiaries.

"FSA" means the Food Service Security Act of 1985, as amended and in effect from time to time, and regulations issued from time to time thereunder.

"Funding Date" means the date on which a Borrowing occurs.

"GAAP" means generally accepted accounting principles as in effect in the United States on the Closing Date, consistently applied; (i) except for any change in accounting practices to the extent that, due to a promulgation of the Financial Accounting Standards Board changing or implementing any new accounting standard, Borrower either (a) is required to implement such change, or (b) for future periods will be required to and for the current period may in accordance with generally accepted accounting principles implement such change, for its financial statements to be in conformity with generally accepted accounting principles (any such change is hereafter referred to a "Required GAAP Change"), provided that (x) Borrower shall fully disclose in such financial statements any such Required GAAP Change and the effects of the Required GAAP Change on Borrower's income, retained earnings or other accounts, as applicable, and (y) the Financial Covenants and other covenants shall be adjusted as necessary to reflect the effects of such Required GAAP Change, provided that if the Lender and Borrower cannot agree on such adjustments, the Financial Covenants and the other covenants will be calculated and interpreted without giving effect to the Required GAAP Change, and (ii) except that all calculations relative to liabilities shall be made without giving effect to Statement of Financial Accounting Standards No. 159.

"General Intangibles" means general intangibles (as that term is defined in the Code), and includes payment intangibles, contract rights, rights to payment, rights under Hedge Agreements (including the right to receive payment on account of the termination (voluntarily or involuntarily) of any such Hedge Agreements), rights arising under common law, statutes, or regulations, choses or things in action, goodwill, Intellectual Property, Intellectual Property Licenses, purchase orders, customer lists, monies due or recoverable from pension funds, route lists, rights to payment and other rights under any royalty or licensing agreements, including Intellectual Property Licenses, infringement claims, pension plan refunds, pension plan refund claims, insurance premium rebates, tax refunds, and tax refund claims, interests in a partnership or limited liability company which do not constitute a security under Article 8 of the Code, and any other personal property other than Commercial Tort Claims, money, Accounts, Chattel Paper, Deposit Accounts, Goods, Investment Related Property, Negotiable Collateral, and oil, gas, or other minerals before extraction.

"Goods" means goods (as that term is defined in the Code).

"Governing Documents" means, with respect to any Person, the certificate or articles of incorporation, certificate of formation, by-laws, operating agreement, limited liability company agreement, shareholder agreement, investment agreement or other organizational documents of such Person.

"Governmental Authority" means any federal, state, local, or other governmental or administrative body, instrumentality, board, department, or agency or any court, tribunal, administrative hearing body, arbitration panel, commission, or other similar dispute-resolving panel or body.

"Guarantors" means (a) each Subsidiary of Borrower that becomes a Guarantor as required by this Agreement, and (b) each other Person that becomes a guarantor after the Closing Date, and each of them is a "Guarantor".

"Guaranty" means any guaranty executed and delivered by a Guarantor in favor of Lender in form and substance reasonably satisfactory to Lender, and all of such guaranties are, collectively, the "Guaranties".

"Hard Costs" shall mean, with respect to the purchase by Borrower of an item of Eligible New Equipment or an item of Eligible New Racking, the net cash amount actually paid to acquire title to such item, net of all incentives, trade in allowances, discounts and rebates, and exclusive of freight, delivery charges, installation costs and charges, software costs, charges and fees, warranty costs, taxes, insurance and other incidental costs or expenses and all indirect costs or expenses of any kind.

"Hazardous Materials" means (a) substances that are defined or listed in, or otherwise classified pursuant to, any Applicable Laws or regulations as "hazardous substances," "hazardous materials," "hazardous wastes," "toxic substances," or any other formulation intended to define, list, or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, reproductive toxicity, or "EP toxicity", (b) oil, petroleum, or petroleum derived substances, natural gas, natural gas liquids, synthetic gas, drilling fluids, produced waters, and other wastes associated with the exploration, development, or production of crude oil, natural gas, or geothermal resources, (c) any flammable substances or explosives or any radioactive materials, and (d) asbestos in any form or electrical equipment that contains any oil or dielectric fluid containing levels of polychlorinated biphenyls in excess of 50 parts per million.

"Hedge Agreement" means a "swap agreement" as that term is defined in Section 101(53B)(A) of the Bankruptcy Code.

"Hedge Obligations" means any and all obligations or liabilities, whether absolute or contingent, due or to become due, now existing or hereafter arising, of any Loan Party or any of its Subsidiaries arising under, owing pursuant to, or existing in respect of Hedge Agreements entered into with Lender or another Bank Product Provider.

"Indebtedness" as to any Person means, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes, or other similar instruments and all reimbursement or other obligations in respect of letters of credit, bankers acceptances, or other financial products, (c) all obligations of such Person as a lessee under Capital Leases, (d) all obligations or liabilities of others secured by a Lien on any asset of such Person, irrespective of whether such obligation or liability is assumed, (e) all obligations of such Person to pay the deferred purchase price of assets (other than trade payables and accrued expenses incurred in the ordinary course of business and repayable in accordance with customary trade practices), (f) all net obligations of such Person owing under Hedge Agreements (which amount shall be calculated based on the amount that would be payable by such Person if the Hedge Agreement were terminated on the date of determination), (g) any Prohibited Preferred Stock of such Person, and (h) any obligation of such Person guaranteeing or intended to guarantee (whether directly or indirectly guaranteed, endorsed, co-made, discounted, or sold with recourse) any obligation of any other Person that constitutes Indebtedness under any of clauses (a) through (g) above. For purposes of this definition, (i) the amount of any Indebtedness represented by a guaranty or other similar instrument shall be the

lesser of the principal amount of the obligations guaranteed and still outstanding and the maximum amount for which the guaranteeing Person may be liable pursuant to the terms of the instrument embodying such Indebtedness, and (ii) the amount of any Indebtedness described in clause (d) above shall be the lower of the amount of the obligation and the fair market value of the assets of such Person securing such obligation. "Indebtedness" shall not include any obligations in respect of customer advances received and held in the ordinary course of business.

"Indemnified Liabilities" has the meaning specified therefor in Section 11.3 of this Agreement.

"Indemnified Person" has the meaning specified therefor in Section 11.3 of this Agreement.

"Insolvency Proceeding" means any proceeding commenced by or against any Person under any provision of the Bankruptcy Code or under any other state or federal bankruptcy or insolvency law, assignments for the benefit of creditors generally, receiverships, formal or informal moratoria, compositions, extensions generally with creditors, or proceedings seeking reorganization, arrangement, or other similar relief.

"Institutional Subordinated Creditors" means, collectively, Argosy Investment Partners III, L.P., Marquette Capital Fund I, L.P. and Horizon Capital Partners III, L.P.

"Institutional Subordinated Creditors Subordination Agreement" means that certain Intercreditor and Subordination Agreement by and among the Institutional Subordinated Creditors, as subordinated lenders, and Lender, as senior lender, and acknowledged by Borrower.

"Intellectual Property" means any and all Patents, Copyrights, Trademarks, trade secrets, know-how, inventions (whether or not patentable), algorithms, software programs (including source code and object code), processes, product designs, industrial designs, blueprints, drawings, data, customer lists, URLs and domain names, specifications, documentations, reports, catalogs, literature, and any other forms of technology or proprietary information of any kind, including all rights therein and all applications for registration or registrations thereof.

"Intellectual Property Licenses" means, with respect to any Person (the "Specified Party"), (i) any licenses or other similar rights provided to the Specified Party in or with respect to Intellectual Property owned or controlled by any other Person, and (ii) any licenses or other similar rights provided to any other Person in or with respect to Intellectual Property owned or controlled by the Specified Party, in each case, including (A) any software license agreements (other than license agreements for commercially available off-the-shelf software that is generally available to the public which have been licensed to the Specified Party pursuant to end-user licenses), (B) the license agreements listed on Schedule 5.25(b) to the Information Certificate, and (C) the right to use any of the licenses or other similar rights described in this definition in connection with the enforcement of the Lender's rights under the Loan Documents.

"Interest Expense" means, for any period, the aggregate of the interest expense of Borrower and its Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP.

"Interest Rate" means an interest rate equal to Daily Three Month LIBOR, which interest rate shall change whenever Daily Three Month LIBOR changes. Notwithstanding the foregoing, in no event shall the Interest Rate be less than two percent (2.00%) per annum.

"Interest Rate Margin" means (a) with respect to Advances under the Revolving Credit Facility, the applicable increment set forth and described in the Revolving Facility Pricing Grid, established as of the last date of each Fiscal Quarter according to the then applicable Status and (b) with respect to the Term Loan, the applicable increment set forth and described in the Term Loan Pricing Grid, established as of the last date of each Fiscal Quarter according to the then applicable Status. Any adjustment in the Interest Rate Margin shall not become effective until the first calendar day of the first month immediately following receipt by Lender of financial statements relating to the last day of such Fiscal Quarter pursuant to Section 6.1. If financial statements of Borrower necessary to establish the appropriate Interest Rate Margin hereunder are not received by Lender on or prior to the date required pursuant to Section 6.1, the applicable Interest Rate Margin shall be determined as if Level I Status were in effect (and assuming an Average Excess Availability of $0) and such Level I Status shall remain in effect until such time as the required financial statements are so received; provided, however, that for the period commencing on the Closing Date and continuing to the date Lender receives Borrower's financial statements and related officer's certificates required by Section 6.1 demonstrating the financial performance of Borrower for the Fiscal Quarter ending December 31, 2013, the applicable Interest Rate Margins shall be determined as if Level II Status were in effect (and assuming an Average Excess Availability of $0), regardless of the Fixed Charge Coverage Ratio or Average Excess Availability of Borrower for such period.

"Inventory" means inventory (as that term is defined in the Code).

"Investment" means, with respect to any Person, any investment by such Person in any other Person (including Affiliates) in the form of loans, guarantees, advances, capital contributions (excluding (a) commission, travel, and similar advances to officers and employees of such Person made in the ordinary course of business not to exceed $100,000 in the aggregate during any Fiscal Year of Borrower, and (b) *bona fide* Accounts arising in the ordinary course of business), or acquisitions of Indebtedness, Stock, or all or substantially all of the assets of such other Person (or of any division or business line of such other Person), and any other items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP.

"Investment Related Property" means any and all investment property (as that term is defined in the Code).

"IRC" means the Internal Revenue Code of 1986, as in effect from time to time.

"ISP98" means the International Standby Practices (1998 Revision, effective January 1, 1999), International Chamber of Commerce Publication No. 590.

"Lease" means any agreement, whether written or oral no matter how styled or structured, pursuant to which a Loan Party is entitled to the use or occupancy of any real property for any period of time.

"Lender" has the meaning specified therefor in the preamble to this Agreement and its successors and assigns.

"Lender-Related Persons" means Lender, together with its Affiliates, officers, directors, employees, attorneys, and agents.

"Lender's Liens" mean the Liens granted by Borrower and the other Loan Parties and their respective Subsidiaries to Lender under the Loan Documents.

"Lender Expenses" means all (a) reasonable costs or expenses (including taxes, and insurance premiums) required to be paid by any Loan Party or any of its Subsidiaries or any Guarantor under any of the Loan Documents that are paid, advanced, or incurred by Lender, (b) reasonable out-of-pocket fees or charges paid or incurred by Lender in connection with Lender's transactions with any Loan Party or any of its Subsidiaries or any Guarantor under any of the Loan Documents, including, fees or charges for photocopying, notarization, couriers and messengers, telecommunication, public record searches (including tax lien, judgment lien, litigation, bankruptcy and Code searches and including searches with the patent and trademark office, the copyright office, or the department of motor vehicles), filing, recording, publication, appraisal (including periodic collateral appraisals or business valuations to the extent of the fees and charges (and up to the amount of any limitation contained in this Agreement to the extent applicable), and environmental audits, (c) Lender's customary fees and charges (as adjusted from time to time) with respect to the disbursement of funds (or the receipt of funds) to or for the account of Borrower (whether by wire transfer or otherwise), together with any out of pocket costs and expenses incurred in connection therewith, (d) out-of-pocket charges paid or incurred by Lender resulting from the dishonor of checks payable by or to any Loan Party, (e) reasonable out-of-pocket costs and expenses paid or incurred by Lender to correct any default or enforce any provision of the Loan Documents, or during the continuance of an Event of Default, in gaining possession of, maintaining, handling, preserving, storing, shipping, selling, preparing for sale, or advertising to sell the Collateral, or any portion thereof, irrespective of whether a sale is consummated, (f) reasonable out-of-pocket examination fees and expenses (including reasonable travel, meals, and lodging) of Lender related to any inspections, exams, audits or appraisals to the extent of the fees and charges (and up to the amount of any limitation contained in this Agreement to the extent applicable), (g) reasonable out-of-pocket costs and expenses of third party claims or any other suit paid or incurred by Lender in enforcing or defending the Loan Documents or in connection with the transactions contemplated by the Loan Documents or Lender's relationship with any Loan Party or any of its Subsidiaries or any Guarantor, (h) Lender's reasonable costs and expenses (including reasonable attorneys fees) incurred in advising, structuring, drafting, reviewing, administering (including reasonable travel, meals, and lodging), or amending the Loan Documents, (i) Lender's reasonable costs and expenses (including reasonable attorneys, accountants, consultants, and other advisors fees and expenses) incurred in terminating, enforcing (including reasonable attorneys, accountants, consultants, and other advisors fees and expenses incurred in connection with a "workout," a "restructuring," or an Insolvency Proceeding concerning any Loan Party or any of its Subsidiaries or any Guarantor or in exercising rights or remedies under the Loan Documents), or defending the Loan Documents, irrespective of whether suit is brought, or in taking any Remedial Action concerning the Collateral, and (j) usage charges, charges, fees, costs and expenses for amendments, renewals, extensions, transfers, or drawings from time to time imposed by Lender in respect of Letters of Credit and out-of-pocket charges, fees, costs and expenses paid or incurred by Lender in connection with the issuance, amendment, renewal, extension, or transfer of, or drawing under, any Letter of Credit or any demand for payment thereunder.

"Lender Representatives" has the meaning specified therefor in Section 17.8(a) of this Agreement.

"Letter of Credit" means a letter of credit (as that term is defined in the Code) issued by Lender for the account of Borrower or any of its Subsidiaries.

"Letter of Credit Agreements" means a Letter of Credit Application, together with any and all related letter of credit agreements pursuant to which Lender agrees to issue, amend, or extend a Letter of Credit, or pursuant to which Borrower agrees to reimburse Lender for all Letter of Credit Disbursements, each such application and related agreement to be in the form specified by Lender from time to time.

"Letter of Credit Application" means an application requesting Lender to issue, amend, or extend a Letter of Credit, each such application to be in the form specified by Lender from time to time.

"Letter of Credit Collateralization" means either (a) providing cash collateral (pursuant to documentation reasonably satisfactory to Lender, including provisions that specify that the Letter of Credit fee and all usage charges set forth in this Agreement and the Letter of Credit Agreements will continue to accrue while the Letters of Credit are outstanding) to be held by Lender for the benefit of Lender in an amount equal to 110% of the then existing Letter of Credit Usage, (b) delivering to Lender the original of each Letter of Credit, together with documentation executed by all beneficiaries under each Letter of Credit in form and substance acceptable to Lender terminating all of such beneficiaries' rights under such Letters of Credit, or (c) providing Lender with a standby letter of credit, in form and substance reasonably satisfactory to Lender, from a commercial bank acceptable to Lender (in its sole discretion) in an amount equal to 110% of the then existing Letter of Credit Usage (it being understood that the Letter of Credit fee and all usage charges set forth in this Agreement will continue to accrue while the Letters of Credit are outstanding and that any such fees that accrue must be an amount that can be drawn under any such standby letter of credit).

"Letter of Credit Disbursement" means a payment made by Lender pursuant to a Letter of Credit.

"Letter of Credit Usage" means, as of any date of determination, the sum of (i) the aggregate undrawn amount of all outstanding Letters of Credit, and (ii) the aggregate amount of outstanding reimbursement obligations with respect to Letters of Credit which remain unreimbursed or which have not been paid through an Advance under the Revolving Credit Facility.

"Lien" means any mortgage, deed of trust, pledge, hypothecation, assignment for security purposes, charge, deposit arrangement for security purposes, encumbrance, easement, lien (statutory or other), security interest, or other security arrangement, including any conditional sale contract or other title retention agreement, the interest of a lessor under a Capital Lease and any synthetic or other financing lease having substantially the same economic effect as any of the foregoing.

"Loan Account" has the meaning specified therefor in Section 2.8 of this Agreement.

"Loan Documents" means this Agreement, each amendment thereto, any Revolving Note requested by Lender, any Term Note requested by Lender, any Borrowing Base Certificate, the Control Agreements, the Cash Management Documents, the Copyright Security Agreements, the Guaranties, the Letters of Credit, the Patent Security Agreements, the Trademark Security Agreements, the Subordination Agreements, any note or notes executed by Borrower in connection with this Agreement and payable to Lender, any Letter of Credit Applications and other Letter of Credit Agreements entered into by Borrower in connection with this Agreement, and any other instrument or agreement entered into, now or in the future, by any Loan Party or any of its Subsidiaries, any Guarantor or any other Person in favor of Lender in connection with this Agreement, but specifically excluding all Hedge Agreements.

"Loan Management Service" means Lender's or a Bank Product Provider's proprietary automated loan management program currently known as "Loan Manager" and any successor service or product of Lender which performs similar services.

"Loan Party" means Borrower and each Subsidiary of Borrower which becomes a Guarantor.

"Lockbox" means "Lockbox" as defined and described in the Cash Management Documents.

"Management Agreement" means the Management Services Agreement, dated on or about the Closing Date, between Borrower and Peak Rock Capital Directors LP, as from time to time amended.

"Margin Stock" as defined in Regulation U of the Board of Governors of the Federal Reserve System as in effect from time to time.

"Material Adverse Change" means (a) a material adverse change in the business, prospects, operations, results of operations, assets, liabilities or financial condition of Borrower and its Subsidiaries taken as a whole, (b) a material impairment of the ability of any Loan Party or its Subsidiaries or of any Guarantor or to perform its obligations under the Loan Documents to which it is a party or of the Lender's ability to enforce the Obligations or realize upon any of the collateral security for the Obligations, including, without limitation, any of the Collateral, or (c) a material impairment of the enforceability or priority of Lender's Liens with respect to any of the collateral security for the Obligations, including, without limitation, any of the Collateral, as a result of an action or failure to act on the part of any Loan Party or its Subsidiaries or of any Guarantor.

"Material Contract" means, with respect to any Loan Party or any Subsidiary of any Loan Party, (i) each contract or agreement to which such Loan Party or such Subsidiary is a party involving aggregate consideration payable to or by such Loan Party or such Subsidiary of $250,000 or more (other than purchase orders in the ordinary course of the business of such Loan Party or such Subsidiary), and (ii) all other contracts or agreements, the loss of which could reasonably be expected to result in a Material Adverse Change.

"Material Licenses" means, with respect to any Loan Party or any Subsidiary of any Loan Party, any license, permit or other authorization which is required or necessary for any Loan Party or any Subsidiary of any Loan Party to conduct any material portion of its business or operations.

"Maturity Date" has the meaning specified therefor in Section 2.9 of this Agreement.

"Maximum Credit" is $30,000,000 as of the date of this Agreement.

"Maximum Revolver Amount" is $19,000,000 as of the date of this Agreement.

"Moody's" has the meaning specified therefor in the definition of Cash Equivalents.

"Multiemployer Plan" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which any Loan Party or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

"Multiple Employer Plan" means a Plan which has two or more contributing sponsors (including any Loan Party or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

"Negotiable Collateral" means letters of credit, letter-of-credit rights, instruments, promissory notes, drafts and documents (as each such term is defined in the Code).

"Net Cash Proceeds" shall mean:

(a) with respect to any Asset Sale, the cash proceeds received by Borrower or any of its Subsidiaries (including cash proceeds subsequently received (as and when received by Borrower or any of its Subsidiaries) in respect of non-cash consideration initially received) net of (i) the direct costs relating to such Asset Sale, including, without limitation, selling expenses (including reasonable brokers' or sales fees or commissions, legal, accounting, investment banking and other professional and transactional fees, transfer and similar taxes and Borrower's good faith estimate of income or other taxes paid or payable in connection with such sale); (ii) amounts provided as a reserve, in accordance with GAAP, against (x) any liabilities under any indemnification obligations associated with such Asset Sale, (y) any other liabilities retained by Borrower or any of its Subsidiaries associated with the assets or properties sold in such Asset Sale (provided that, to the extent and at the time any such amounts are released from such reserve, such amounts shall constitute Net Cash Proceeds) or (z) earn-outs and other purchase price adjustments associated with the purchase price of the assets or properties subject to such Asset Sale and; (iii) Borrower's good faith estimate of payments required to be made with respect to unassumed liabilities relating to the assets or properties sold within 180 days of such Asset Sale (provided that, to the extent such cash proceeds are not used to make payments in respect of such unassumed liabilities within 180 days of such Asset Sale, such cash proceeds shall constitute Net Cash Proceeds); and (iv) the principal amount, premium or penalty, if any, interest and other amounts paid with to respect to any Indebtedness for borrowed money which is secured by a Lien on the assets or properties sold in such Asset Sale (so long as such Lien was permitted to encumber such assets or properties under the Loan Documents at the time of such sale) and which is repaid with such proceeds (other than any such Indebtedness assumed by the purchaser of such properties);

(b) with respect to any incurrence of Indebtedness, the cash proceeds thereof (from a Person other than Borrower or any other Loan Party), net of customary fees, sales and underwriting discounts, premiums, commissions, costs and other expenses incurred in connection therewith; and

(c) with respect to any Casualty Event, the cash proceeds of casualty and condemnation insurance (which for the avoidance of doubt will exclude any proceeds of business interruption insurance) received in respect thereof, net of all (i) reasonable fees, premiums, costs, expenses and taxes incurred in connection with the collection of such proceeds, awards or other compensation in respect of such Casualty Event and (ii) the principal amount, premium or penalty, if any, interest and other amounts with respect to any Indebtedness for borrowed money which is secured by a Lien on the assets or properties subject to such Casualty Event (so long as such Lien was permitted to encumber such assets or properties under the Loan Documents at the time of such Casualty Event) and which is repaid with such proceeds.

"Net Forced Liquidation Value" means, as to Eligible Equipment, at any time, the value of such Eligible Equipment, determined on a forced liquidation basis, as set forth in the most recent acceptable appraisal received by Lender and upon which Lender may rely, net of all operating expenses and associated costs of such liquidation, such value to be as determined from time to time by an appraisal company selected or approved by Lender, with such most recent acceptable appraisal to be in form, scope, methodology and content acceptable to Lender.

"Net Liquidation Percentage" means the percentage of the Value of Borrower's Eligible Inventory that is estimated to be recoverable in an orderly liquidation of such Eligible Inventory as set forth in the most recent acceptable appraisal received by Lender and upon which Lender may rely, net of all operating expenses and associated costs of such liquidation, such percentage to be as determined from time to time by an appraisal company selected or approved by Lender, with such most recent acceptable appraisal to be in form, scope, methodology and content acceptable to Lender.

"Net Orderly Liquidation Value" means, as to the Eligible Equipment, Eligible New Equipment and Eligible New Racking, at any time, the value of such Eligible Equipment, Eligible New Equipment or Eligible New Racking, as applicable, determined on an orderly liquidation basis, as set forth in the most recent acceptable appraisal received by Lender and upon which Lender may rely, net of all operating expenses and associated costs of such liquidation, such value to be as determined from time to time by an appraisal company selected or approved by Lender, with such most recent acceptable appraisal to be in form, scope, methodology and content acceptable to Lender.

"Non-Financed Capital Expenditures" means Capital Expenditures of Borrower and its Subsidiaries not financed by the seller of the capital asset, by a third party lender or by means of any extension of credit by Lender other than by means of an Advance under the Revolving Credit Facility or loans made under the Closing Date Credit Line.

"Obligations" means (a) all loans (including the Advances and the Term Loan), debts, principal, interest (including any interest that accrues after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), reimbursement or indemnification obligations with respect to Letters of Credit (irrespective of whether contingent), premiums, liabilities (including all amounts charged to the Loan Account pursuant to this Agreement), obligations (including indemnification obligations), fees, Lender Expenses (including any fees or expenses that accrue after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), guaranties, and all covenants and duties of any other kind and description owing by any Loan Party or any Guarantor pursuant to or evidenced by this Agreement or any of the other Loan Documents and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, sole, joint, several or joint and several, now existing or hereafter arising, and including all interest not paid when due and all other expenses or other amounts that any Loan Party or any Guarantor is required to pay or reimburse by the Loan Documents or by law or otherwise in connection with the Loan Documents, and (b) all Bank Product Obligations. Any reference in this Agreement or in the Loan Documents to the Obligations shall include all or any portion thereof and any extensions, modifications, renewals, or alterations thereof, both prior and subsequent to any Insolvency Proceeding.

"OFAC" means The Office of Foreign Assets Control of the U.S. Department of the Treasury.

"Overadvance Amount" has the meaning specified therefor in Section 2.4(f) of this Agreement.

"Payment in Full" or "Paid in Full" means, when used in connection with the Obligations, the full and final payment in cash of all of the Obligations (other than unasserted contingent indemnification obligations), and the expiration, termination, cancellation or cash collateralization (including Letter of Credit Collateralization and Bank Product Collateralization) of all Letter of Credit Usage, Bank Product Obligations (including Hedge Obligations) or other similar obligations, and the termination of all commitments and obligations of Lender to make loans or extend other financial accommodations to Borrower under the Credit Agreement or the other Loan Documents.

"Patents" means patents and patent applications, including (i) the patents and patent applications listed on Schedule 5.25(b) to the Information Certificate, (ii) all continuations, divisionals, continuations-in-part, re-examinations, reissues, and renewals thereof and improvements thereon, (iii) all income, royalties, damages and payments now and hereafter due or payable under and with respect thereto, including payments under all licenses entered into in connection therewith and damages and payments for past, present, or future infringements thereof, (iv) the right to sue for past, present, and future infringements thereof, and (v) all of each Loan Party's rights corresponding thereto throughout the world.

"Patent Security Agreement" means each Patent Security Agreement executed and delivered by the applicable Loan Party in favor of Lender, in form and substance reasonably acceptable to Lender.

"Patriot Act" means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

"PBGC" means the Pension Benefit Guaranty Corporation.

"Pension Act" means the Pension Protection Act of 2006.

"Pension Funding Rules" means the rules of the IRC and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans and set forth in, with respect to plan years ending prior to the effective date of the Pension Act, Section 412 of the IRC and Section 302 of ERISA, each as in effect prior to the Pension Act and, thereafter, Section 412, 430, 431, 432 and 436 of the IRC and Sections 302, 303, 304 and 305 of ERISA.

"Pension Plan" means any employee pension benefit plan (including a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by any Loan Party and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the IRC.

"Permitted Discretion" means a determination made in good faith and in the exercise of the commercially reasonable business judgment of Lender in accordance with customary business practices for comparable asset-based transactions.

"Permitted Dispositions" means:

(a) sales, abandonment, or other dispositions of Equipment that is substantially worn, damaged, or obsolete in the ordinary course of business or that is no longer used in the business of the applicable Loan Party or the applicable Subsidiary of a Loan Party;

(b) sales of Inventory to buyers in the ordinary course of business;

(c) the granting of Permitted Liens;

(d) the making of a Restricted Junior Payment that is expressly permitted to be made pursuant to this Agreement;

(e) the making of a Permitted Investment; and

(f) any other disposition (not otherwise specifically permitted in this definition of Permitted Dispositions) which is agreed to in writing by Lender in its sole discretion.

"Permitted Holders" means Peak Rock Capital, its successors and its affiliates, and funds or partnerships managed or advised by them but not including any portfolio company of the foregoing.

"Permitted Indebtedness" means:

(a) Indebtedness evidenced by this Agreement or the other Loan Documents or any other Indebtedness of a Loan Party or any Subsidiary of a Loan Party to Lender or any of Lender's Affiliates;

(b) subject to the provisions of this Agreement and the applicable Subordination Agreements, Subordinated Debt of the Borrower which Lender has agreed in writing may be incurred by Borrower;

(c) Indebtedness set forth on Schedule 5.19 to the Information Certificate and any Refinancing Indebtedness in respect of such Indebtedness;

(d) Permitted Purchase Money Indebtedness and any Refinancing Indebtedness in respect of such Indebtedness;

(e) endorsement of instruments or other payment items for deposit;

(f) the incurrence by Borrower or its Subsidiaries of Indebtedness under Hedge Agreements permitted under the terms of this Agreement that are incurred for the bona fide purpose of hedging the interest rate, commodity, or foreign currency risks associated with the operations of Borrower and its Subsidiaries and not for speculative purposes;

(g) Indebtedness incurred in respect of Bank Products other than pursuant to Hedge Agreements;

(h) Indebtedness under Capital Leases of Borrower or any of its Subsidiaries;

(i) unsecured Indebtedness (not otherwise specifically permitted in this definition of Permitted Indebtedness) in an aggregate principal amount not to exceed at any time $100,000;

(j) Indebtedness pursuant to the Closing Date Credit Line; and

(k) other Indebtedness (not otherwise specifically permitted in this definition of Permitted Indebtedness) which is agreed to in writing by Lender in its sole discretion.

"Permitted Investments" means:

(a) Investments in cash and Cash Equivalents;

(b) Investments in negotiable instruments deposited or to be deposited for collection in the ordinary course of business;

(c) advances made in connection with purchases of Goods or services in the ordinary course of business from Persons which are not Affiliates of Borrower and reasonable advances made for costs and expenses in the ordinary course of business;

(d) Investments owned by Borrower or any of its Subsidiaries on the Closing Date and set forth on Schedule P-1;

(e) Investments resulting from entering into Bank Product Agreements;

(f) investments received in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and disputes with, customers and suppliers, in each case in the ordinary course of business;

(g) Investments constituting deposits made in connection with the purchase of goods or services or to secure the performance of statutory obligations constituting Permitted Liens, in each case in the ordinary course of business in an aggregate amount for such deposits not to exceed $100,000 at any one time; and

(h) other Investments (not otherwise specifically permitted in this definition of Permitted Investments) in an aggregate amount not to exceed at any time $100,000.

"Permitted Liens" means

(a) Liens granted to, or for the benefit of, Lender and/or the Bank Product Providers to secure the Obligations;

(b) Liens for unpaid taxes, assessments, or other governmental charges or levies that either (i) are not yet delinquent, or (ii) do not have priority over Lender's Liens and the underlying taxes, assessments, or charges or levies are the subject of Permitted Protests;

(c) judgment Liens arising solely as a result of the existence of judgments, orders, or awards that do not constitute an Event of Default under Section 9.3 of the Agreement;

(d) Liens set forth on Schedule P-2; provided, however, that to qualify as a Permitted Lien, any such Lien described on Schedule P-2 shall only secure the Indebtedness that it secures on the Closing Date and any Refinancing Indebtedness in respect thereof;

(e) the interests of lessors under operating leases and non-exclusive licensors under license agreements;

(f) purchase money Liens or the interests of lessors under Capital Leases to the extent that such Liens or interests secure Permitted Purchase Money Indebtedness and so long as (i) such Lien attaches only to the asset purchased or acquired, the proceeds thereof and the contracts pursuant to which such asset was acquired, and (ii) such Lien only secures the Indebtedness that was incurred to acquire the asset purchased or acquired or any Refinancing Indebtedness in respect thereof;

(g) Liens that are replacements of Permitted Liens to the extent that the original Indebtedness is the subject of permitted Refinancing Indebtedness and so long as the replacement Liens only encumber those assets that secured the original Indebtedness;

(h) Liens arising by operation of law in favor of warehousemen, landlords, carriers, mechanics, materialmen, laborers, or suppliers, incurred in the ordinary course of business and not in connection with the borrowing of money, and which Liens either (i) are for sums not yet delinquent, or (ii) are the subject of Permitted Protests;

(i) Liens on amounts deposited to secure the obligations of a Loan Party or any Subsidiary of a Loan Party in connection with worker's compensation or other unemployment insurance;

(j) Liens on amounts deposited to secure the obligations of a Loan Party or any Subsidiary of a Loan Party in connection with the making or entering into of bids, tenders or leases in the ordinary course of business and not in connection with the borrowing of money;

(k) Liens on amounts deposited to secure the reimbursement obligations of a Loan Party or any Subsidiary of a Loan Party with respect to surety or appeal bonds obtained in the ordinary course of business;

(l) with respect to any real property owned or leased by a Loan Party or any Subsidiary of any Loan Party, survey exceptions or encumbrances, easements or reservations, or rights of others for rights-of-way, utilities and other similar purposes, or zoning or other restrictions as to the use of such real properties, which do not materially interfere with the business of such Loan Party or such Subsidiary

(m) rights of setoff or bankers' liens upon deposits of cash in favor of banks or other depositary institutions permitted under this Agreement solely to the extent incurred in connection with the maintenance of such deposit accounts in the ordinary course of business;

(n) Liens in favor of customs authorities arising as a matter of law to secure customs duties in connection with the importation of goods;

(o) subordinated Liens in favor of the Institutional Subordinated Creditors to secure the Subordinated Debt of Borrower to the Institutional Subordinated Creditors so long as such Liens are subordinated to Lender's Liens pursuant to the Institutional Subordination Creditors Subordination Agreement; and

(p) Liens (not otherwise specifically permitted in this definition of Permitted Liens) which are agreed to in writing by Lender in its sole discretion.

"Permitted Overadvance Amount" means $0.

"Permitted Protest" means the right of Borrower or any other Loan Party or any of their respective Subsidiaries to protest any Lien (other than any Lien that secures the Obligations), taxes (other than payroll taxes or taxes that are the subject of a United States federal tax lien), or rental payment, provided that (a) a reserve with respect to such obligation is established on the books and records of Borrower, such other Loan Party or such Subsidiary in such amount as is required under GAAP, (b) any such protest is instituted promptly and prosecuted diligently by Borrower, such other Loan Party or such

Subsidiary, as applicable, in good faith, and (c) Lender is satisfied that, while any such protest is pending, there will be no impairment of the enforceability, validity, or priority of any of Lender's Liens.

"Permitted Purchase Money Indebtedness" means Purchase Money Indebtedness incurred after the Closing Date in an aggregate principal amount outstanding not to exceed $100,000 during any Fiscal Year of Borrower.

"Person" means natural persons, corporations, limited liability companies, limited partnerships, general partnerships, limited liability partnerships, joint ventures, trusts, land trusts, business trusts, or other organizations, irrespective of whether they are legal entities, and governments and agencies and political subdivisions thereof.

"Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan), maintained for employees of any Loan Party or any ERISA Affiliate or any such Plan to which any Loan Party or any ERISA Affiliate is required to contribute on behalf of any of its employees.

"Preferred Stock" means, as applied to the Stock of any Person, the Stock of any class or classes (however designated) that is preferred with respect to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Stock of any other class of such Person.

"Prime Rate" means at any time the rate of interest most recently announced by Lender at its principal office as its Prime Rate, with the understanding that the Prime Rate is one of Lender's base rates, and serves as the basis upon which effective rates of interest are calculated for those loans making reference to it, and is evidenced by its recording in such internal publication or publications as Lender may designate. Each change in the rate of interest shall become effective on the date each Prime Rate change is announced by Lender.

"Proceeds" has the meaning specified therefor in Schedule 1.1, definition of "Collateral".

"Prohibited Preferred Stock" means any Preferred Stock that by its terms is mandatorily redeemable or subject to any other payment obligation (including any obligation to pay dividends, other than dividends of shares of Preferred Stock of the same class and series payable in kind or dividends of shares of common stock) on or before a date that is less than 1 year after the Maturity Date, or, on or before the date that is less than 1 year after the Maturity Date, is redeemable at the option of the holder thereof for cash or assets or securities (other than distributions in kind of shares of Preferred Stock of the same class and series or of shares of common stock).

"Projections" means Borrower's forecasted (a) balance sheets, (b) profit and loss statements, (c) Availability projections, and (d) cash flow statements, all prepared on a basis reasonably consistent with Borrower's historical financial statements, together with appropriate supporting details and a statement of underlying assumptions.

"Protective Advance" has the meaning specified therefor in Section 2.3(d).

"PTO" means the United States Patent and Trademark Office.

"Purchase Money Indebtedness" means Indebtedness (other than the Obligations, but including Capitalized Lease Obligations), incurred at the time of, or within 60 days after, the acquisition, construction or improvement of any fixed assets for the purpose of financing all or any part of the cost of acquisition, construction or improvement thereof.

"Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

"Refinancing Indebtedness" means refinancings, renewals, or extensions of Indebtedness so long as:

(a) such refinancings, renewals, or extensions do not result in an increase in the principal amount of the Indebtedness so refinanced, renewed, or extended, other than by the amount of premiums paid thereon and the fees and expenses incurred in connection therewith and by the amount of unfunded commitments with respect thereto,

(b) such refinancings, renewals, or extensions do not result in a shortening of the average weighted maturity (measured as of the refinancing, renewal, or extension) of the Indebtedness so refinanced, renewed, or extended, nor are they on terms or conditions that, taken as a whole, are or could reasonably be expected to be materially adverse to the interests of Lender,

(c) if the Indebtedness that is refinanced, renewed, or extended was subordinated in right of payment to the Obligations, then the terms and conditions of the refinancing, renewal, or extension must include subordination terms and conditions that are at least as favorable to the Lender as those that were applicable to the refinanced, renewed, or extended Indebtedness, and

(d) the Indebtedness that is refinanced, renewed, or extended is not recourse to any Person that is liable on account of the Obligations other than those Persons which were obligated with respect to the Indebtedness that was refinanced, renewed, or extended.

"Remedial Action" means all actions taken to (a) clean up, remove, remediate, contain, treat, monitor, assess, evaluate, or in any way address Hazardous Materials in the indoor or outdoor environment, (b) prevent or minimize a release or threatened release of Hazardous Materials so they do not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment, (c) restore or reclaim natural resources or the environment, (d) perform any pre-remedial studies, investigations, or post-remedial operation and maintenance activities, or (e) conduct any other actions with respect to Hazardous Materials required by Environmental Laws.

"Reorganization Plan" shall mean the Second Amended Plan of Reorganization of Borrower pursuant to Chapter 11 of the Bankruptcy Code, approved by the Bankruptcy Court pursuant to the Confirmation Order.

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA, other than events for which the 30 day notice period has been waived.

"Reserves" means, ,as of any date of determination, the sum of (a) an amount or percent of a specified item or category of items that Lender establishes from time to time in its Permitted Discretion to reduce Availability to reflect (i) such matters, events, conditions, contingencies or risks which affect or which may reasonably be expected to affect the assets, business or prospects of Borrower, any other Loan Party or the Collateral or its value or the enforceability, perfection or priority of Lender's security interest in the Collateral, or (ii) Lender's reasonable judgment that any collateral report or financial information relating to Borrower or any other Loan Party delivered to Lender is incomplete, inaccurate or misleading in any material respect, *plus* (b) the Dilution Reserve, the Farm Products Reserve and the Bank Product Reserve Amount; provided that, in the case of clauses (a) and (b), (x) no reserve shall be established to the extent that it is duplicative of any other reserves or items that are otherwise excluded through eligibility criteria and (y) the amount of any reserve shall have a reasonable relationship as determined by the Lender in its Permitted Discretion to the matter, event, condition, contingency or risk that is the basis therefor

"Restricted Junior Payment" means (a) declaration or payment of any dividend or the making of any other payment or distribution on account of Stock issued by Borrower to the direct or indirect holders of such Stock, (b) any purchase, redemption, or other acquisition or retirement for value of any Stock issued by Borrower or (c) any payment in respect of any Subordinated Debt owed by Borrower to any Subordinated Creditor and/or any Subordinated Creditors.

"Revolving Facility Pricing Grid" means the pricing grid attached as Exhibit G-1 hereto.

"Revolving Note" means a promissory note of Borrower payable to Lender in the amount of $19,000,000, as such promissory note may be amended, restated, extended or otherwise modified from time to time, including any other promissory note or notes accepted from time to time in substitution therefor or in renewal thereof.

"Revolver Usage" means, as of any date of determination, the sum of (a) the amount of outstanding Advances *plus* (b) the amount of outstanding obligations under the Closing Date Credit Line *plus* (c) the amount of the Letter of Credit Usage.

"Revolving Credit Facility" means the $19,000,000 revolving line of credit facility described in Section 2.1 pursuant to which Lender provides Advances to Borrower and issues Letters of Credit for the account of Borrower.

"Sanctioned Entity" means (a) a country or a government of a country, (b) an agency of the government of a country, (c) an organization directly or indirectly controlled by a country or its government, (d) a Person resident in or determined to be resident in a country, in each case, that is subject to a country sanctions program administered and enforced by OFAC.

"Sanctioned Person" means a person named on the list of Specially Designated Nationals maintained by OFAC.

"S&P" has the meaning specified therefor in the definition of Cash Equivalents.

"SEC" means the United States Securities and Exchange Commission and any successor thereto.

"Securities Account" means a securities account (as that term is defined in the Code).

"Securities Act" means the Securities Act of 1933, as amended from time to time, and any successor statute.

"Security Interest" has the meaning specified therefor in Section 3.1 of this Agreement.

"Solvent" means, with respect to any Person on a particular date, that, (i) at fair valuations, the sum of such Person's assets (and including as assets for this purpose all rights of subrogation, contribution or indemnification arising pursuant to any guarantees given by such Person) is greater than all of such Person's debts and including subordinated and contingent liabilities computed at the amount which, such Person has a reasonable basis to believe, represents an amount which can reasonably be expected to become an actual or matured liability (and including as to contingent liabilities arising pursuant to any guarantee the face amount of such liability as reduced to reflect the probability of it becoming a matured liability); and (ii) such Person is able to pay its debts as they mature and has (and has a reasonable basis to believe it will continue to have) sufficient capital (and not unreasonably small capital) to carry on its business consistent with its practices as of the date hereof.

"Status" means the financial condition of Borrower expressed as Level I or Level II, each as determined in accordance with the definition of "Interest Rate Margin" herein.

"Stock" means all shares, options, warrants, interests, participations, or other equivalents (regardless of how designated) of or in a Person, whether voting or nonvoting, including common stock, preferred stock, or any other "equity security" (as such term is defined in Rule 3a11-1 of the General Rules and Regulations promulgated by the SEC under the Exchange Act).

"Subordinated Creditors" means, collectively, Argosy Investment Partners III, L.P., Marquette Capital Fund I, L.P., Horizon Capital Partners III, L.P. and any other Person now or in the future subordinating Indebtedness or other obligations of any Loan Party held by that Person to the payment of the Obligations, and each is a "Subordinated Creditor".

"Subordinated Debt" means Indebtedness or other obligations owed by Borrower or any other Loan Party which have been subordinated to the Obligations pursuant to a Subordination Agreement.

"Subordinated Securities Purchase Agreement" means, that certain Securities Purchase Agreement dated as of the date hereof by and among the Borrower and the Institutional Subordinated Creditors.

"Subordination Agreement" means each subordination agreement now or hereafter executed by one or more of the Subordinated Creditors in favor of Lender in form and content acceptable to Lender in its sole discretion, including, without limitation, the Institutional Subordinated Creditors Subordination Agreement.

"Subsidiary" of a Person means a corporation, partnership, limited liability company, or other entity in which that Person directly or indirectly owns or controls the shares of Stock having ordinary voting power to elect a majority of the board of directors (or appoint other comparable managers) of such corporation, partnership, limited liability company, or other entity.

"Supporting Obligations" means supporting obligations (as such term is defined in the Code), and includes letters of credit and guaranties issued in support of Accounts, Chattel Paper, documents, General Intangibles, instruments or Investment Related Property.

"Taxes" means any taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature now or hereafter imposed by any jurisdiction or by any political subdivision or taxing authority thereof or therein with respect to such payments and all interest, penalties or similar liabilities with respect thereto; provided, however, that Taxes shall exclude (i) any tax imposed on the net income or net profits of Lender (including any branch profits taxes), in each case imposed by the jurisdiction (or by any political subdivision or taxing authority thereof in which Lender is organized or the jurisdiction (or by any political subdivision or taxing authority thereof) in which Lender's principal office is located in each case as a result of a present or former connection between Lender and the jurisdiction or taxing authority imposing the tax (other than any such connection arising solely from Lender having executed, delivered or performed its obligations or received payment under, or enforced its rights or remedies under this Agreement or any other Loan Document), and (ii) any U.S. withholding taxes imposed under FATCA.

"Termination Date" has the meaning specified therefor in Section 2.9 of this Agreement.

"Term Loan" has the meaning specified therefor in Section 2.2 of this Agreement.

"Term Loan Amount" means $11,000,000.

"Term Loan Pricing Grid" means the pricing grid attached as Exhibit G-2 hereto.

"Term Note" means a promissory note of Borrower payable to Lender in the amount of $11,000,000, as such promissory note may be amended, restated, extended or otherwise modified from time to time, including any other promissory note or notes accepted from time to time in substitution therefor or in renewal thereof.

"Trademark Security Agreement" means each Trademark Security Agreement executed and delivered by the applicable Loan Party in favor of Lender, in form and substance reasonably acceptable to Lender.

"Trademarks" means any and all trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, including (i) the trade names, registered trademarks, trademark applications, registered service marks and service mark applications listed on Schedule 5.25(b) to the Information Certificate, (ii) all renewals thereof, (iii) all income, royalties, damages and payments now and hereafter due or payable under and with respect thereto, including payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (iv) the right to sue for past, present and future infringements and dilutions thereof, (v) the goodwill of each Loan Party's business symbolized by the foregoing or connected therewith, and (vi) all of each Loan Party's rights corresponding thereto throughout the world.

"Transfer Eligible Inventory" means Eligible Inventory that is in transit on trucks or trailers owned or leased by Borrower with a destination being a location identified on Schedule 5.29 to the Information Certificate which is owned by Borrower or leased by Borrower and subject to a Collateral Access Agreement.

"Uniform Customs" means the Uniform Customs and Practice for Documentary Credits (2007 Revision), effective July, 2007 International Chamber of Commerce Publication No. 600.

"United States" means the United States of America.

"Unused Amount" has the meaning specified therefor in Schedule 2.12 of this Agreement.

"USAO NDIL" means the Department of Justice, United States Attorney's Office for the Northern District of Illinois.

"URL" means "uniform resource locator," an internet web address.

"Value" means, as determined by Lender in good faith, with respect to Inventory, the lower of (a) cost computed on a first-in first-out basis in accordance with GAAP or (b) market value, provided that for purposes of the calculation of the Borrowing Base, (i) the Value of the Inventory shall not include: (A) the portion of the value of Inventory equal to the profit earned by any Affiliate on the sale thereof to any Borrower or (B) write-ups or write-downs in value with respect to currency exchange rates and (ii) notwithstanding anything to the contrary contained herein, the cost of the Inventory shall be computed in the same manner and consistent with the most recent appraisal of the Inventory received and accepted by Lender, if any.

"Voidable Transfer" has the meaning specified therefor in Section 17.7 of this Agreement.

b. **Accounting Terms**. All accounting terms not specifically defined herein shall be construed in accordance with GAAP; provided, however, that if Borrower notifies Lender that Borrower requests an amendment to any provision hereof to eliminate the effect of any change in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board of the American Institute of Certified Public Accountants (or successor thereto or any agency with similar functions) (an "Accounting Change") occurring after the Closing Date, or in the application thereof (or if Lender notifies Borrower that Lender requests an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such Accounting Change or in the application thereof, then Lender and Borrower agree that they will negotiate in good faith amendments to the provisions of this Agreement that are directly affected by such Accounting Change with the intent of having the respective positions of the Lender and Borrower after such Accounting Change conform as nearly as possible to their respective positions as of the date of this Agreement and, until any such amendments have

been agreed upon, the provisions in this Agreement shall be calculated as if no such Accounting Change had occurred. Whenever used herein, the term "financial statements" shall include the footnotes and schedules thereto. Whenever the term "Borrower" is used in respect of a financial covenant or a related definition, it shall be understood to mean Borrower and its Subsidiaries on a consolidated basis, unless the context clearly requires otherwise.

c. **Code**. Any terms used in this Agreement that are defined in the Code shall be construed and defined as set forth in the Code unless otherwise defined herein. The meaning of any term defined herein by reference to the Code will not be limited by reason of any limitation set forth on the scope of the Code, whether under Section 9-109 of the Code, by reason of federal preemption or otherwise.

d. **Construction**. Unless the context of this Agreement or any other Loan Document clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, the terms "includes" and "including" are not limiting, and the term "or" has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or." The words "hereof," "herein," "hereby," "hereunder," and similar terms in this Agreement or any other Loan Document refer to this Agreement or such other Loan Document, as the case may be, as a whole and not to any particular provision of this Agreement or such other Loan Document, as the case may be. Section, subsection, clause, schedule, and exhibit references herein are to this Agreement unless otherwise specified. Any reference in this Agreement or in any other Loan Document to any agreement, instrument, or document shall include all alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements, thereto and thereof, as applicable (subject to any restrictions on such alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements set forth herein). The words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts, and contract rights. Any reference herein or in any other Loan Document to the satisfaction, repayment, or payment in full of the Obligations shall mean the repayment in full in cash or immediately available funds (or (a) in the case of contingent reimbursement obligations with respect to Letters of Credit, providing Letter of Credit Collateralization, and (b) in the case of obligations with respect to Bank Products (other than Hedge Obligations), providing Bank Product Collateralization) of all of the Obligations (including the payment of any Lender Expenses that have accrued irrespective of whether demand has been made therefor and the payment of any termination amount then applicable (or which would or could become applicable as a result of the repayment of the other Obligations) under Hedge Agreements) other than unasserted contingent indemnification Obligations. Any reference herein to any Person shall be construed to include such Person's successors and assigns. Any requirement of a writing contained herein or in any other Loan Document shall be satisfied by the transmission of a Record.

e. **Schedules and Exhibits**. All of the schedules and exhibits attached to this Agreement shall be deemed incorporated herein by reference.

Schedule 2.12

TO CREDIT AND SECURITY AGREEMENT

Borrower shall pay to Lender each of the following fees:

On the Closing Date:

Origination Fee: A one-time Commitment Fee of $1,125,000, which shall be fully earned and payable upon the execution of this Agreement.

Monthly:

(a) **Unused Line Fee**. An unused line fee of one-quarter of one percent (0.25%) per annum of the daily average of the Maximum Revolver Amount reduced by outstanding Advances and the Letter of Credit Usage (the "Unused Amount"), from the date of this Agreement to and including the Termination Date, which unused line fee shall be payable monthly in arrears on the first day of each month and on the Termination Date.

(b) **Cash Management Fees**. Service fees to Lender for Cash Management Services provided pursuant to the Cash Management Documents, Bank Product Agreements or any other agreement entered into by the parties, in the amount prescribed in Lender's current service fee schedule.

(c) **Letter of Credit Fees.** A Letter of Credit fee (in addition to the charges, commissions, fees, and costs set forth in Section 2.13) which shall accrue at a rate equal to two percent (2.00%) per annum times the Daily Balance of the undrawn amount of all outstanding Letters of Credit, which Letter of Credit fee shall be payable monthly in arrears on the first day of each month and on the Termination Date. All fees upon the occurrence of any other activity with respect to any Letter of Credit (including, without limitation, the issuance, transfer, amendment, extension or cancellation of any Letter of Credit and honoring of draws under any Letter of Credit) determined in accordance with Lender's standard fees and charges then in effect for such activity.

Upon demand by Lender or as otherwise specified in this Agreement:

(a) **Collateral Exam Fees, Costs and Expenses**. Lender's costs and expenses in connection with any collateral exams, audits or inspections conducted by or on behalf of Lender at the current rates established from time to time by Lender as its fee for collateral exams, audits or inspections (which fees are currently $125 per hour per collateral examiner), together with all actual out-of-pocket costs and expenses incurred in conducting any collateral exam, audit, or inspection. Lender may conduct collateral exams, audits and inspections; provided, however, that commencing on the first anniversary of the Closing Date and during each year thereafter, so long as no Default or Event of Default shall have occurred and is continuing and (i) Availability was at or greater than $5,000,000 on each day of the 180 day period immediately preceding the first day of such Fiscal Year, Borrower shall have no obligation to reimburse Lender for fees, costs and expenses related to more than two (2) such collateral exams, audits or inspections during such Fiscal Year of Borrower; and (ii) Availability was less than $5,000,000 at any time during the 180 day period immediately preceding the first day of such Fiscal Year, Borrower shall have no obligation to reimburse Lender for fees, costs and expenses related to more than three (3) such collateral exams, audits or inspections during such Fiscal Year of Borrower.

(b) **Appraisal Fees, Costs and Expenses**. Lender's costs and expenses, including any appraisal fees and costs and expenses incurred by an appraiser, in connection with any appraisal of all or any part of the Collateral conducted at the request of the Lender; provided, however, that commencing on the first anniversary of the Closing Date and during each year thereafter, so long as no Default or Event of Default shall have occurred, Borrower shall have no obligation to reimburse Lender for fees, costs and expenses related to more than one (1) such appraisal of all or any part of the Collateral conducted during each such Fiscal Year.

(c) **Termination, Reduction and Prepayment Fees**. If (i) Lender terminates the Revolving Credit Facility after the occurrence and during the continuance of an Event of Default, or (ii) Borrower terminates the Revolving Credit Facility on a date prior to the Maturity Date, or (iii) Borrower reduces the Maximum Revolver Amount or if Borrower and Lender agree to reduce the Maximum Revolver Amount, or (iv) Borrower prepays all or any portion of the Term Loan, then Borrower shall pay Lender as liquidated damages a termination, reduction or prepayment fee in an amount equal to a percentage of the Maximum Credit in the case of a termination of the Revolving Credit Facility, a percentage of the amount of reduction of the Maximum Revolver Amount in the case of a reduction in the Maximum Revolver Amount, a percentage of the amount of prepayment of the Term Loan (as the case may be) calculated as follows: (A) two percent (2.00%) if the termination or reduction occurs on or before the first anniversary of the first Advance; and (B) one percent (1.00%) if the termination or reduction occurs after the first anniversary of the first Advance, but on or before the second anniversary of the first Advance; (C) zero percent (0.00%) if the termination or reduction occurs after the second anniversary of the first Advance. If the Credit Facility is refinanced by Lender or any of its Affiliates 18 months or more after the Closing Date, such refinancing shall not be a termination or reduction

resulting in the payment of termination or reduction fees under this clause (c).

Schedule 6.1

TO CREDIT AND SECURITY AGREEMENT

Deliver to Lender each of the financial statements, reports, or other items set forth below at the following times, in form satisfactory to Lender:

as soon as available, but in any event within 25 days after the end of each Fiscal Month:	(a) an unaudited consolidated and consolidating balance sheet, income statement, statement of cash flow, and statement of owner's equity covering the operations of Borrower and its Subsidiaries during such period and compared to the prior period, together with a corresponding discussion and analysis of results from management; and (b) a Compliance Certificate along with the underlying calculations, including (for the last Fiscal Month of each Fiscal Quarter) the calculations to establish compliance with the financial covenants set forth in Section 8.
as soon as available, but in any event within 120 days after the end of each Fiscal Year:	(a) consolidated and consolidating financial statements of Borrower for each such Fiscal Year, audited by independent certified public accountants reasonably acceptable to Lender and certified, without any qualification which relates to the treatment or classification of any item and which, as a condition to the removal of such qualification, would require an adjustment to such item), by such accountants to have been prepared in accordance with GAAP (such audited financial statements to include a balance sheet, income statement, statement of cash flow, and statement of owner's equity and, if prepared, such accountants' letter to management), together with a corresponding discussion and analysis of results from management; (b) a Compliance Certificate along with the underlying calculations, including the calculations to establish compliance with the financial covenants set forth in Section 8 and certain other covenants under this Agreement; and
as soon as available, but in any event within 30 days before the start of each Fiscal Year:	(a) copies of Borrower's Projections, in form and substance (including as to scope and underlying assumptions) satisfactory to Lender, in its sole discretion, for such Fiscal Year, on a monthly basis, certified by the chief financial officer of Borrower as being such officer's good faith estimate of the financial performance of Borrower during the period covered thereby.

Schedule 6.2

TO CREDIT AND SECURITY AGREEMENT

Provide Lender with each of the documents set forth below at the following times in form and substance satisfactory to Lender:

Weekly on the second Business Day of each week or more frequently if Lender requests:	(a) a weekly collateral report in form and detail acceptable to Lender; (b) a Borrowing Base Certificate and balance statement under the Closing Date Credit Line; and (b) Inventory system/perpetual reports specifying the cost of Borrower's Inventory, by location and by category, with additional detail showing additions to and deletions therefrom (delivered electronically in an acceptable format, if Borrower has implemented electronic reporting).
Monthly (no later than the 10th day of each month or more frequently if Lender requests:	(a) a detailed aging of Borrower' Accounts, together with a reconciliation to the monthly Account roll-forward and supporting documentation for any reconciling items noted (delivered electronically in an acceptable format, if Borrower has implemented electronic reporting); (b) a detailed calculation of those Accounts that are not eligible for the Borrowing Base; and (c) a summary aging, by vendor, of Borrower's accounts payable (delivered electronically in an acceptable format, if Borrower has implemented electronic reporting).
Monthly (no later than the 20th day of each month) or more frequently if Lender requests:	(a) a reconciliation of Accounts aging, trade accounts payable aging, and Inventory perpetual of Borrower to the general ledger and the monthly financial statements, including any book reserves related to each category; (b) Inventory system/perpetual reports specifying the cost of Borrower's Inventory, by location and by category, with additional detail showing additions to and deletions therefrom (delivered electronically in an acceptable format, if Borrower has implemented electronic reporting); and (c) a detailed calculation of Inventory categories that are not eligible for the Borrowing Base.
Annually, or more frequently, if Lender requests:	(a) a detailed list of Borrower's and its Subsidiaries' customers, with address and contact information; and (b) mark to market Inventory adjustments.
Upon request by Lender:	(a) copies of purchase orders and invoices for Inventory and Equipment acquired by Borrower or its Subsidiaries; and (b) such other reports and information as to the Collateral and as to Borrower, each other Loan Party and each Subsidiary of each Loan Party and each Guarantor, as Lender may reasonably request.

EXHIBIT A

TO CREDIT AND SECURITY AGREEMENT

FORM OF COMPLIANCE CERTIFICATE

[on Borrower's letterhead]

To: HC Capital Holdings 0909A, LLC
c/o Peak Rock Capital
13413 Galleria Circle, Suite Q-300
Austin, TX 78738
Attn: Robert M. Strauss

Re: Compliance Certificate dated [_____]

Ladies and Gentlemen:

Reference is made to that certain Credit and Security Agreement (as amended, the "Credit Agreement") dated as of December 31, 2013, by and between HC Capital Holdings 0909A, LLC ("Lender") and Natural American Foods, Inc. ("Borrower"). Capitalized terms used in this Compliance Certificate have the meanings set forth in the Credit Agreement unless specifically defined herein.

Pursuant to Schedule 6.1 of the Credit Agreement, the undersigned officer of Borrower hereby certifies that:

1. Attached are the required financial information of Borrower and its Subsidiaries which are required to be furnished to Lender pursuant to Section 6.1 of the Credit Agreement for the period ended _____, ____ (the "Reporting Date"). Such financial information has been prepared in accordance with GAAP [(except for year-end adjustments and the lack of footnotes)]*, and fairly presents in all material respects the financial condition of Borrower and its Subsidiaries.

2. Such officer has reviewed the terms of the Credit Agreement and has made, or caused to be made under his/her supervision, a review in reasonable detail of the transactions and condition of Borrower and its Subsidiaries during the accounting period covered by the financial statements delivered pursuant to Schedule 6.1 of the Credit Agreement.

3. Such review has not disclosed the existence on and as of the date hereof, and the undersigned does not have knowledge of the existence as of the date hereof, of any event or condition that constitutes a Default or Event of Default.

4. The representations and warranties of Borrower, each other Loan Party and each Subsidiary of each Loan Party and each Guarantor set forth in the Credit Agreement and the other Loan Documents are true and correct in all material respects on and as of the date hereof (except to the extent they relate to a specified date).

5. As of the Reporting Date, Borrower and its Subsidiaries are in compliance with the applicable covenants contained in Section 7 [and Section 8 of the Credit Agreement as demonstrated on Schedule 1 hereof]**.

IN WITNESS WHEREOF, this Compliance Certificate is executed by the undersigned this _____ day of _____, _____.

Natural American Foods, Inc.

By: _____

Name:_____
Title:_____

* Include bracketed language with monthly unaudited financial statements. Exclude bracketed language with annual audit reports
** Include bracketed language and calculations with Compliance Certificate delivered on the last Fiscal Month of each Fiscal Quarter

SCHEDULE 1 TO COMPLIANCE CERTIFICATE

I further certify that (Please check and complete each of the following):

1. **Fixed Charge Coverage Ratio.** As of the Reporting Date, the Fixed Charge Coverage Ratio of Borrower and its Subsidiaries, measured on a trailing twelve-month basis, for the period ending on the Reporting Date, is ___:1.0, which □ satisfies □ does not satisfy the requirement that such ratio be not less than the ratio required in Section 8.1 for such Reporting Date. Attached to this Schedule 1 are calculations supporting the foregoing certification with respect to the Fixed Charge Coverage Ratio of Borrower.

2. **Non-Financed Capital Expenditures**. As of the Reporting Date, the Borrower has made or incurred Non-Financed Capital Expenditures for the Fiscal Year to-date-period ending on the Reporting Date of $_____which □ satisfies □ does not satisfy the requirement that Borrower shall not make or incur any Non-Financed Capital Expenditures in any Fiscal Year that would cause the aggregate amount of Non-Financed Capital Expenditures made or incurred by Borrower in such Fiscal Year to exceed $800,000.

3. **Minimum EBITDA.** As of the Reporting Date, Borrower has achieved EBITDA, measured for the trailing twelve month period ended as of the Reporting Date, of not less than $_____ which □ satisfies □ does not satisfy the requirement that Borrower shall achieve EBITDA of not less than amount required by Section 8.3 for the trailing twelve month period ended as of the Reporting Date.

SCHEDULE 2 TO COMPLIANCE CERTIFICATE

Borrower's Calculation of
Fixed Charge Coverage Ratio,
EBITDA, etc.

Borrower's Calculation of
Average Excess Availability and Status

Borrower's Calculation of
Excess Cash Flow for Previous Fiscal Year, Borrower's Average Excess Availability and Borrower's Pro forma Compliance with Financial Covenants

EXHIBIT B

TO CREDIT AND SECURITY AGREEMENT

CONDITIONS PRECEDENT

THE OBLIGATION OF LENDER TO MAKE ITS INITIAL EXTENSION OF CREDIT PROVIDED FOR IN THIS AGREEMENT IS SUBJECT TO THE FULFILLMENT, TO THE SATISFACTION OF LENDER, OF EACH OF THE FOLLOWING CONDITIONS PRECEDENT:

(a) the Closing Date shall occur on or before December 31, 2013.

(b) [Reserved]

(c) Lender shall have received each of the following documents, in form and substance satisfactory to Lender, duly executed, and each such document shall be in full force and effect:

(i) this Agreement and the other Loan Documents;

(ii) [Reserved]

(iii) [Reserved]

(iv) [Reserved]

(v) the Institutional Subordinated Creditors Subordination Agreement in favor of Lender, together with copies of all loan documents evidencing the Subordinated Debt of such parties including such amendments as Lender may require, and

(vi) copies of the Subordinated Securities Purchase Agreement and related documents with all changes and amendments required by Lender;

(d) Lender shall have received a certificate from the Secretary of Borrower (i) attesting to the resolutions of the Board of Directors of Borrower, as applicable, authorizing its execution, delivery, and performance of the Loan Documents to which it is a party, (ii) authorizing specific officers to execute the same, and (iii) attesting to the incumbency and signatures of such specific officers;

(e) Lender shall have received copies of the articles of incorporation and bylaws of Borrower, as amended, modified, or supplemented to the Closing Date, certified as true, correct and complete by the Secretary of Borrower;

(f) Lender shall have received a certificate of status with respect to Borrower dated within 10 days of the Closing Date, such certificate to be issued by the appropriate officer of the jurisdiction of organization of Borrower, which certificate shall indicate that Borrower is in good standing in such jurisdiction

(g) [Reserved]

(h) [Reserved]

(i) [Reserved]

(j) Lender shall have received a set of Projections of Borrower satisfactory to Lender;

(k) Borrower shall have paid all Lender Expenses incurred in connection with the transactions evidenced by this Agreement;

(l) Borrower shall have received all licenses, approvals or evidence of other actions required by any Governmental Authority in connection with the execution and delivery by Borrower of the Loan Documents or with the consummation of the transactions contemplated hereby.

(m) all other documents and legal matters in connection with the transactions contemplated by this Agreement shall have been delivered, executed, or recorded and shall be in form and substance satisfactory to Lender;

(n) (i) The Confirmation Order Entry Date shall have occurred, (ii) no appeal or petition for review, rehearing or certiorari with respect to the Confirmation Order shall be pending, and (iii) the Confirmation Order shall be in full force and effect.

(o) (i) The effective date of the Reorganization Plan shall have occurred no later than January 10, 2014, and (ii) all conditions precedent to the effectiveness of the Reorganization Plan shall have been fulfilled or waived by the Lender, including the execution, delivery and performance of all instruments, documents and agreements necessary to effectuate the Reorganization Plan;

(p) Lender shall have received a true and correct copy of the Confirmation Order (which may be provided from the Public Access to Court Electronic Records Website) evidencing the release or termination or discharge of all Liens (other than Liens otherwise permitted pursuant to the terms of the Reorganization Plan or this Agreement) granted to, created or purported to be created under the documents governing (i) any Indebtedness of the Borrower and its Subsidiaries arising prior to the Filing Date or (ii) the DIP Credit Agreement, and no Indebtedness of the Borrower and its Subsidiaries that arose prior to the Filing Date or other claims against Borrower and its Subsidiaries other than claims pursuant to, or not otherwise prohibited by, the Reorganization Plan, shall remain outstanding as obligations of the Borrower and its Subsidiaries and no Liens shall remain attached to any assets or property of the Borrower and its Subsidiaries except (i) for the Indebtedness incurred under the Loan Documents and Liens created pursuant to the Loan Documents or (ii) as otherwise permitted pursuant to the terms of the Reorganization Plan or this Agreement;

(q) Lender shall have received evidence that the DIP Credit Agreement has been or concurrently with the Closing Date is being terminated and all obligations thereunder shall have been repaid in full (other than any contingent indemnification or other obligations not yet due and payable);

(r) The reorganization of the Loan Parties pursuant to the Reorganization Plan shall have occurred and all transactions necessary to effectuate the Reorganization Plan shall have been consummated;

(s) such opinions of counsel for Borrower and the Guarantors as Lender may request; and

(t) Lender shall have received such other items as Lender shall have reasonably requested.

EXHIBIT C

TO CREDIT AND SECURITY AGREEMENT

CONDITIONS SUBSEQUENT

Within 30 days of the Closing Date (or such later date as may be agreed by the Lender in its sole discretion), Borrower shall have satisfied each of the following conditions subsequent:

(a) Lender shall have received each of the following documents, in form and substance satisfactory to Lender, duly executed, and each such document shall be in full force and effect:

(i) the Cash Management Documents, and

(ii) a Control Agreement with Wells Fargo Bank, National Association.

(b) Lender shall have received copies of the policies of insurance and certificates of insurance, as are required by Section 6.6 (other than endorsements thereto), the form and substance of which shall be satisfactory to Lender.

(c) Lender shall have received Collateral Access Agreements with respect to Borrower's leased locations or public warehouse locations at 10464 Bryan Highway, Onsted, MI 49265; 3220 SE County Highway 484, Belleview, Florida 34421; 125 E. Laurel Street, Colton, CA 92324; 1701 Massey Tompkins, Baytown, TX; 4750 Unit B Zinfandel Court, Ontario, CA 91761-2319; 31 Plymouth St., Mansfield, MA 02048; 3601 S. Leonard Rd., St. Joseph, MO 64503; and 26545 Danti Ct., Hayward, CA 94545.

(d) Lender shall have completed (i) Patriot Act searches, OFAC/PEP searches and customary individual background checks for each Loan Party and each Guarantor, and (ii) OFAC/PEP searches and customary individual background searches for the senior management and key principals of each Loan Party and each Guarantor, the results of which shall be satisfactory to Lender.

EXHIBIT D

TO CREDIT AND SECURITY AGREEMENT

REPRESENTATIONS AND WARRANTIES

5.1 **Due Organization and Qualification; Subsidiaries.**

(a) Each Loan Party and each Guarantor (i) is duly organized and existing and in good standing under the laws of the jurisdiction of its organization, (ii) is qualified to do business in any state where the failure to be so qualified could reasonably be expected to result in a Material Adverse Change, and (iii) has all requisite power and authority to own and operate its properties, to carry on its business as now conducted and as proposed to be conducted, to enter into the Loan Documents to which it is a party and to carry out the transactions contemplated thereby.

(b) Set forth on Schedule 5.1(b) to the Information Certificate is a complete and accurate description of the authorized capital Stock of each Loan Party, each Subsidiary of each Loan Party and each Guarantor, by class, and, as of the Closing Date, a description of the number of shares of each such class that are issued and outstanding. Other than as described on Schedule 5.1(b) to the Information Certificate, as of the Closing Date, there are no subscriptions, options, warrants, or calls relating to any shares of any capital Stock of any Loan Party, any Subsidiary of any Loan Party or any Guarantor, including any right of conversion or exchange under any outstanding security or other instrument. No Loan Party or any Subsidiary of any Loan Party or any Guarantor is subject to any obligation (contingent or otherwise) to repurchase or otherwise acquire or retire any shares of its capital Stock or any security convertible into or exchangeable for any of its capital Stock.

(c) Set forth on Schedule 5.1(c) to the Information Certificate (as such Schedule may be updated from time to time to reflect changes resulting from transactions permitted under this Agreement), is a complete and accurate list of the direct and indirect Subsidiaries of the Loan Parties and of the Guarantors, showing: (i) the number of shares of each class of common and preferred Stock authorized for each of such Subsidiaries, and (ii) the number and the percentage of the outstanding shares of each such class owned directly or indirectly by each Loan Party and each Guarantor. All of the outstanding capital Stock of each such Subsidiary of any Loan Party and each Subsidiary of each Guarantor has been validly issued and is fully paid and non-assessable.

5.2 **Due Authorization; No Conflict.**

(a) As to each Loan Party and each Guarantor, the execution, delivery, and performance by such Loan Party or such Guarantor, as applicable, of the Loan Documents to which it is a party have been duly authorized by all necessary action on the part of such Loan Party or such Guarantor, as applicable.

(b) As to each Loan Party and each Guarantor, the execution, delivery, and performance by such Loan Party or such Guarantor, as applicable, of the Loan Documents to which it is a party do not (i) violate any material provision of federal, state, or local law or regulation applicable to any Loan Party or its Subsidiaries or to any Guarantor or its Subsidiaries, the Governing Documents of any Loan Party or its Subsidiaries or of any Guarantor or its Subsidiaries, or any order, judgment, or decree of any court or other Governmental Authority binding on any Loan Party or its Subsidiaries or on any Guarantor or its Subsidiaries, (ii) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under the Closing Date Credit Line, any Material Contract or any Material License of any Loan Party or its Subsidiaries except to the extent that any such conflict, breach or default could not individually or in the aggregate reasonably be expected to cause a Material Adverse Change, (iii) result in or require the creation or imposition of any Lien of any nature whatsoever upon any assets of any Loan Party, other than Permitted Liens, or (iv) require any approval of any interest holders of such Loan Party or such Guarantor or any approval or consent of any Person under any Material Contract or any Material License of any Loan Party, other than consents or approvals that have been obtained and that are still in force and effect and except, in the case of Material Contracts, for consents or approvals, the failure to obtain could not individually or in the aggregate reasonably be expected to cause a Material Adverse Change.

5.3 **Governmental Consents.** No consent, approval, authorization, or other order or other action by, and no notice to or filing with, any Governmental Authority or any other Person is required to be obtained or made by any Loan Party or any Guarantor (i) for the grant of any security interest by such Loan Party or such Guarantor in and to any of the collateral security for the Obligations, including, without limitation, the Collateral, pursuant to this Agreement or any other Loan Document or for the execution, delivery, or performance of this Agreement or any other Loan Document by such Loan Party or such Guarantor, in each case except for any filings or notices contemplated by the Loan Documents and such consents, approvals, authorizations, orders, actions, notices or filings as have been obtained or made, or (ii) for the exercise by Lender of the voting or other rights provided for in this Agreement or in any other Loan Document with respect to the Investment Related Property or the remedies in respect of the collateral security for the Obligations, including, without limitation, the Collateral, pursuant to this

Agreement or any other Loan Document, except as may be required in connection with such disposition of Investment Related Property by laws affecting the offering and sale of securities generally. No Intellectual Property License of any Loan Party or Guarantor that is material and necessary to the conduct of the business of such Loan Party or such Guarantor requires any consent of any other Person in order for such Loan Party or such Guarantor to grant the security interest granted hereunder or under any other Loan Document in the right, title or interest of such Loan Party or such Guarantor in or to such Intellectual Property License.

5.4 **Binding Obligations.** Each Loan Document has been duly executed and delivered by each Loan Party and Guarantor that is a party thereto and is the legally valid and binding obligation of such Loan Party or such Guarantor, as applicable, enforceable against such Loan Party or such Guarantor, as applicable, in accordance with its respective terms, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally.

5.5 **Title to Assets; No Encumbrances.** Each Loan Party and each Subsidiary of each Loan Party and each Guarantor has (a) good, sufficient and legal title to (in the case of fee interests in real property), (b) valid leasehold interests in (in the case of leasehold interests in real or personal property), and (c) good and marketable title to (in the case of all other personal property), all of its respective assets reflected in its most recent financial statements delivered pursuant to Section 6.1 and most recent collateral reports delivered pursuant to Section 6.2, in each case except for assets disposed of since the date of such financial statements to the extent permitted hereby. All of such assets are free and clear of Liens except for Permitted Liens.

5.6 **Jurisdiction of Organization; Location of Chief Executive Office; Organizational Identification Number; Commercial Tort Claims.**

(a) The exact legal name of (within the meaning of Section 9-503 of the Code) and jurisdiction of organization of each Loan Party and each of its Subsidiaries and of each Guarantor is set forth on Schedule 5.6(a) to the Information Certificate (as such Schedule may be updated from time to time to reflect changes resulting from transactions permitted under this Agreement).

(b) The chief executive office of each Loan Party and each of its Subsidiaries and of each Guarantor is located at the address indicated on Schedule 5.6(b) to the Information Certificate (as such Schedule may be updated from time to time to reflect changes resulting from transactions permitted under this Agreement).

(c) The tax identification numbers and organizational identification numbers, if any, of each Loan Party and each Subsidiary of each Loan Party and of each Guarantor are identified on Schedule 5.6(c) to the Information Certificate (as such Schedule may be updated from time to time to reflect changes resulting from transactions permitted under this Agreement).

(d) As of the Closing Date, no Loan Party and no Subsidiary of a Loan Party holds any Commercial Tort Claims, except as set forth on Schedule 5.6(d) to the Information Certificate.

5.7 **Litigation.**

(a) Except as set forth on Schedule 5.7(b) to the Information Certificate and except as otherwise disclosed in Borrower's Annual Report for the Fiscal Year ended December 31, 2012, there are no actions, suits, or proceedings pending or, to the knowledge of any Loan Party, after due inquiry, threatened in writing against a Loan Party or any of its Subsidiaries that either individually or in the aggregate could reasonably be expected to result in a Material Adverse Change.

(b) Schedule 5.7(b) to the Information Certificate sets forth a complete and accurate description, with respect to each of the actions, suits, or proceedings that, as of the Closing Date, is pending or, to the knowledge of any Loan Party, after due inquiry, threatened in writing against any Loan Party or any Subsidiary of any Loan Party that either individually or in the aggregate could reasonably be expected to result in a Material Adverse Change, of (i) the parties to such actions, suits, or proceedings as of the Closing Date, (ii) the nature of the dispute that is the subject of such actions, suits, or proceedings as of the Closing Date, (iii) the status, as of the Closing Date, with respect to such actions, suits, or proceedings, and (iv) whether, as of the Closing Date, any liability of any Loan Party or any Subsidiary of any Loan Party in connection with such actions, suits, or proceedings is covered by insurance.

5.8 **Compliance with Laws.** No Loan Party nor any of its Subsidiaries (a) is in violation of any Applicable Laws, rules, regulations, executive orders, or codes (including Environmental Laws) that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change, or (b) is subject to or in default with respect to any final judgments, writs, injunctions, decrees, rules or regulations of any court or any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change.

5.9 **No Material Adverse Change.** All historical financial statements relating to the Loan Parties and their Subsidiaries that have been delivered by Borrower to Lender have been prepared in accordance with GAAP (except as otherwise noted therein and, in the case of unaudited financial statements, for the lack of footnotes and being subject to year-end audit adjustments) and present fairly in all material respects, the consolidated financial condition of the Loan Parties and their Subsidiaries as of the date thereof and results of operations for the period then ended. Since the date of the most recent financial statement delivered to Lender, no event, circumstance, or change has occurred that has resulted in, or could reasonably be expected to result in, a Material Adverse Change with respect to the Loan Parties and their Subsidiaries.

5.10 **Fraudulent Transfer.** No transfer of property is being made by any Loan Party and no obligation is being incurred by any Loan Party in connection with the transactions contemplated by this Agreement or the other Loan Documents with the intent to hinder, delay, or defraud either present or future creditors of such Loan Party.

5.11 **ERISA Compliance**.

(a) Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the IRC and other Federal or state laws. Each Pension Plan that is intended to be a qualified plan under Section 401(a) of the IRC has received a favorable determination letter from the Internal Revenue Service to the effect that the form of such Plan is qualified under Section 401(a) of the IRC and the trust related thereto has been determined by the Internal Revenue Service to be exempt from federal income tax under Section 501(a) of the IRC, or an application for such a letter is currently being processed by the Internal Revenue Service. To the best knowledge of the Loan Parties, nothing has occurred that would prevent or cause the loss of such tax-qualified status.

(b) There are no pending or, to the best knowledge of the Loan Parties, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to result in a Material Adverse Change. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Change.

(c) No ERISA Event has occurred, and neither the Loan Parties nor any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan, in each case that could reasonably be expected to result in liability to any Loan Party or any ERISA Affiliate individually or in the aggregate in excess of $250,000; (ii) the Loan Parties and each ERISA Affiliate has met in all material respects all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained; (iii) as of the most recent valuation date for any Pension Plan as of which a valuation is available at the time of determination, the funding target attainment percentage (as defined in Section 430(d)(2) of the IRC) is 60% or higher and neither the Loan Parties nor any ERISA Affiliate knows of any facts or circumstances that could reasonably be expected to cause the funding target attainment percentage for any such plan to drop below 60% as of such most recent valuation date; (iv) neither the Loan Parties nor any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; (v) neither the Loan Parties nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA; and (vi) no Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan.

(d) No Loan Party or any ERISA Affiliate maintains or contributes to, or has any unsatisfied obligation to contribute to, or liability under, any active or terminated Pension Plan other than (A) on the Closing Date, those listed on Schedule 5.11(d) hereto and (B) thereafter, Pension Plans not otherwise prohibited by this Agreement.

5.12 **Environmental Condition.** Except as set forth on Schedule 5.12 to the Information Certificate, (a) to each Loan Party's knowledge, no properties or assets of any Loan Party or any Subsidiary of any Loan Party has ever been used by any Loan Party, any Subsidiary of any Loan Party, or by previous owners or operators in the disposal of, or to produce, store, handle, treat, release, or transport, any Hazardous Materials, where such disposal, production, storage, handling, treatment, release or transport was in violation, in any material respect, of any applicable Environmental Law, in a manner that could reasonably be expected to result in a Material Adverse Change, (b) to each Loan Party's knowledge, after due inquiry, no properties or assets of any Loan Party or any Subsidiary of any Loan Party have ever been designated or identified in any manner pursuant to any environmental protection statute as a Hazardous Materials disposal site, (c) no Loan Party nor any of its Subsidiaries has received notice that a Lien arising under any Environmental Law has attached to any revenues or to any real property owned or operated by a Loan Party or its Subsidiaries, and (d) no Loan Party nor any of its Subsidiaries nor any of their respective facilities or operations is subject to any outstanding written order, consent decree, or settlement agreement with any Person relating to any Environmental Law or Environmental Liability that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change.

5.13 **Intellectual Property.** Each Loan Party and each of its Subsidiaries own, or hold licenses or other similar contractual interests in, all material trademarks, trade names, copyrights, patents, and licenses that are necessary to the conduct of its business as currently conducted.

5.14 **Leases.** Each Loan Party and each of its Subsidiaries enjoy peaceful and undisturbed possession under all leases material to its business and to which it is a party or under which it is operating, and, subject to Permitted Protests, all of such material leases are valid and subsisting and no material default by the applicable Loan Party or the applicable Subsidiary exists under any of them.

5.15 **Deposit Accounts and Securities Accounts.** Set forth on Schedule 5.15 to the Information Certificate (as updated pursuant to Section 6.12(j)(iv)) is a listing of all of the Deposit Accounts and Securities Accounts of each Loan Party and each of its Subsidiaries, including, with respect to each bank or securities intermediary (a) the name and address of such Person, and (b) the account numbers of the Deposit Accounts or Securities Accounts maintained with such Person.

5.16 **Complete Disclosure.** All factual information taken as a whole (other than forward-looking information and projections and information of a general economic nature and general information about the industry of a Loan Party or any of its Subsidiaries) furnished by or on behalf of a Loan Party or any of its Subsidiaries in writing to Lender (including all information contained in the Schedules hereto or in the other Loan Documents) for purposes of or in connection with this Agreement or the other Loan Documents, and all other such factual information taken as a whole (other than forward-looking information and projections and information of a general economic nature and general information about the industry of a Loan Party or any of its Subsidiaries) hereafter furnished by or on behalf of a Loan Party or any of its Subsidiaries in writing to Lender will be, true and accurate, in all material respects, on the date as of which such information is dated or certified and not incomplete by omitting to state any fact necessary to make such information (taken as a whole) not misleading in any material respect at such time in light of the circumstances under which such information was provided. The Projections most recently delivered to Lender represent, and as of the date on which any other Projections are delivered to Lender, such additional Projections represent, Borrower's good faith estimate, on the date such Projections are delivered, of the future performance of the Loan Parties and their respective Subsidiaries for the periods covered thereby based upon assumptions believed by Borrower to be reasonable at the time of the delivery thereof to Lender.

5.17 **Material Contracts**. Set forth on Schedule 5.17 to the Information Certificate (as such Schedule may be updated from time to time in accordance herewith) is a reasonably detailed description of the Material Contracts of each Loan Party and each Subsidiary of each Loan Party as of the most recent date on which Borrower provided Compliance Certificate pursuant to Section 6.1; provided, however, that Borrower may amend Schedule 5.17 to the Information Certificate to add an additional Material Contract or to remove a Material Contract which has expired at the end of its normal term or which has been terminated and the failure to maintain such Material Contract could not reasonably be expected to result in a Material Adverse Change, so long as such amendment occurs by written notice to Lender on the date that Borrower provides its Compliance Certificate. Each Material Contract (other than a Material Contract that has expired at the end of its normal term or a Material Contract which has been terminated and the failure to maintain such Material Contract could reasonably be expected to result in a Material Adverse Change) (a) is in full force and effect and is binding upon and enforceable against the applicable Loan Party or the applicable Subsidiary and, to Borrower's knowledge, after due inquiry, each other Person that is a party thereto in accordance with its terms, (b) has not been otherwise amended or modified (other than amendments or modifications permitted by Section 7.7(b)), and (c) is not in default due to the action or inaction of the applicable Loan Party or the applicable Subsidiary.

5.18 **Patriot Act.** To the extent applicable, each Loan Party and each of its Subsidiaries and each Guarantor is in compliance, in all material respects, with the (a) Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, and (b) Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA Patriot Act of 2001) (the "Patriot Act"). No part of the proceeds of the loans made hereunder will be used by any Loan Party or any of its Subsidiaries or any of their Affiliates, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

5.19 **Indebtedness.** Set forth on Schedule 5.19 to the Information Certificate is a true and complete list of all Indebtedness (other than Capital Leases) of each Loan Party and each of its Subsidiaries outstanding immediately prior to the Closing Date that is to remain outstanding immediately after giving effect to the closing hereunder on the Closing Date and such Schedule accurately sets forth the aggregate principal amount of such Indebtedness as of the Closing Date.

5.20 **Payment of Taxes.** Except as otherwise permitted under Section 6.5, all tax returns and reports of each Loan Party and each of its Subsidiaries required to be filed by any of them have been timely filed, and all taxes and assessments shown on such tax returns to be due and payable by any Loan Party or any of its Subsidiaries have been paid when due and payable. Except as otherwise permitted under Section 6.5 all assessments, fees and other governmental charges upon a Loan Party or any

of its Subsidiaries and upon their respective assets, income, businesses and franchises that are due and payable have been paid when due and payable except when the failure to pay any such assessment, fee or charge could not reasonably be expected to result in a Material Adverse Change. Each Loan Party and each of its Subsidiaries have made adequate provision in accordance with GAAP for all taxes not yet due and payable. No Loan Party knows of any proposed tax assessment against such Loan Party, any other Loan Party or any of its Subsidiaries that is not being actively contested by such Loan Party or such Subsidiary diligently, in good faith, and by appropriate action; provided such reserves or other appropriate provisions, if any, as shall be required in conformity with GAAP shall have been made or provided therefor.

5.21 **Margin Stock.** No Loan Party nor any of its Subsidiaries is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any Margin Stock. No part of the proceeds of the loans made to Borrower will be used to purchase or carry any such Margin Stock or to extend credit to others for the purpose of purchasing or carrying any such Margin Stock or for any other purpose, in each case in a manner that violates the provisions of Regulation T, U or X of the Board of Governors of the United States Federal Reserve.

5.22 **Governmental Regulation.** No Loan Party nor any of its Subsidiaries is subject to regulation under the Federal Power Act or the Investment Company Act of 1940. No Loan Party nor any of its Subsidiaries is a "registered investment company" or a company "controlled" by a "registered investment company" or a "principal underwriter" of a "registered investment company" as such terms are defined in the Investment Company Act of 1940.

5.23 **OFAC.** No Loan Party or any of its Subsidiaries or any Guarantor is in violation of any of the country or list based economic and trade sanctions administered and enforced by OFAC. No Loan Party or any of its Subsidiaries or any Guarantor (a) is a Sanctioned Person or a Sanctioned Entity, (b) has its assets located in Sanctioned Entities, or (c) derives revenues from investments in, or transactions with Sanctioned Persons or Sanctioned Entities. No proceeds of any loan made hereunder will be used to fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Person or a Sanctioned Entity.

5.24 **Employee and Labor Matters.** There is (i) no unfair labor practice complaint pending or, to the knowledge of Borrower, threatened against any Loan Party or any of its Subsidiaries before any Governmental Authority and no grievance or arbitration proceeding pending or threatened against any Loan Party or any of its Subsidiaries which arises out of or under any collective bargaining agreement and that could reasonably be expected to result in a Material Adverse Change, or (ii) no strike, labor dispute, slowdown, stoppage or similar action or grievance pending or threatened in writing against any Loan Party or any of its Subsidiaries that could reasonably be expected to result in a Material Adverse Change. No Loan Party or any of its Subsidiaries has incurred any liability or obligation under the Worker Adjustment and Retraining Notification Act or similar state law, which remains unpaid or unsatisfied. The hours worked and payments made to employees of each Loan Party and each of its Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable legal requirements, except to the extent such violations could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Change. All material payments due from any Loan Party or any of its Subsidiaries on account of wages and employee health and welfare insurance and other benefits have been paid or accrued as a liability on the books of such Loan Party, except where the failure to do so could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Change. Schedule 5.24 to the Information Certificate provides a complete and correct list of all collective bargaining or similar agreements of each Loan Party and each Subsidiary of each Loan Party with unions, labor organizations or other bargaining agents.

5.25 **Collateral.**

(a) **[Reserved]**

(b) **Intellectual Property**. As of the Closing Date, Schedule 5.25(b) to the Information Certificate provides a complete and correct list of: (i) all registered Copyrights owned by any Loan Party, all applications for registration of Copyrights owned by any Loan Party, and all other Copyrights owned by any Loan Party and material to the conduct of the business of any Loan Party; (ii) all Intellectual Property Licenses entered into by any Loan Party pursuant to which (A) any Loan Party has provided any material license or other material rights in Intellectual Property owned or controlled by such Loan Party to any other Person or (B) any Person has granted to any Loan Party any material license or other material rights in Intellectual Property owned or controlled by such Person that is material to the business of such Loan Party, including any Intellectual Property that is incorporated in any Inventory, software, or other product marketed, sold, licensed, or distributed by such Loan Party; (iii) all Patents owned by any Loan Party and all applications for Patents owned by any Loan Party; and (iv) all registered Trademarks owned by any Loan Party, all applications for registration of Trademarks owned by any Loan Party, and all other Trademarks owned by any Loan Party and material to the conduct of the business of any Loan Party.

(i) To each Loan Party's knowledge after reasonable inquiry, no Person has infringed or misappropriated or is currently infringing or misappropriating any Intellectual Property rights owned by such Loan Party, in each case, that either individually or in the aggregate could reasonably be expected to result in a Material Adverse Change;

(ii) To each Loan Party's knowledge after reasonable inquiry, all registered Copyrights, registered Trademarks, and issued Patents that are owned by such Loan Party and necessary in the conduct of its business are valid, subsisting and enforceable and in compliance with all legal requirements, filings, and payments and other actions that are required to maintain such Intellectual Property in full force and effect; and

(iii) Each Loan Party has taken reasonable steps to maintain the confidentiality of and otherwise protect and enforce its rights in all trade secrets owned by such Loan Party that are necessary in the business of such Loan Party;

(c) **Valid Security Interest**. This Agreement creates a valid security interest in the Collateral of each Loan Party, to the extent a security interest therein can be created under the Code, securing the payment of the Obligations. Except to the extent a security interest in the Collateral cannot be perfected by the filing of a financing statement under the Code, all filings and other actions necessary or desirable to perfect and protect such security interest have been duly taken or will have been taken upon the filing of financing statements listing each applicable Loan Party, as a debtor, and Lender, as secured party, in the jurisdictions listed next to such Loan Party's name on Schedule 5.6(a) to the Information Certificate. Upon the making of such filings, Lender shall have a first priority perfected security interest in the Collateral of each Loan Party to the extent such security interest can be perfected by the filing of a financing statement, subject to Permitted Liens. Upon filing of the Copyright Security Agreement with the United States Copyright Office, filing of the Trademark Security Agreement with the PTO and the filing of the Patent Security Agreement with the PTO, and the filing of appropriate financing statements in the jurisdictions listed on Schedule 5.6(a) to the Information Certificate, all action necessary or desirable to perfect the Security Interest in and to on each Loan Party's Patents, Trademarks, or Copyrights has been taken.

5.26 **Eligible Accounts.** As to each Account that is identified by Borrower as an Eligible Account in a Borrowing Base Certificate or other report submitted to Lender, such Account is (a) a bona fide existing payment obligation of the applicable Account Debtor created by the sale and delivery of Inventory or the rendition of services to such Account Debtor in the ordinary course of Borrower's business, (b) owed to Borrower, and (c) not excluded as ineligible by virtue of one or more of the excluding criteria set forth in the definition of Eligible Accounts.

5.27 **Eligible Inventory.** As to each item of Inventory that is identified by Borrower as Eligible Inventory in a Borrowing Base Certificate submitted to Lender, such Inventory is (a) of good and merchantable quality, free from known defects, and (b) not excluded as ineligible by virtue of one or more of the excluding criteria set forth in the definition of Eligible Inventory.

5.28 **Inventory Records.** Each Loan Party keeps correct and accurate records itemizing and describing the type, quality, and quantity of its and its Subsidiaries' Inventory and the book value thereof.

5.29 **Locations of Inventory and Equipment.** Except as identified in Schedule 5.29 to the Information Certificate (as such Schedule may be updated pursuant to Section 6.14), the Inventory and Equipment (other than vehicles or Equipment out for repair) of the Loan Parties and their respective Subsidiaries are not stored with a bailee, warehouseman, or similar party other than as permitted in Section 7.16 and are located only at, or in-transit between or to, the locations identified on Schedule 5.29 to the Information Certificate (as such Schedule may be updated pursuant to Section 6.14).

5.31 **Licenses**. Set forth on Schedule 5.31 to the Information Certificate (as such Schedule may be updated from time to time in accordance herewith) is a reasonably detailed description of each Material License of each Loan Party and each Subsidiary of each Loan Party as of the most recent date on which Borrower provided its Compliance Certificate pursuant to Section 6.1; provided, however, that any Borrower may amend Schedule 5.31 to the Information Certificate to add an additional Material License or to remove a Material License which has expired at the end of its normal term or which has been terminated and the failure to maintain such Material License could not reasonably be expected to result in a Material Adverse Change, so long as such amendment occurs by written notice to the Lender on the date that such Borrower provides its Compliance Certificate. Each Material License (other than a Material License which has expired at the end of its normal term or a Material License which has been terminated and the failure to maintain such Material License could not reasonably be expected to result in a Material Adverse Change) (a) is in full force and effect and (b) has not expired, been terminated, been withdrawn or otherwise have ceased to be in full force and effect.

5.32 **Agricultural Matters**. All of Borrower's assets constituting farm products or proceeds thereof are free and clear of Liens, including any Liens in favor of producers or sellers of farm products, except as specifically set forth on Schedule 5.32 to the Information Certificate.

5.33 **Eligible Equipment – Motor Vehicles**. Schedule 5.33 to the Information Certificate sets forth all each item of Eligible Equipment which is a motor vehicle or which has a certificate of title that is owned by Loan Parties as of the Closing Date, by model, model year and vehicle identification number.

5.34 **Deferred Prosecution Agreement**. The execution, delivery and performance by Borrower of the Deferred Prosecution Agreement has been duly authorized by all necessary action on the part of the Borrower. The information contained in the factual statement of the Deferred Prosecution Agreement is true and correct in all material respects. Borrower is not aware of any information which would make any factual statement contained in the Deferred Prosecution Agreement misleading or inaccurate in any material respect. Borrower is not in material breach of any of its covenants or obligations under the Deferred Prosecution Agreement.

EXHIBIT E

TO CREDIT AND SECURITY AGREEMENT

INFORMATION CERTIFICATE
OF
BORROWER

Dated: December 31, 2013

HC Holdings 0909A, LLC
c/o Peak Rock Capital
13413 Galleria Circle, Suite Q-300
Austin, TX 78738
Attn: Robert M. Strauss

In connection with certain financing provided or to be provided by Wells Fargo Bank, National Association ("Lender"), the undersigned Borrower represents and warrants to Lender the following information about each Loan Party and each Subsidiary of each Loan Party and each Guarantor (Capitalized terms not specifically defined shall have the meaning set forth in the Agreement):

1. Attached as Schedule 5.1(b) is a complete and accurate description of (i) the authorized Stock of each Loan Party and each of its Subsidiaries and each Guarantor, by class, and the number of shares issued and outstanding and the names of the owners thereof (including stockholders, members and partners) and their holdings, all as of the date of this Agreement, (ii) all subscriptions, options, warrants or calls relating to any shares of Stock of such Loan Party, such Subsidiary and such Guarantor, including any right of conversion or exchange; (iii) each stockholders' agreement, restrictive agreement, voting agreement or similar agreement relating to any such Stock; and (iv) and organization chart for the Guarantors, the Borrower and their Subsidiaries.

2. Each Loan Party and each Guarantor is affiliated with, or has ownership in, the entities (including Subsidiaries) set forth on Schedule 5.1(c).

3. Each Loan Party and each Guarantor uses the following trade name(s) in the operation of their business (e.g. billing, advertising, etc.):

   Borrower:

4. Each Loan Party and each Guarantor is a registered organization of the following type:

   Natural American Foods, Inc. is a Delaware corporation.

5. The exact legal name (within the meaning of Section 9-503 of the Code) of each Loan Party and each Guarantor as set forth in its respective certificate of incorporation, organization or formation, or other public organic document, as amended to date is set forth in Schedule 5.5(a).

6. Each Loan Party and each Guarantor is organized solely under the laws of the State set forth on Schedule 5.6(a). Each Loan Party and each Guarantor is in good standing under those laws and no Loan Party or Guarantor is organized in any other State.

7. The chief executive office and mailing address of each Loan Party and each Guarantor is located at the address set forth on Schedule 5.6(b) hereto.

8. The books and records of each Loan Party and each Guarantor pertaining to Accounts, contract rights, Inventory, and other assets are located at the addresses specified on Schedule 5.6(b).

9. The identity and Federal Employer Identification Number of each Loan Party and each Subsidiary of each Loan Party and each Guarantor and organizational identification number, if any, is set forth on Schedule 5.6(c). (Please Use Form Attached)

10. No Loan Party has any Commercial Tort Claims, except as set forth on Schedule 5.6(d).

11. There are no judgments, actions, suits, proceedings or other litigation pending by or against or threatened by or against any Loan Party, any of its Subsidiaries and/or any of its Affiliates or any of its officers or principals, except as set forth on Schedule 5.7(b).

12. Since its date of organization, the name as set forth in each Loan Party's organizational documentation filed of record with the applicable state authority has been changed as follows:

13. Since the date of its organization, each Loan Party has made or entered into the following mergers or acquisitions:

14. The assets of each Loan Party and each Subsidiary of each Loan Party are owned and held free and clear of Liens, mortgages, pledges, security interests, encumbrances or charges except as set forth below: See Schedule P-2 attached to the Credit and Security Agreement.

15. No Loan Party or any ERISA Affiliate maintains or contributes to, or has any unsatisfied obligation to contribute to, or liability under, any Pension Plan other than (A) on the Closing Date, those listed in Schedule 5.11(d) and (B) thereafter, Pension Plans not otherwise prohibited by this Agreement.

16. Each Loan Party has been and remains in compliance with all environmental laws applicable to its business or operations except as set forth on Schedule 5.12 and except to the extent that the failure to be in compliance therewith could not reasonably be expected to result in a Material Adverse Change.

17. No Loan Party has any Deposit Accounts, investment accounts, Securities Accounts or similar accounts with any bank, securities intermediary or other financial institution, except as set forth on Schedule 5.15 for the purposes and of the types indicated therein and except as otherwise permitted in Section 7.11(b).

18. No Loan Party is a party to or bound by an collective bargaining or similar agreement with any union, labor organization or other bargaining agent except as set forth below (indicate date of agreement, parties to agreement, description of employees covered, and date of termination):

19. Set forth on Schedule 5.17 is a reasonably detailed description of each Material Contract of each Loan Party and each of its Subsidiaries as of the date of the Agreement.

20. Set forth on Schedule 5.19 is a true and complete list of all Indebtedness of each Loan Party and each of its Subsidiaries outstanding immediately prior to the Closing Date.

21. No Loan Party has made any loans or advances or guaranteed or otherwise become liable for the obligations of any others, except as set forth below:

.

22. No Loan Party has any Chattel Paper (whether tangible or electronic) or instruments as of the date hereof, except as follows:

23. No Loan Party owns or licenses any Trademarks, Patents, Copyrights or other Intellectual Property, and is not a party to any Intellectual Property License except as set forth on Schedule 5.25 (indicate type of Intellectual Property and whether owned or licensed, registration number, date of registration, and, if licensed, the name and address of the licensor).

24. Schedule 5.26(a) sets forth all real property owned by each Loan Party.

25. The Inventory, Equipment and other goods of each Loan Party are located only at the locations set forth on Schedule 5.29.

26. Set forth on Schedule 5.31 is a reasonably detailed description of each Material License of each Loan Party and each of its Subsidiaries as of the date of this Agreement.

27. Set forth on Schedule 5.33 is a list of all Eligible Equipment owned by each Loan Party as of the date of this Agreement.

28. At the present time, there are no delinquent taxes due (including, but not limited to, all payroll taxes, personal property taxes, real estate taxes or income taxes) except as follows:

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Lender shall be entitled to rely upon the foregoing in all respects and the undersigned is duly authorized to execute and deliver this Information Certificate on behalf of each Loan Party.

Very truly yours,

Natural American Foods, Inc.

By:_____
Name:
Title:

Schedule 5.1(b)

TO INFORMATION CERTIFICATE

Capitalization of Borrower

Organization Chart

Items (i), (iv): Capital Stock, Organization Chart

See attached.

Item (ii):

See attached.

Item (iii):

Schedule 5.1(c)

TO INFORMATION CERTIFICATE

Subsidiaries; Affiliates; Investments

Part 1 – Subsidiaries of Borrower (50% or more owned by Borrower)

Name	Jurisdiction of Organization	Percentage Owned

Part 2 – Affiliates of Borrower (Less than 50% Owned by Borrower)

Name	Jurisdiction of Organization	Percentage Owned

Part 3 – Affiliates of Borrower (Subject to common ownership with Borrower)

Name	Jurisdiction of Organization	Owner	Percentage Owned

Part 4 – Owners of Borrower

Name	Jurisdiction of Organization	Percentage Owned

Schedule 5.6(a)

TO INFORMATION CERTIFICATE

Exact Legal Names and Jurisdiction of Organization of Borrower

Exact Legal Name	**Jurisdiction of Organization**
Natural American Foods, Inc.	Delaware

Schedule 5.6(b)

TO INFORMATION CERTIFICATE

Locations

Part 1 - Chief Executive Office

Borrower:

Part 2 - Location of Books and Records

Borrower:

Schedule 5.6(c)

TO INFORMATION CERTIFICATE

Federal Employer Identification Number
Organizational Identification Number
for Borrower

(*Please Use Form Attached For Tax Identification Number*)

Name	**Organizational Identification Number**	**Federal Identification Number**
Natural American Foods, Inc.	[_____]	[_____]

Schedule 5.6(d)

TO INFORMATION CERTIFICATE

Commercial Tort Claims

Schedule 5.7(b)

TO INFORMATION CERTIFICATE

Judgments/ Pending Litigation

Borrower:

Schedule 5.11(d)

TO INFORMATION CERTIFICATE

Pension Plans

Borrower:

Schedule 5.12

TO INFORMATION CERTIFICATE

Environmental Compliance

Schedule 5.15

TO INFORMATION CERTIFICATE

Deposit Accounts; Investment Accounts

Part 1 - Deposit Accounts

Borrower:

Name and Address of Bank	Account No.	Purpose

Part 2 - Investment and Other Accounts

Borrower:

Schedule 5.17

TO INFORMATION CERTIFICATE

Material Contracts

Schedule 5.19

TO INFORMATION CERTIFICATE

Existing Indebtedness

Part 1 - Direct Debt

Borrower:

Name/Address of Payee	Principal Balance as of Closing Date	Nature of Debt	Term

Part 2 – Guarantees

Borrower:

Name/Address of Payee	Principal Balance as of the Closing Date	Nature of Debt	Term

Schedule 5.24

TO INFORMATION CERTIFICATE

Collective Bargaining or Similar Agreements

Schedule 5.26(a)

TO INFORMATION CERTIFICATE

Owned Real Estate

Schedule 5.25(b)

TO INFORMATION CERTIFICATE

Intellectual Property

Part 1 – Trademarks Owned

Borrower:

TRADEMARK	REGISTRATION NUMBER	REGISTRATION DATE

Trademark Application	Application/Serial Number	Application Date

Part 2 – Trademarks Licensed

Borrower:

Trademark	Registration Number	Registration Date	Expiration Date	Licensor

Trademark Application	Application/Serial Number	Application Date

Part 3 – Patents Owned

Borrower:

U.S. Patent No.	Title	File Date	Issue Date

U.S. Application No.	Title	Priority Date

Part 4 – Patents Licensed

Borrower:

Patent Description	Registration Number	Registration Date	Expiration Date	Licensor

Patent Application	Application / Serial Number	Application Date

Part 5 – Copyrights Owned

Borrower:

Copyright	Registration Number	Registration Date

Part 6 – Copyrights Licensed

Borrower:

Copyright	Registration Number	Registration Date	Licensor

Part 7 – Other License Agreements

Borrower:

Name of Document	Date of Document	Licensor	Term	Licensed Intellectual Property

Schedule 5.29

TO INFORMATION CERTIFICATE

Locations of Inventory and Equipment

Locations of Inventory, Equipment and Other Assets

Borrower:

Address	Owned/Leased/Third Party	Name/Address of Lessor or Third Party, as Applicable

Schedule 5.31

TO INFORMATION CERTIFICATE

Material Licenses

Schedule 5.32

TO INFORMATION CERTIFICATE

Existing Liens on Farm Products

Schedule 5.33

TO INFORMATION CERTIFICATE

Eligible Equipment

Schedule 7.15

TO INFORMATION CERTIFICATE

Consignment, Bill and Hold, Sale or Return, Sale on Approval or Conditional Sale Arrangements

Schedule 7.16

TO INFORMATION CERTIFICATE

Inventory With Bailee, Warehouseman, Processor, etc.

Address	Type of Bailee	Name/Address of Bailee

Schedule A-1

TO CREDIT AND SECURITY AGREEMENT

Collection Account

Schedule A-2

TO CREDIT AND SECURITY AGREEMENT

Authorized Persons

Schedule D-1

TO CREDIT AND SECURITY AGREEMENT

Designated Account

Schedule P-1

TO CREDIT AND SECURITY AGREEMENT

Permitted Investments

Schedule P-2

TO CREDIT AND SECURITY AGREEMENT

Permitted Liens

Debtor Searched [Debtor Found]	**Jurisdiction**	**Secured Party**	**Filing No.**	**Filing Date**	**Lien Description**

EXHIBIT F

FORM OF BORROWING REQUEST

BORROWING REQUEST

_____, 201__

HC CAPITAL HOLDINGS 0909A, LLC
c/o Peak Rock Capital
13413 Galleria Circle, Suite Q-300
Austin, TX 78738
Attention: Robert M. Strauss
Fax: (512) 765-6530
Email: Strauss@peakrockcapital.com

Re: Natural American Foods, Inc., a Delaware corporation ("Borrower")

Reference is made to the Credit and Security Agreement dated as of December 31, 2013(as amended, amended and restated, modified, refinanced and/or restated, or otherwise modified from time to time, the "**Credit Agreement**") among Borrower and **HC CAPITAL HOLDINGS 0909A, LLC**, as Lender. Capitalized terms used herein without definition are used as defined in the Credit Agreement.

Pursuant to Section 2.3(a) of the Credit Agreement, Borrower hereby gives you irrevocable notice of its request for a Borrowing (the "**Proposed Borrowing**") under the Credit Agreement upon the following terms:

A. Date of the Proposed Borrowing: _____, ____ (the "Funding Date").

B. Amount of the Advance: $_____.

Pursuant to Section 4.2 of the Credit Agreement, the undersigned hereby certifies that the following statements are true and correct on the date hereof, both before and after giving effect to the Proposed Borrowing:

A. The representations and warranties of each Loan Party and its Subsidiaries contained in the Credit Agreement and in the other Loan Documents are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) on and as of the Funding Date, as though made on and as of such date (except to the extent that such representations and warranties relate solely to an earlier date, in which case such representations and warranties shall continue to be true and correct as of such earlier date); and

B. No Default or Event of Default shall have occurred and be continuing on the Funding Date, nor shall result from the making thereof.

The undersigned certifies that he is the _____ of Borrower, as such he is authorized to execute this certificate on behalf of Borrower.

Natural American Foods, Inc., as Borrower

By: _____
Name:

Exhibit G-1

TO CREDIT AND SECURITY AGREEMENT

REVOLVING FACILITY PRICING GRID

Level	Fixed Charge Coverage Ratio	Average Excess Availability for preceding 90 days	Revolving Facility Interest Rate Margin
I	Less than 1.00:1.00	Less than $9,000,000	6.00%
		Greater than or equal to $9,000,000	5.00%
II	Greater than or equal to 1.00:1.00 and less than 1.50:1.00	Less than $9,000,000	5.00%
		Greater than or equal to $9,000,000	4.00%
III	Greater than or equal to 1.50:1.00	Less than $9,000,000	4.00%
		Greater than or equal to $9,000,000	3.00%

"Level I Status" exists if, as of the date of determination, the Fixed Charge Coverage Ratio was less than 1.00 to 1.00.

"Level II Status" exists if, as of the date of determination, (i) the Fixed Charge Coverage Ratio was greater than or equal to 1.00 to 1.00 and less than 1.50 to 1.00.

"Level III Status" exists if, as of the date of determination, the Fixed Charge Coverage Ratio was greater than or equal to 1.50 to 1.00.

Exhibit G-2

TO CREDIT AND SECURITY AGREEMENT

TERM LOAN PRICING GRID

Level	Fixed Charge Coverage Ratio	Average Excess Availability for preceding 90 days	Term Loan Interest Rate Margin
I	Less than 1.00:1.00	Less than $9,000,000	7.50%
		Greater than or equal to $9,000,000	6.50%
II	Greater than or equal to 1.00:1.00 and less than 1.50:1.00	Less than $9,000,000	6.50%
		Greater than or equal to $9,000,000	5.50%
III	Greater than or equal to 1.50:1.00	Less than $9,000,000	5.50%
		Greater than or equal to $9,000,000	4.50%

"Level I Status" exists if, as of the date of determination, the Fixed Charge Coverage Ratio was less than 1.00 to 1.00.

"Level II Status" exists if, as of the date of determination, (i) the Fixed Charge Coverage Ratio was greater than or equal to 1.00 to 1.00 and less than 1.50 to 1.00.

"Level III Status" exists if, as of the date of determination, the Fixed Charge Coverage Ratio was greater than or equal to 1.50 to 1.00.

CREDIT AND SECURITY AGREEMENT

by and between

[BORROWER, INC.][1] NATURAL AMERICAN FOODS, INC.

as Borrower,

and

HC CAPITAL HOLDINGS 0909A, LLC,

as Lender

Dated as of [_____], December 31, 2013

[1] Discuss: Name subject to revision.

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CREDIT AND SECURITY AGREEMENT

THIS CREDIT AND SECURITY AGREEMENT (this "Agreement"), is entered into as of [_____],**December 31, 2013,** by and between **HC CAPITAL HOLDINGS 0909A, LLC** ("Lender") and [**BORROWER**]**NATURAL AMERICAN FOODS, INC.**], a Delaware corporation ("Borrower").

The parties hereto agree as follows:

1. DEFINITIONS AND CONSTRUCTION.

1.1 **Definitions, Code Terms, Accounting Terms and Construction.** Capitalized terms used in this Agreement shall have the meanings specified therefor on Schedule 1.1. Additionally, matters of (i) interpretation of terms defined in the Code, (ii) interpretation of accounting terms and (iii) construction are set forth in Schedule 1.1.

2. LOANS AND TERMS OF PAYMENT.

2.1 **Revolving Loan Advances.**

(a) Subject to the terms and conditions of this Agreement, and prior to the Termination Date, Lender shall make revolving loans ("Advances") to Borrower in an amount at any one time outstanding not to exceed *the lesser of*:

(i) the Maximum Revolver Amount less the Letter of Credit Usage at such time, or

(ii) the Borrowing Base at such time less the Letter of Credit Usage at such time plus the Permitted Overadvance Amount.

(b) Amounts borrowed pursuant to this Section 2.1 may be repaid and, subject to the terms and conditions of this Agreement, reborrowed at any time during the term of this Agreement. The outstanding principal amount of the Advances, together with interest accrued and unpaid thereon, shall be due and payable on the Termination Date. Lender has no obligation to (i) make an Advance at any time following the occurrence and during the continuance of a Default or an Event of Default and (ii) make an Advance in an amount that would, when added to all other Advances, exceed the amount permitted pursuant to Section 2.1(a).

2.2 **Term Loan.** Subject to the terms and conditions of this Agreement, on the Closing Date Lender agrees to make a term loan (the "Term Loan") to Borrower in an amount equal to the Term Loan Amount. Commencing on [the f**ourth** Fiscal Quarter commencing after the Closing Date],**of 2014,** the principal of the Term Loan shall be repaid in consecutive monthly**quarterly** installments, each **as set forth** in the amount of $[_____][2]**table below**, due on the first day of each month**quarter** and on the Termination Date, when the outstanding unpaid principal balance and all accrued and unpaid interest on the Term Loan shall be due and payable.

Fiscal Quarter	**Amount of amortization payment**
Q4 2014	**$100,000**
Q1 2015	**$150,000**
Q2 2015	**$200,000**
Q3 2015	**$250,000**
Q4 2015	**$300,000**
Q1 2016 and each Fiscal Quarter thereafter	**$500,000**

2.3 **Borrowing Procedures.**

(a) **Procedure for Borrowing.** Each Borrowing shall be made by delivery to Lender of a Borrowing Request by an Authorized Person. Such written request must be received by Lender no later than noon (Central time) [**one (1) Business Day**] before the requested Funding Date specifying (i) the amount of such Borrowing, and (ii) the requested Funding Date, which shall be a Business Day. In lieu of delivering the above-described written request, any Authorized Person may give

[2] Amortization commencement and amounts TBD following receipt of projections.

Lender telephonic notice of such request by the required time, followed promptly by such a written request. Lender is authorized to make the Advances based upon telephonic or other instructions received from anyone purporting to be an Authorized Person~~;~~**. Notwithstanding the foregoing, upon the occurrence of (i) any demand for repayment under the Closing Date Credit Line, (ii) the final maturity or termination of the Closing Date Credit Line and/or (iii) any other event which would allow the lender under the Closing Date Credit Line to demand repayment or terminate its funding obligations or otherwise exercise any remedies under the Closing Date Credit Line, the Borrower shall be deemed to have automatically made a request for an Advance in an amount equal to such amount demanded (or the aggregate amount of obligations due under the Closing Date Credit Line in the case of termination of the Closing Date Credit Line) (an "Automatic Revolver Request").**

(b) **Making of Loans.** Promptly after receipt of a request for a Borrowing pursuant to Section 2.3(a), Lender shall make the proceeds thereof available to Borrower on the applicable Funding Date by transferring immediately available funds equal to such amount to the Designated Account; provided, however, that, Lender shall not have the obligation to make any Advance if (1) one or more of the applicable conditions precedent set forth in Section 4 will not be satisfied on the requested Funding Date for the applicable Borrowing unless such condition has been waived by Lender~~,~~ or (2) the requested Borrowing would exceed the Availability on such Funding Date.

(c) **[Reserved]**

(d) **Protective Advances**. Lender may make an Advance for any reason at any time in its sole discretion, without Borrower's compliance with any of the conditions of this Agreement, and (i) disburse the proceeds directly to third Persons in order to protect Lender's interest in the Collateral or to perform any obligation of Borrower under this Agreement or any other Loan Document or otherwise to enhance the likelihood of repayment of the Obligations, or (ii) apply the proceeds to outstanding Obligations then due and payable to Lender (such Advance, a "Protective Advance"); provided, that Lender shall provide Borrower prior written notice of any such Protective Advance.

2.4 **Payments; Prepayments.**

(a) **Payments by Borrower.** Except as otherwise expressly provided herein, all payments by Borrower shall be made to the Collection Account or as otherwise specified in the applicable Cash Management Documents.

(b) **Payments by Account Debtors**. Promptly (and in any event within 5 Business Days) prior to the opening of any new Lockbox, Borrower shall instruct the Account Debtors of Borrower to make payments directly to the Lockbox for deposit by Lender to the Collection Account, or Borrower shall instruct them to deliver such payments to Lender by wire transfer, ACH, or other means as Lender may direct for deposit to the Lockbox or Collection Account or for direct application to reduce the outstanding Advances, as Lender shall determine in its sole discretion. To the extent that any Account Debtors of Borrower make payments directly to any lockbox other than a Lockbox, Borrower shall cooperate with Lender in causing all such funds to be wired directly to Lender on a daily basis for deposit to the Lockbox or Collection Account or for direct application to reduce the outstanding Advances, as Lender shall determine in its sole discretion. If Borrower receives a payment or the Proceeds of Collateral directly, Borrower will promptly deposit the payment or Proceeds into the Collection Account. Until so deposited, Borrower will hold all such payments and Proceeds in trust for Lender without commingling with other funds or property.

(c) **Crediting Payments**. For purposes of calculating Availability and the accrual of interest on outstanding Obligations, unless otherwise provided in the applicable Cash Management Documents, each payment shall be applied to the Obligations on the first Business Day following the Business Day of deposit to the Collection Account or other receipt by Lender provided such payment is received in accordance with Lender's usual and customary practices. Any payment received by Lender that is not a transfer of immediately available funds shall be considered provisional until the item or items representing such payment have been finally paid under Applicable Law. Should any payment item not be honored when presented for payment, then Borrower shall be deemed not to have made such payment, and that portion of outstanding Obligations corresponding to the amount of such dishonored payment item shall be deemed to bear interest as if the dishonored payment item had never been received by Lender. Each reduction in outstanding Advances resulting from the application of such payment to the outstanding Advances shall be accompanied by an equal reduction in the amount of outstanding Accounts.

(d) **Application of Payments**.

(i) All Collections and all Proceeds of Collateral received by Lender, shall be applied (subject to clause (ii) below) so long as no Event of Default has occurred and is continuing, to reduce the Obligations in such manner as Lender shall determine in its sole discretion. After payment in full in cash of all Obligations and the termination of any commitment to provide Advances, any remaining balance shall be transferred to the Designated Account or otherwise to such other Person entitled thereto under Applicable Law.

(ii) (A) Each prepayment pursuant to Section 2.4(f)(i) shall, (I) so long as no Event of Default shall have occurred and be continuing, be applied, *first*, to the outstanding principal amount of all Advances **and all obligations under the Closing Date Credit Line, respectively,** until paid in full, *second*, to cash collateralize the Letters of Credit in an amount equal to 110% of the then outstanding Letter of Credit Usage and *third*, to the outstanding principal amount of the Term Loan until paid in full, and (II) if an Event of Default shall have occurred and be continuing, be applied in the manner set forth in Section 10.5. Each such prepayment of the Term Loan shall be applied against the remaining installments of principal of the Term Loan (i) following the occurrence and during the continuance of any Event of Default, in the direct order of maturity or (ii) otherwise, as directed by the Borrower (for the avoidance of doubt, any amount that is due and payable on the Maturity Date shall constitute an installment).

(B) Each prepayment pursuant to Section 2.4(f)(ii), shall (I) so long as no Event of Default shall have occurred and be continuing, be applied to the outstanding principal amount of the Term Loan until paid in full and (II) if an Event of Default shall have occurred and be continuing, be applied in the manner set forth in Section 10.5. Each such prepayment of the Term Loan shall be applied against the remaining installments of principal of the Term Loan in the inverse order of maturity (for the avoidance of doubt, any amount that is due and payable on the Maturity Date shall constitute an installment).

(e) **Optional Prepayments of Term Loan**. Borrower may, upon at least 3 Business Days prior written notice to Lender, voluntarily prepay the principal of the Term Loan, in whole or in part. Each prepayment of principal made pursuant to this Section 2.4(e) shall be accompanied by the payment of accrued interest to the date of such payment on the amount prepaid and the prepayment fee described in Section 2.12, if any. Each such prepayment shall be applied in the manner set forth in Section 10.5.

(f) **Mandatory Prepayments**.

(i) Borrowing Base. If, at any time, (i) the Revolver Usage exceeds (A) the Borrowing Base plus the Permitted Overadvance Amount or (B) the Maximum Revolver Amount, at such time or (ii) (A) the sum of the outstanding principal balance of the Term Loan at such time *plus* the Revolver Usage at such time exceeds (B) the Maximum Credit, at such time (any such excess amount being referred to as the "Overadvance Amount"), then Borrower shall immediately pay the Obligations in an aggregate amount equal to the Overadvance Amount. If payment in full of the outstanding revolving loans **under the Revolving Credit Facility** is insufficient to eliminate the Overadvance Amount, Borrower immediately shall deposit cash into a segregated account in the name of Lender and under Lender's sole dominion and control in an amount that equals the remaining Overadvance Amount **(which amounts may, at Lender's sole discretion, be applied to reduce obligations outstanding under the Closing Date Credit Line)**. Lender shall not be obligated, but may do so in its sole discretion, to provide any Advances during any period that an Overadvance Amount is outstanding and may elect to extend such Advance utilizing cash deposited by Borrower pursuant to the immediately prior sentence.

(ii) Asset Dispositions. If Borrower or any of its Subsidiaries shall at any time:

(A) make an Asset Sale that is not permitted hereunder; or

(B) suffer a Casualty Event;

and the aggregate amount of the Net Cash Proceeds received by the Borrower and its Subsidiaries in connection with such Asset Sale or Casualty Event and all other Asset Sales and Casualty Events occurring during the Fiscal Year exceeds $100,000, then (A) Borrower shall promptly notify the Lender of such proposed Asset Sale or Casualty Event (including the amount of the estimated Net Cash Proceeds to be received by Borrower and/or such Subsidiary in respect thereof) and (B) promptly upon receipt by Borrower and/or such Subsidiary of the Net Cash Proceeds of such Asset Sale or Casualty Event, Borrower shall deliver, or cause to be delivered, such excess Net Cash Proceeds to the Lender as a prepayment of the Term Loan. Notwithstanding the foregoing and provided no Event of Default pursuant to Section 9.1, 9.4 or 9.5 has occurred and is continuing on the date such event occurred, such prepayment shall not be required to the extent Borrower or such Subsidiary reinvests the Net Cash Proceeds of such Asset Sale or Casualty Event in assets (other than inventory) of a kind then used or usable in the business of Borrower or such Subsidiary, within three hundred and sixty-five (365) days after the date of such Asset Sale or Casualty Event; *provided that* in the case of Asset Sales or Casualty Events, the Borrower may reinvest Net Cash Proceeds in an amount not to exceed the greater of (x) $1.0 million and (y) 5% of total tangible assets of Borrower and its Subsidiaries for the last twelve consecutive Fiscal Months of Borrower; *provided*, *further*, that Borrower shall notify the Lender of Borrower's or such Subsidiary's intent to reinvest such Net Cash Proceeds, the receipt of such Net Cash Proceeds and the completion of the reinvestment of such Net Cash Proceeds.

(iii) Issuance of Indebtedness. Promptly after receipt by Borrower or any Subsidiary of the Net Cash Proceeds from the issuance of any Indebtedness (other than Net Cash Proceeds from the issuance of any Indebtedness

permitted hereunder), Borrower shall deliver, or cause to be delivered, to the Lender an amount equal to 100% of such Net Cash Proceeds as a prepayment of the Term Loans.

(iv) Excess Cash Flow. Within five (5) Business Days after the annual financial statements are required to be delivered hereunder, commencing with such annual financial statements for the Fiscal Year ending December 31, 2014, Borrower shall deliver to the Lender a written calculation of Excess Cash Flow of the Borrower and its Subsidiaries for such Excess Cash Flow Period, certified as correct on behalf of the Borrower, and concurrently therewith shall deliver to the Lender, an amount equal to 50**%** of such Excess Cash Flow, as a prepayment of the Term Loans.

2.5 **[Reserved]**

2.6 **Interest Rates: Rates, Payments, and Calculations.**

(a) **Interest Rates.** Except as provided in Section 2.6(b), the principal amount of all Obligations (except for undrawn Letters of Credit and Bank Products) that have been charged to the Loan Account pursuant to the terms hereof shall bear interest on the Daily Balance thereof at a per annum rate equal to the Interest Rate plus the applicable Interest Rate Margin.

(b) **Default Rate.**

Upon the occurrence and during the continuation of an Event of Default and at any time following the Termination Date,

(i) the principal amount of all Obligations (except for undrawn Letters of Credit and Bank Products) that have been charged to the Loan Account pursuant to the terms hereof shall bear interest on the Daily Balance thereof at a per annum rate equal to 3 percentage points above the per annum rate otherwise applicable hereunder, and

(ii) the Letter of Credit fee provided for in Section 2.12 shall be increased by 3 percentage points above the per annum rate otherwise applicable hereunder.

(c) **Payment.** Except to the extent provided to the contrary in Section 2.12 or in any other provision of this Agreement, (i) all interest shall be due and payable, in arrears, on the first day of each month and (ii) all Letter of Credit fees, all other fees payable hereunder or under any of the other Loan Documents, all costs and expenses payable hereunder or under any of the other Loan Documents, and all Lender Expenses shall be due and payable on demand. Borrower hereby authorizes Lender, from time to time without prior notice to Borrower, to charge all interest, Letter of Credit fees, and all other fees payable hereunder or under any of the other Loan Documents (in each case, as and when due and payable), all costs and expenses payable hereunder or under any of the other Loan Documents (in each case, as and when due and payable), all Lender Expenses (as and when due and payable), and all fees and costs provided for in Section 2.12 (as and when due and payable), and all other payment obligations as and when due and payable under any Loan Document or any Bank Product Agreement (including any amounts due and payable to any Bank Product Provider in respect of Bank Products) to the Loan Account, which amounts shall thereupon constitute Advances hereunder and, shall accrue interest at the rate then applicable to Advances. Any interest, fees, costs, expenses, Lender Expenses, or other amounts payable hereunder or under any other Loan Document or under any Bank Product Agreement that are charged to the Loan Account shall thereafter constitute Advances hereunder and shall accrue interest at the rate then applicable to Advances.

(d) **Computation.** All interest and fees chargeable under the Loan Documents shall be computed on the basis of a 360 day year, in each case, for the actual number of days elapsed in the period during which the interest or fees accrue. In the event the Interest Rate is changed from time to time hereafter, the rates of interest hereunder based upon the Interest Rate automatically and immediately shall be increased or decreased by an amount equal to such change in the Interest Rate.

(e) **Intent to Limit Charges to Maximum Lawful Rate.** In no event shall the interest rate or rates payable under this Agreement, plus any other amounts paid in connection herewith, exceed the highest rate permissible under any law that a court of competent jurisdiction shall, in a final determination, deem applicable. Borrower and Lender, in executing and delivering this Agreement, intend legally to agree upon the rate or rates of interest and manner of payment stated within it; provided, however, that, anything contained herein to the contrary notwithstanding, if said rate or rates of interest or manner of payment exceeds the maximum allowable under Applicable Law, then, as of the date of this Agreement, Borrower is and shall be liable only for the payment of such maximum amount as is allowed by law, and payment received from Borrower in excess of such legal maximum, whenever received, shall be applied to reduce the principal balance of the Obligations to the extent of such excess.

2.7 **Designated Account.** Borrower agrees to establish and maintain one or more Designated Accounts, each in the name of Borrower, for the purpose of receiving the proceeds of the Advances requested by Borrower and made by Lender

hereunder and the proceeds of the Term Loans. Unless otherwise agreed by Lender and Borrower, any Advance requested by Borrower and made by Lender hereunder shall be made to the applicable Designated Account.

2.8 **Maintenance of Loan Account; Statements of Obligations.** Lender shall maintain an account on its books in the name of Borrower (the "Loan Account") in which will be recorded, the Term Loans, all Advances made by Lender to Borrower or for Borrower's account, the Letters of Credit issued or arranged by Lender for Borrower's account, and all other payment Obligations hereunder or under the other Loan Documents, including accrued interest, fees and expenses, and Lender Expenses. In accordance with Section 2.4, the Loan Account will be credited with all payments received by Lender from Borrower or for Borrower's account. All monthly statements delivered by Lender to Borrower regarding the Loan Account, including with respect to principal, interest, fees, and including an itemization of all charges and expenses constituting Lender Expenses owing, shall be subject to subsequent adjustment by Lender but shall, absent demonstrable error, be conclusively presumed to be correct and accurate and constitute an account stated between Borrower and Lender unless, within 30 days after receipt thereof by Borrower, Borrower shall deliver to Lender written objection thereto describing the error or errors contained in any such statements.

2.9 **Maturity Date; Termination Date.** Lender's obligations under this Agreement shall continue in full force and effect for a term ending on the earliest of (i) (x) with respect to the Revolving Credit Facility, the third anniversary of the date hereof and (y) with respect to the Term Loans, the fourth anniversary of the date hereof (the "Maturity Date"), (ii) with respect to the Revolving Credit Facility, the date Borrower terminates the Revolving Credit Facility, and (iii) the date the Revolving Credit Facility terminates and the Term Loans are accelerated pursuant to Section 10.1 or Section 10.2 following an Event of Default (the earliest of these dates, the "Termination Date"). The foregoing notwithstanding, Lender shall have the right to terminate its obligations under this Agreement immediately and without notice upon the occurrence and during the continuance of an Event of Default. Borrower promises to pay the Obligations (including principal, interest, fees, costs, and expenses, including Lender Expenses) in full on the Termination Date (other than the Hedge Obligations, which shall be paid in accordance with the applicable Hedge Agreement).

2.10 **Effect of Maturity.** On the Termination Date, all obligations of Lender to provide additional credit hereunder shall automatically be terminated and all of the Obligations (other than Hedge Obligations which shall be terminated in accordance with the applicable Hedge Agreement) shall immediately become due and payable in full in cash ~~[(including, without limitation, any amounts that have accrued and would be payable in kind in the absence of the occurrence of the Termination Date)]~~ without notice or demand and Borrower shall immediately repay all of such Obligations in full. No termination of the obligations of Lender (other than cash payment in full of the Obligations and termination of the obligations of Lender to provide additional credit hereunder) shall relieve or discharge any Loan Party of its duties, obligations, or covenants hereunder or under any other Loan Document and Lender's Liens in the Collateral shall continue to secure the Obligations and shall remain in effect until all Obligations have been paid in full in cash and Lender's obligations to provide additional credit hereunder shall have been terminated. Provided that there are no suits, actions, proceedings or claims pending or threatened against any Indemnified Person under this Agreement with respect to any Indemnified Liabilities, Lender shall, at Borrower's expense, release or terminate (or authorize Borrower or its designee to release or terminate) any filings or other agreements that perfect the Security Interest, upon Lender's receipt of each of the following, in form and content satisfactory to Lender: (i) cash payment in full of all Obligations and completed performance by Borrower with respect to its other obligations under this Agreement (including Letter of Credit Collateralization with respect to all outstanding Letter of Credit Usage), (ii) evidence that any obligation of Lender to make Advances to Borrower or provide any further credit to Borrower has been terminated, and (iii) an agreement by Borrower and each other Loan Party to indemnify Lender and its Affiliates for any payments received by Lender or its Affiliates that are applied to the Obligations as a final payoff that may subsequently be returned or otherwise not paid for any reason. With respect to any outstanding Hedge Obligations which are not so paid in full, the Bank Product Provider may require Borrower to cash collateralize the then existing Hedge Obligations in an amount acceptable to Lender prior to releasing or terminating any filings or other agreements that perfect the Security Interest.

2.11 **Termination or Reduction by Borrower.**

(a) Borrower may terminate the Credit Facility or reduce the Maximum Revolver Amount or prepay the Term Loan in whole or in part at any time prior to the Maturity Date, if Borrower (i) delivers a notice to Lender of its intentions at least five (5) Business Days prior to the proposed action, (ii) pays to Lender the applicable termination fee, reduction fee or prepayment fee set forth in Schedule 2.12, ~~and~~ (iii) pays the Obligations (other than the outstanding Hedge Obligations, which shall be paid in accordance with the applicable Hedge Agreement) in full or down to the reduced Maximum Revolver Amount or to the reduced amount of the Term Loan, as applicable, in cash **and (iv) in connection with any reduction of the Maximum Revolver Amount or termination of the Revolving Credit Facility, provides evidence to Lender of a concurrent reduction or termination of the Closing Date Credit Line in an aggregate principal amount equal to such intended reduction under this Agreement**. Any reduction in the Maximum Revolver Amount or Term Loan shall be in multiples of $500,000, with a minimum reduction of at least $1,000,000. Each such termination, reduction or prepayment shall be irrevocable. Once reduced, the Maximum Revolver Amount may not be increased. Proceeds of Advances shall not be used by Borrower to make a prepayment of the Term Loan.

(b) The applicable termination fee, reduction fee and prepayment fee set forth in Schedule 2.12 shall be presumed to be the amount of damages sustained by Lender as a result of an early termination, reduction or prepayment, as applicable. Borrower agrees that it is reasonable under the circumstances currently existing (including, without limitation, the financial state of the Borrower (including its lack of liquidity and creditworthiness and the resulting risks incurred by Lender) on the Closing Date, the borrowings that are reasonably expected by Borrower hereunder and the interest, fees and other charges that are reasonably expected to be received by Lender hereunder). In addition, Lender shall be entitled to such early termination fee upon the occurrence of any Event of Default described in Sections 9.4 and 9.5 hereof, even if Lender does not exercise its right to terminate any commitment to lend under this Agreement, but elects, at its option, to provide financing to Borrower or permits the use of cash collateral during an Insolvency Proceeding. The early termination fee, reduction fee and prepayment fee, as applicable, provided for in Schedule 2.12 shall be deemed included in the Obligations

2.12 **Fees.** Borrower shall pay to Lender the fees set forth on Schedule 2.12 attached hereto.

2.13 **Letters of Credit.**

(a) Subject to the terms and conditions of this Agreement, upon the request of Borrower made in accordance with this Section 2.13, Lender agrees to issue a requested Letter of Credit. Borrower may request that Lender issue, amend or extend a Letter of Credit by delivering to Lender the applicable Letter of Credit Agreements, completed to the satisfaction of Lender, and such other certificates, documents and information as Lender may request. Each such request shall be in form and substance reasonably satisfactory to Lender and shall specify (i) the amount of such Letter of Credit, (ii) the date of issuance, amendment, or extension of such Letter of Credit, (iii) the expiration date of such Letter of Credit, (iv) the name and address of the beneficiary of the Letter of Credit, and (v) such other information (including, in the case of an amendment, or extension, identification of the Letter of Credit to be so amended or extended) as shall be necessary to prepare, issue, amend or extend such Letter of Credit. Upon receipt of any Letter of Credit Agreements, Lender shall process such Letter of Credit Agreements and the certificates, documents and information delivered to it in connection therewith in accordance with its customary procedures and shall, subject to this Section 2.13, issue the Letter of Credit requested thereby (but in no event shall Lender be required to issue any Letter of Credit earlier than 3 Business Days after its receipt of the Letter of Credit Agreements therefor and all such other certificates, documents and information relating thereto) by issuing the original of such Letter of Credit (or amendment or extension) to the beneficiary thereof or as otherwise may be agreed by Lender and Borrower. Each request for the issuance of a Letter of Credit, or the amendment or extension of any outstanding Letter of Credit, shall be made in writing by an Authorized Person and delivered to Lender via hand delivery, facsimile, or other electronic method of transmission reasonably in advance of the requested date of issuance, amendment or extension. Each Letter of Credit shall (i) be denominated in Dollars in a minimum amount of $50,000, (ii) be a standby letter of credit or commercial letter of credit issued to support obligations of a Borrower or any of its Subsidiaries, contingent or otherwise, incurred in the ordinary course of business, (iii) expire on a date no more than 12 months after the date of issuance or last renewal of such Letter of Credit, which date shall be no later than the Maturity Date, and (iv) be subject to the Uniform Customs and/or ISP98, as set forth in the Letter of Credit Agreements or as determined by the Lender and, to the extent not inconsistent therewith, the laws of the State which governs this Agreement.

(b) [Reserved]

(c) If Lender makes a payment under a Letter of Credit, Borrower shall pay to Lender an amount equal to the applicable Letter of Credit Disbursement on the date such Letter of Credit Disbursement is made and, in the absence of such payment, the amount of the Letter of Credit Disbursement shall be immediately and automatically repaid to Lender through an automatic Advance hereunder (notwithstanding any failure to satisfy any condition precedent set forth in Section 4 or this Section). If Lender determines that Lender is unable to make such an automatic Advance to Borrower for the purpose of repaying the Letter of Credit Disbursement as a result of a proceeding under the Bankruptcy Code involving Borrower or otherwise, Borrower shall remain obligated to immediately pay to Lender the amount of the Letter of Credit Disbursement in immediately available funds, together with interest accrued on such unpaid Letter of Credit Disbursement at the default rate applicable to Advances under Section 2.6(b)**(i)** from the date of Lender's making such Letter of Credit Disbursement until such Letter of Credit Disbursement is paid in full. If a Letter of Credit Disbursement is automatically repaid through an Advance hereunder, Borrower's obligation to pay the amount of such Letter of Credit Disbursement to Lender shall be automatically converted into an obligation to repay such Advance under the terms of this Agreement. To the extent that the Letter of Credit Disbursement is actually repaid through an automatic Advance, the lack of a direct payment of the Letter of Credit Disbursement by Borrower shall not constitute an Event of Default under Section 9.1.

(d) Borrower's obligations under this Section 2.13 (including Borrower's reimbursement obligation) shall be absolute and unconditional under any and all circumstances and irrespective of any set off, counterclaim or defense to payment which Borrower may have or have had against Lender or any beneficiary of a Letter of Credit or any other Person. Borrower also agrees that Lender shall not be responsible for, and the Borrower's reimbursement obligation hereunder shall not be affected by, among other things, the validity or genuineness of documents or of any endorsements thereon, even though such documents shall in fact prove to be invalid, fraudulent or forged, or any dispute between or among Borrower and any beneficiary of

any Letter of Credit or any other party to which such Letter of Credit may be transferred or any claims whatsoever of Borrower against any beneficiary of such Letter of Credit or any such transferee. Lender shall not be liable for any error, omission, interruption or delay in transmission, dispatch or delivery of any message or advice, however transmitted, in connection with any Letter of Credit, except for errors or omissions caused by Lender's gross negligence or willful misconduct, as determined by a court of competent jurisdiction by final non-appealable judgment. Borrower agrees that any action taken or omitted by Lender under or in connection with any Letter of Credit or the related drafts or documents, if done in the absence of gross negligence or willful misconduct shall be binding on Borrower and shall not result in any liability of Lender to Borrower or any other Loan Party. The responsibility of Lender to Borrower in connection with any draft presented for payment under any Letter of Credit shall, in addition to any payment obligation expressly provided for in such Letter of Credit, be limited to determining that the documents (including each draft) delivered under such Letter of Credit in connection with such presentment are in conformity with such Letter of Credit.

(e) Borrower hereby agrees to indemnify, save, defend, and hold Lender harmless from any damage, loss, cost, expense, or liability, and reasonable attorneys fees incurred by Lender arising out of or in connection with any Letter of Credit; provided, however, that Borrower shall not be obligated hereunder to indemnify for any damage, loss, cost, expense, or liability that a court of competent jurisdiction finally determines to have resulted from the gross negligence or willful misconduct of Lender. Borrower understands and agrees that Lender shall not be liable for any error, negligence, or mistake, whether of omission or commission, in following Borrower's instructions or those contained in the Letter of Credit or any modifications, amendments, or supplements thereto. Borrower hereby acknowledges and agrees that Lender shall not be responsible for delays, errors, or omissions resulting from the malfunction of equipment in connection with any Letter of Credit.

(f) If by reason of (i) any change after the date hereof in any Applicable Law, treaty, rule, or regulation or any change after the date hereof in the interpretation or application thereof by any Governmental Authority, or (ii) compliance by Lender with any direction, request, or requirement (irrespective of whether having the force of law) of any Governmental Authority or monetary authority made or required after the date hereof, including, under Regulation D of the Federal Reserve Board as from time to time in effect (and any successor thereto):

(A) any reserve, deposit, or similar requirement is or shall be imposed or modified in respect of any Letter of Credit issued or caused to be issued hereunder or hereby, or

(B) there shall be imposed on Lender any other condition regarding any Letter of Credit,

and the result of the foregoing is to increase, directly or indirectly, the cost to the Lender of issuing, making, guaranteeing, or maintaining any Letter of Credit or to reduce the amount receivable in respect thereof, then, and in any such case, Lender may, at any time within a reasonable period after the additional cost is incurred or the amount received is reduced, notify Borrower, and Borrower shall pay within 30 days after demand therefor accompanied by a reasonably detailed calculation of the amount demanded, such amounts as Lender may specify to be necessary to compensate the Lender for such additional cost or reduced receipt, together with interest on such amount from the date of such demand until payment in full thereof at the highest rate then applicable to Advances hereunder; provided, however, that Borrower shall not be required to provide any compensation pursuant to this Section 2.13(f) for any such amounts incurred more than 180 days prior to the date on which the demand for payment of such amounts is first made to Borrower; provided further, however, that if an event or circumstance giving rise to such amounts is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof. The determination by Lender of any amount due pursuant to this Section 2.13(f), as set forth in a certificate setting forth the calculation thereof in reasonable detail, shall, in the absence of manifest or demonstrable error, be final and conclusive and binding on all of the parties hereto.

(g) To the extent that any provision of any Letter of Credit Agreement related to any Letter of Credit is inconsistent with the provisions of this Section 2.13, the provisions of this Section 2.13 shall apply.

2.14 **Illegality; Impracticability; Increased Costs.** In the event that, in each case after the date hereof, (i) any change in market conditions or any law, regulation, treaty, or directive, or any change therein or in the interpretation or application thereof make it unlawful or impractical for Lender to fund or maintain extensions of credit with interest based upon Daily Three Month LIBOR or to continue such funding or maintaining, or to determine or charge interest rates based upon Daily Three Month LIBOR, (ii) Lender determines that by reasons affecting the London interbank Eurodollar market, adequate and reasonable means do not exist for ascertaining Daily Three Month LIBOR, or (iii) Lender determines that the interest rate based on the Daily Three Month LIBOR will not adequately and fairly reflect the cost to Lender of maintaining or funding Advances or the Term Loan at the interest rate based upon Daily Three Month LIBOR, Lender shall give notice of such changed circumstances to Borrower and (i) interest on the principal amount of such extensions of credit thereafter shall accrue interest at a rate equal to the Prime Rate plus the applicable Interest Rate Margin, and (ii) Borrower shall not be entitled to elect Daily Three Month LIBOR until Lender determines that it would no longer be unlawful or impractical to do so or that such increased costs would no longer be applicable (and Lender

agrees to promptly notify Borrower at any time such changed circumstances no longer apply; provided, however, Lender shall have no liability to Borrower for failing to provide such notice).

2.15 **Capital Requirements.** If, after the date hereof, Lender determines that (i) the adoption after the date hereof of or change after the date hereof in any law, rule, regulation or guideline regarding capital or reserve requirements for banks or bank holding companies, or any change after the date hereof in the interpretation, implementation, or application thereof by any Governmental Authority charged with the administration thereof, including those changes resulting from the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Basel III, regardless of the date enacted, adopted or issued, or (ii) compliance by Lender or its parent bank holding company with any guideline, request or directive of any such entity regarding capital adequacy (whether or not having the force of law) issued after the date hereof has the effect of reducing the return on Lender's or such holding company's capital as a consequence of Lender's loan commitments hereunder to a level below that which such Lender or such holding company could have achieved but for such adoption, change, or compliance (taking into consideration such Lender's or such holding company's then existing policies with respect to capital adequacy and assuming the full utilization of such entity's capital) by any amount deemed by Lender to be material, then Lender may notify Borrower thereof. Following receipt of such notice, Borrower agrees to pay Lender on demand the amount of such reduction of return of capital as and when such reduction is determined, payable within 30 days after presentation by Lender of a statement in the amount and setting forth in reasonable detail Lender's calculation thereof and the assumptions upon which such calculation was based (which statement shall be deemed true and correct absent demonstrable error). In determining such amount, Lender may use any reasonable averaging and attribution methods. Failure or delay on the part of Lender to demand compensation pursuant to this Section shall not constitute a waiver of Lender's right to demand such compensation; provided that Borrower shall not be required to compensate Lender pursuant to this Section for any reductions in return incurred more than 180 days prior to the date that Lender demands compensation from Borrower in respect of such law, rule, regulation or guideline giving rise to such reductions; provided further that if such claim arises by reason of the adoption of or change in any law, rule, regulation or guideline that is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

3. SECURITY INTEREST.

3.1 **Grant of Security Interest.** Borrower hereby unconditionally grants, assigns, and pledges to Lender for the benefit of Lender and each Bank Product Provider that is a Lender, to secure payment and performance of the Obligations, a continuing security interest (hereinafter referred to as the "Security Interest") in all of its right, title, and interest in and to the Collateral. Following request by Lender, Borrower shall grant Lender a Lien and security interest in all Commercial Tort Claims that it may have against any Person. The Security Interest created hereby secures the payment and performance of the Obligations, whether now existing or arising hereafter. Without limiting the generality of the foregoing, this Agreement secures the payment of all amounts which constitute part of the Obligations and would be owed by Borrower to Lender or any other Bank Product Provider, but for the fact that they are unenforceable or not allowable (in whole or in part) as a claim in an Insolvency Proceeding involving Borrower or any other Loan Party due to the existence of such Insolvency Proceeding.

3.2 **Borrower Remains Liable.** Anything herein to the contrary notwithstanding, (a) Borrower shall remain liable under the contracts and agreements included in the Collateral to perform all of the duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by Lender of any of the rights hereunder shall not release Borrower from any of its duties or obligations under such contracts and agreements included in the Collateral, and (c) Lender shall not have any obligation or liability under such contracts and agreements included in the Collateral by reason of this Agreement, nor shall Lender be obligated to perform any of the obligations or duties of Borrower thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

3.3 **Assignment of Insurance.** As additional security for the Obligations, Borrower hereby assigns as security to Lender for the benefit of Lender and each Bank Product Provider that is a Lender all rights of Borrower under every policy of insurance covering the Collateral and all other assets and property of Borrower (including, without limitation, business interruption insurance and proceeds thereof) and all business records and other documents relating to it, and all monies (including proceeds and refunds) that may be payable under any policy, and Borrower and each other Loan Party hereby directs the issuer of each policy to pay all such monies directly and solely to Lender. If an Event of Default shall have occurred and be continuing, Lender may (but need not), in Lender's or Borrower's name, execute and deliver proofs of claim, receive payment of proceeds and endorse checks and other instruments representing payment of the policy of insurance, and adjust, litigate, compromise or release claims against the issuer of any policy. Any monies received under any insurance policy assigned as security to Lender, other than liability insurance policies, or received as payment of any award or compensation for condemnation or taking by eminent domain, shall be paid to Lender and, as determined by Lender in its sole discretion, either be applied to prepayment of the Obligations or disbursed to Borrower under payment terms reasonably satisfactory to Lender for application to the cost of repairs, replacements, or restorations of the affected Collateral which shall be effected with reasonable promptness and shall be of a value at least equal to the value of the items or property destroyed.

3.4 **Financing Statements.** Borrower authorizes Lender to file financing statements describing Collateral to perfect Lender's and each Bank Product Provider's Security Interest in the Collateral, and Lender may describe the Collateral as "all personal property" or "all assets" or describe specific items of Collateral including without limitation any Commercial Tort Claims. All financing statements filed before the date of this Agreement to perfect the Security Interest were authorized by Borrower and each other Loan Party and are hereby ratified.

4. CONDITIONS.

4.1 **Conditions Precedent to the Initial Extension of Credit.** The obligation of Lender to make the initial extension of credit provided for hereunder is subject to the fulfillment, to the satisfaction of Lender, of each of the conditions precedent set forth on Exhibit B.

4.2 **Conditions Precedent to all Extensions of Credit.** The obligation of Lender to make any Advances hereunder (or to extend any other credit hereunder) at any time shall be subject to the following conditions precedent:

(a) the representations and warranties of each Loan Party and its Subsidiaries contained in this Agreement or in the other Loan Documents shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) on and as of the date of such extension of credit, as though made on and as of such date (except to the extent that such representations and warranties relate solely to an earlier date, in which case such representations and warranties shall continue to be true and correct as of such earlier date); and

(b) no Default or Event of Default shall have occurred and be continuing on the date of such extension of credit, nor shall either result from the making thereof.

Any request for an extension of credit shall be deemed to be a representation by each Loan Party that the statements set forth in this Section 4.2 are correct as of the time of such request and (ii) if such extension of credit is a request for an Advance or a Letter of Credit, sufficient Availability exists for such Advance or Letter of Credit pursuant to Section 2.1(a) and Section 2.13.

4.3 **Conditions Subsequent.** The obligation of Lender to continue to make Advances (or otherwise extend credit hereunder) is subject to the fulfillment, on or before the date applicable thereto, of the conditions subsequent set forth on Exhibit C (the failure by Borrower or any other Loan Party to so perform or cause to be performed such conditions subsequent as and when required by the terms thereof, shall constitute an Event of Default).

5. REPRESENTATIONS AND WARRANTIES.

In order to induce Lender to enter into this Agreement, Borrower, and each other Loan Party makes the representations and warranties to Lender set forth on Exhibit D. Each of such representations and warranties shall be true, correct, and complete, in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof), as of the Closing Date, and shall be true, correct, and complete, in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof), as of the date of the making of each Advance or other extension of credit made thereafter, as though made on and as of the date of such Advance or other extension of credit (except to the extent that such representations and warranties relate solely to an earlier date in which case such representations and warranties shall continue to be true and correct as of such earlier date) and such representations and warranties shall survive the execution and delivery of this Agreement.

6. AFFIRMATIVE COVENANTS.

Borrower and each other Loan Party covenants and agrees that until Payment in Full of the Obligations, Borrower and each other Loan Party shall, and shall cause each of its Subsidiaries to, comply with each of the following:

6.1 **Financial Statements, Reports, Certificates.** Deliver to Lender copies of each of the financial statements, reports, and other items set forth on Schedule 6.1 no later than the times specified therein. In addition, Borrower and each other Loan Party agree that no Subsidiary of Borrower or any other Loan Party will have a fiscal year different from that of Borrower. Borrower and each other Loan Party agree to maintain a system of accounting that enables it to produce financial statements in accordance with GAAP. Borrower and each other Loan Party shall also (a) keep a reporting system that shows all additions, sales, claims, returns, and allowances with respect to the sales of such Loan Party and its Subsidiaries, and (b) maintain its billing systems/practices substantially as in effect as of the Closing Date and shall only make material modifications following prior notice to Lender.

6.2 **Collateral Reporting.** Provide Lender with each of the reports set forth on Schedule 6.2 at the times specified therein. In addition, Borrower agrees to use commercially reasonable efforts in cooperation with Lender to facilitate and implement a system of electronic collateral reporting in order to provide electronic reporting of each of the items set forth on such Schedule.

6.3 **Existence.** Except as otherwise permitted under Section 7.3 or Section 7.4, at all times maintain and preserve in full force and effect (a) its existence (including being in good standing in its jurisdiction of organization) and (b) all rights and franchises, licenses and permits material to its business; provided, however, that no Loan Party nor any of its Subsidiaries shall be required to preserve any such right or franchise, licenses or permits if the preservation thereof is no longer desirable in the conduct of the business of such Person, and that the loss thereof is not disadvantageous in any material respect to such Person or to the Lender; provided that Borrower delivers at least ten (10) days prior written notice to Lender of the election of such Loan Party or such Subsidiary not to preserve any such right or franchise, license or permit.

6.4 **Maintenance of Properties.** Maintain and preserve all of its assets that are necessary or useful in the proper conduct of its business in good working order and condition, ordinary wear, tear and casualty excepted and Permitted Dispositions excepted (and except where the failure to so maintain and preserve such assets could not reasonably be expected to result in a Material Adverse Change), and comply with the material provisions of all material leases to which it is a party as lessee, so as to prevent the loss or forfeiture thereof, unless such provisions are the subject of a Permitted Protest.

6.5 **Taxes.**

(a) Cause all assessments and taxes imposed, levied, or assessed against any Loan Party or its Subsidiaries, or any of their respective assets or in respect of any of its income, businesses, or franchises to be paid in full, before delinquency or before the expiration of any extension period, except to the extent that the validity of such assessment or tax shall be the subject of a Permitted Protest and so long as, in the case of an assessment or tax that has or may become a Lien against any of the Collateral, (i) such contest proceedings conclusively operate to stay the sale of any portion of the Collateral to satisfy such assessment or tax, and (ii) any such other Lien is at all times subordinate to Lender's Liens.

(b) Make timely payment or deposit of all tax payments and withholding taxes required of it and them by Applicable Laws, including those laws concerning F.I.C.A., F.U.T.A., state disability, and local, state, and federal income taxes, and will, upon request, furnish Lender with proof reasonably satisfactory to Lender indicating that such Loan Party and its Subsidiaries have made such payments or deposits.

6.6 **Insurance.** At Borrower's expense, maintain insurance with respect to the assets of each Loan Party and each of its Subsidiaries, wherever located, covering loss or damage by fire, theft, explosion, and all other hazards and risks as ordinarily are insured against by other Persons engaged in the same or similar businesses. Borrower also shall maintain, with respect to each Loan Party and each of its Subsidiaries, business interruption insurance, general liability insurance, flood insurance for Collateral located in a flood plain, product liability insurance, director's and officer's liability insurance, fiduciary liability insurance and employment practices liability insurance, as well as insurance against larceny, embezzlement, and criminal misappropriation. All such policies of insurance shall be with responsible and reputable insurance companies acceptable to Lender and in such amounts as is carried generally in accordance with sound business practice by companies in similar businesses similarly situated and located and in any event in amount, adequacy and scope reasonably satisfactory to Lender. All property insurance policies covering the Collateral are to be made payable to Lender for the benefit of Lender, as its interests may appear, in case of loss, pursuant to a lender loss payable endorsement reasonably acceptable to Lender and are to contain such other provisions as Lender may reasonably require to fully protect the Lender's interest in the Collateral and to any payments to be made under such policies. All certificates of property and general liability insurance are to be delivered to Lender, with the lender loss payable (but only in respect of Collateral) and additional insured endorsements (with respect to general liability coverage) in favor of Lender and shall provide for not less than 30 days (10 days in the case of non-payment) prior written notice to Lender of the exercise of any right of cancellation. If Borrower fails to maintain such insurance, Lender may arrange for such insurance, but at Borrower's expense and without any responsibility on Lender's part for obtaining the insurance, the solvency of the insurance companies, the adequacy of the coverage, or the collection of claims. Borrower shall give Lender prompt notice of any loss exceeding $100,000 covered by such casualty or business interruption insurance. Upon the occurrence and during the continuance of an Event of Default, Lender shall have the right (but no obligation) to file claims under any property and general liability insurance policies in respect of the Collateral, to receive, receipt and give acquittance for any payments that may be payable thereunder, and to execute any and all endorsements, receipts, releases, assignments, reassignments or other documents that may be necessary to effect the collection, compromise or settlement of any claims under any such insurance policies.

6.7 **Inspections, Exams, Audits and Appraisals.** Permit Lender and each of Lender's duly authorized representatives or agents to visit any of its properties and inspect any of its assets or books and records, to conduct inspections, exams, audits and appraisals of the Collateral, to examine and make copies of its books and records, and to discuss its affairs, finances, and accounts with, and to be advised as to the same by, its officers and employees at such reasonable times and intervals as Lender may designate and, so long as no Default or Event of Default exists, with reasonable prior notice to Borrower.

6.8 **Account Verification.** Permit Lender, in Lender's name or in the name of a nominee of Lender, to verify the validity, amount or any other matter relating to any Account, by mail, telephone, facsimile transmission or otherwise. Further, at the request of Lender, Borrower shall send requests for verification of Accounts or send notices of assignment of Accounts to Account Debtors and other obligors.

6.9 **Compliance with Laws.** Comply with the requirements of all Applicable Laws, rules, regulations, and orders of any Governmental Authority, other than laws, rules, regulations, and orders the non-compliance with which, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Change.

6.10 **Environmental.**

(a) Keep any property either owned or operated by any Loan Party or any of its Subsidiaries free of any Environmental Liens or post bonds or other financial assurances satisfactory to Lender and in an amount sufficient to satisfy the obligations or liability evidenced by such Environmental Liens;

(b) Comply, in all material respects, with Environmental Laws and provide to Lender documentation of such compliance which Lender reasonably requests, other than Environmental Laws the non-compliance with which, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Change;

(c) Promptly notify Lender of any release of which any Loan Party has knowledge of a Hazardous Material in any reportable quantity from or onto property owned or operated by any Loan Party or any of its Subsidiaries and take any Remedial Actions required to abate said release or otherwise to come into compliance, in all material respects, with applicable Environmental Law related to such release; and

(d) Promptly, but in any event within 5 Business Days of its receipt thereof, provide Lender with written notice of any of the following: (i) notice that an Environmental Lien has been filed against any of the real or personal property of any Loan Party or any of its Subsidiaries, (ii) commencement of any Environmental Action or written notice that an Environmental Action will be filed against any Loan Party or any of its Subsidiaries, and (iii) written notice of a violation, citation, or other administrative order from a Governmental Authority regarding any Environmental Law.

6.11 **Disclosure Updates.**

(a) Promptly and in no event later than 5 Business Days after an officer of Borrower obtains knowledge thereof, notify Lender:

(i) if any written information, exhibit, or report furnished to Lender contained, at the time it was furnished, any untrue statement of a material fact or omitted to state any material fact necessary to make the statements contained therein not misleading in light of the circumstances in which made. Any notification pursuant to the foregoing provision will not cure or remedy the effect of the prior untrue statement of a material fact or omission of any material fact nor shall any such notification have the effect of amending or modifying this Agreement or any of the Schedules hereto;

(ii) of all actions, suits, or proceedings brought by or against any Loan Party or any of its Subsidiaries before any court or Governmental Authority which, either individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change, provided that, in any event, such notification shall not be later than 5 days after service of process with respect thereto on any Loan Party or any of its Subsidiaries;

(iii) of (A) any disputes or claims by Borrower's customers exceeding $100,000 individually or $250,000 in the aggregate during any Fiscal Year; or (B) Goods returned to or recovered by Borrower outside of the ordinary course of business exceeding $100,000 individually or $250,000 in the aggregate during any Fiscal Year;

(iv) of any material loss or damage to any Collateral or any substantial adverse change in the Collateral;

(v) of a violation of any law, rule or regulation, the non-compliance with which reasonably could be expected to result in a Material Adverse Change; or

(vi) of the occurrence of any ERISA Event.

(b) Promptly and in no event later than 5 Business Days after an officer of Borrower obtains knowledge thereof, notify Lender of any event or condition which constitutes a Default or an Event of Default and provide a statement of the action that Borrower proposes to take with respect to such Default or Event of Default.

Upon request of Lender, each Loan Party shall deliver to Lender any other materials, reports, records or information reasonably requested relating to the operations, business affairs or financial condition of any Loan Party or any of its Subsidiaries or any Collateral.

6.12 **Collateral Covenants.** Comply with each of the following covenants.

(a) **Possession of Collateral**. In the event that any Collateral, including Proceeds, is evidenced by or consists of Negotiable Collateral, Investment Related Property, or Chattel Paper, in each case, having an aggregate value or face amount of $100,000 or more for all such Negotiable Collateral, Investment Related Property, or Chattel Paper not theretofore delivered to Lender, Borrower shall promptly (and in any event within 5 Business Days after receipt thereof), notify Lender thereof, and if and to the extent that perfection or priority of Lender's Security Interest is dependent on or enhanced by possession, the applicable Loan Party, promptly (and in any event within 5 Business Days) after request by Lender, shall execute such other documents and instruments as shall be requested by Lender or, if applicable, endorse and deliver physical possession of such Negotiable Collateral, Investment Related Property, or Chattel Paper to Lender, together with such undated powers (or other relevant document of assignment or transfer acceptable to Lender) endorsed in blank as shall be requested by Lender, and shall do such other acts or things deemed necessary or desirable by Lender to enhance, perfect and protect Lender's Security Interest therein;

(b) **Chattel Paper.**

(i) Promptly (and in any event within 5 Business Days) after request by Lender, each Loan Party shall take all steps reasonably necessary to grant Lender control of all electronic Chattel Paper of Borrower and any other Loan Party in accordance with the Code and all "transferable records" as that term is defined in Section 16 of the Uniform Electronic Transaction Act and Section 201 of the federal Electronic Signatures in Global and National Commerce Act as in effect in any relevant jurisdiction, to the extent that the individual or aggregate value or face amount of such electronic Chattel Paper equals or exceeds $100,000;

(ii) If any Loan Party retains possession of any Chattel Paper or instruments (which retention of possession shall be subject to the extent permitted hereby), promptly upon the request of Lender, such Chattel Paper and instruments shall be marked with the following legend: "This writing and the obligations evidenced or secured hereby are subject to the Security Interest of HC Capital Holdings 0909A, LLC as Lender";

(c) **Control Agreements.**

(i) Except to the extent otherwise provided by Section 7.11 or as may be agreed by Lender in its sole discretion, each Loan Party shall obtain a Control Agreement, from each bank or, maintaining a Deposit Account for such Loan Party; except that no Control Agreement shall be required for up to two (2) petty cash accounts maintained with banks (other than Lender) so long as each such petty cash accounts does not at any time contain more than $10,000.

(ii) Except to the extent otherwise provided by Section 7.11, each Loan Party shall obtain a Control Agreement, from each issuer of uncertificated securities, securities intermediary, or commodities intermediary issuing or holding any financial assets or commodities to or for any Loan Party;

(iii) Except to the extent otherwise provided by Section 7.11, each Loan Party shall cause Lender to obtain "control", as such term is defined in the Code, with respect to all of the investment property of any Loan Party; and

(iv) Except to the extent otherwise provided by Section 7.11, each Loan Party shall at all times cause all cash and Cash Equivalents of such Loan Party (including proceeds of any Collateral) to be immediately deposited in Deposit Accounts subject to a Control Agreement in favor of Lender;

(d) **Letter-of-Credit Rights**. If any Loan Party is or becomes the beneficiary of letters of credit having a face amount or value of $100,000 or more in the aggregate, then such Loan Party shall promptly (and in any event within 5 Business Days after becoming a beneficiary), notify Lender thereof and, promptly (and in any event within 2 Business Days) after request by Lender, enter into a tri-party agreement with Lender and the issuer or confirming bank with respect to letter-of-credit rights assigning such letter-of-credit rights to Lender and directing all payments thereunder to the Collection Account, all in form and substance reasonably satisfactory to Lender;

(e) **Commercial Tort Claims**. If any Loan Party or Loan Parties obtain Commercial Tort Claims, having a value, or involving an asserted claim, in the amount of $100,000 or more in the aggregate for all Commercial Tort Claims, then the applicable Loan Party or Loan Parties shall promptly (and in any event within 5 Business Days of obtaining such Commercial Tort Claim), notify Lender upon incurring or otherwise obtaining such Commercial Tort Claims and, promptly (and in any event within 2 Business Days) after request by Lender, amend Schedule 5.6(d) to the Information Certificate to describe such Commercial Tort Claims in a manner that reasonably identifies such Commercial Tort Claims and which is otherwise reasonably satisfactory to Lender, and hereby authorizes the filing of additional financing statements or amendments to existing financing statements describing such Commercial Tort Claims, and agrees to do such other acts or things deemed necessary or desirable by Lender to give Lender a first priority, perfected security interest in any such Commercial Tort Claim, which Commercial Tort Claim shall not be subject to any other Liens (other than junior Permitted Liens in favor of the Institutional Subordinated Creditors);

(f) **Government Contracts**. Other than Accounts and Chattel Paper the aggregate value of which does not at any one time exceed $100,000 if any Account or Chattel Paper of any Loan Party arises out of a contract or contracts with the United States of America or any State or any department, agency, or instrumentality thereof, Loan Parties shall promptly (and in any event within 5 Business Days of the creation thereof) notify Lender thereof and, promptly (and in any event within 2 Business Days) after request by Lender, execute any instruments or take any steps reasonably required by Lender in order that all moneys due or to become due under such contract or contracts shall be assigned for security purposes to Lender, for the benefit of Lender and each Bank Product Provider, and shall provide written notice thereof under the Assignment of Claims Act or other Applicable Law;

(g) **Intellectual Property.**

(i) Upon the request of Lender, in order to facilitate filings with the PTO and the United States Copyright Office, each Loan Party shall execute and deliver to Lender one or more Copyright Security Agreements, Patent Security Agreements or Trademark Security Agreements to further evidence Lender's Lien on such Loan Party's Patents, Trademarks, or Copyrights, and the General Intangibles of such Loan Party relating thereto or represented thereby;

(ii) Each Loan Party shall have the duty, with respect to Intellectual Property that is material and necessary in the conduct of such Loan Party's business, to protect and diligently enforce and defend at such Loan Party's expense such Intellectual Property, including (A) to diligently enforce and defend, including promptly suing for infringement, misappropriation, or dilution and to recover any and all damages for such infringement, misappropriation, or dilution, and filing for opposition, interference, and cancellation against conflicting Intellectual Property rights of any Person, (B) to prosecute diligently any trademark application or service mark application that is part of the Trademarks pending as of the date hereof or hereafter, (C) to prosecute diligently any patent application that is part of the Patents pending as of the date hereof or hereafter, (D) to take all reasonable and necessary action to preserve and maintain all of such Loan Party's Trademarks, Patents, Copyrights, Intellectual Property Licenses, and its rights therein, including paying all maintenance fees and filing of applications for renewal, affidavits of use, and affidavits of noncontestability, and (E) to require all employees, consultants, and contractors of each Loan Party who were involved in the creation or development of such Intellectual Property to sign agreements containing assignment to such Loan Party of Intellectual Property rights created or developed and obligations of confidentiality. No Loan Party shall abandon any Intellectual Property or Intellectual Property License that is material and necessary in the conduct of such Loan Party's business. Each Loan Party shall take the steps described in this Section 6.12(g)(ii) with respect to all new or acquired Intellectual Property to which it or any of its Subsidiaries is now or later becomes entitled that is material and necessary in the conduct of such Loan Party's business;

(iii) Each Loan Party acknowledges and agrees that Lender shall have no duties with respect to any Intellectual Property or Intellectual Property Licenses of any Loan Party. Without limiting the generality of this Section 6.12(g)(iii), each Loan Party acknowledges and agrees that Lender shall not be under any obligation to take any steps necessary to preserve rights in the Collateral consisting of Intellectual Property or Intellectual Property Licenses against any other Person, but Lender may do so at its option from and after the occurrence and during the continuance of an Event of Default, and all Lender Expenses incurred in connection therewith (including reasonable fees and expenses of attorneys and other professionals) shall be for the sole account of Loan Party and shall be chargeable to the Loan Account;

(iv) Each Loan Party shall promptly file an application with the United States Copyright Office for any Copyright that has not been registered with the United States Copyright Office if such Copyright is material and necessary in connection with the conduct of such Loan Party's business. Any expenses incurred in connection with the foregoing shall be borne by the Loan Parties;

(v) No Loan Party shall enter into any Intellectual Property License to receive any license or rights in any Intellectual Property of any other Person which is material and necessary in connection with the conduct of such Loan Party's business unless such Loan Party has used commercially reasonable efforts to permit the assignment of or grant of a security interest in such Intellectual Property License (and all rights of such Loan Party thereunder) to Lender (and any transferees of Lender);

(h) **Investment Related Property.**

(i) Upon the occurrence and during the continuance of an Event of Default, following the request of Lender, all sums of money and property paid or distributed in respect of the Investment Related Property that are received by any Loan Party shall be held by such Loan Party in trust for the benefit of Lender segregated from such Loan Party's other property, and such Loan Party shall deliver it promptly to Lender in the exact form received.

(ii) Each Loan Party shall cooperate with Lender in obtaining all necessary approvals and making all necessary filings under federal, state, local, or foreign law to effect the perfection of the Security Interest on the Investment Related Property or to effect any sale or transfer thereof upon the occurrence and during the continuance of an Event of Default;

(i) **[Reserved]**

(j) **Motor Vehicles.** Within 90 days following the Closing Date or such later date as may be agreed by the Lender in its sole discretion, Borrower shall deliver to Lender, an original certificate of title, a release signed by Wells Fargo Bank, National Association, an application naming Lender as a first priority lien holder thereto (if requested by Lender) and/or such other documentation as Lender shall request with respect to each item of Eligible Equipment which is a motor vehicle or which has a certificate of title (including all such Eligible Equipment described on Schedule 5.33 to the Information Certificate), and Borrower shall cause, or cooperate with Lender in causing, such certificate of title and related items to be submitted to the appropriate state motor vehicle filing office for reissuance to Lender with the Lender's Lien noted thereon. Borrower shall deliver all original certificates of title with respect to Eligible Equipment and, upon request by Lender, all other original certificates of title with respect to motor vehicles and with respect to other equipment which has a certificate of title to be held by Lender. If Lender, in its sole discretion, agrees to any elimination or addition of any item of Eligible Equipment, upon request by Lender, Borrower shall amend Schedule 5.29 to the Information Certificate to accomplish such elimination or addition.

6.13 **Material Contracts.** Contemporaneously with the delivery of each Compliance Certificate pursuant to Section 6.1, provide Lender with copies of (a) each Material Contract entered into since the delivery of the previous Compliance Certificate, and (b) each material amendment or modification of any Material Contract entered into since the delivery of the previous Compliance Certificate. Each Loan Party shall maintain all Material Contracts in full force and effect and shall not default in the payment or performance of its obligations thereunder, except when such failure could not reasonably be expected to result in a Material Adverse Change.

6.14 **Location of Inventory and Equipment.** Keep the Inventory and Equipment of each Loan Party and each of its Subsidiaries (other than vehicles and Equipment out for repair and Inventory in transit) only at the locations identified on Schedule 5.29 to the Information Certificate or otherwise expressly permitted by Section 7.16 and keep the chief executive office of each Loan Party and each of its Subsidiaries only at the locations identified on Schedule 5.6(b) to the Information Certificate; provided, however, that Borrower may amend Schedule 5.29 to the Information Certificate so long as such amendment occurs by written notice to Lender not less than 10 days prior to the date on which such Inventory or Equipment is moved to such new location, and so long as, at the time of such written notification, the applicable Loan Party provides Lender a Collateral Access Agreement with respect thereto if such location is not owned by such Loan Party.

6.15 **Further Assurances.**

(a) At any time upon the reasonable request of Lender, execute or deliver to Lender any and all financing statements, fixture filings, security agreements, pledges, collateral assignments, endorsements of certificates of title, opinions of counsel, and all other documents (the "Additional Documents") that Lender may reasonably request and in form and substance reasonably satisfactory to Lender, to create, perfect, and continue perfection or to better perfect Lender's Liens in the assets of each Loan Party (whether now owned or hereafter arising or acquired, tangible or intangible, real or personal), and in order to fully consummate all of the transactions contemplated hereby and under the other Loan Documents; provided that the foregoing shall not apply to any Loan Party that is a CFC if providing such documents would result in adverse tax consequences or the costs to the Loan Parties of providing such documents are unreasonably excessive (as reasonably determined by Lender in consultation with Borrower) in relation to the benefits to Lender afforded thereby. To the maximum extent permitted by Applicable Law, if any Loan Party refuses or fails to execute or deliver any reasonably requested Additional Documents within a reasonable period of time, not to exceed 10 days following the request to do so, such Loan Party hereby authorizes Lender to execute any such Additional Documents in the applicable Loan Party's name, as applicable, and authorizes Lender to file such executed Additional Documents in any appropriate filing office. In furtherance and not in limitation of the foregoing, each Loan Party shall take such actions as Lender may reasonably request from time to time to ensure that the Obligations are guaranteed by the Guarantors and are secured by substantially all of the personal property assets of each Loan Party and all of the outstanding capital Stock of each Loan Party (subject to exceptions and limitations contained in the Loan Documents including with respect to CFCs);

(b) Each Loan Party authorizes the filing by Lender of financing or continuation statements, or amendments thereto, and such Loan Party will execute and deliver to Lender such other instruments or notices, as Lender may reasonably request, in order to perfect and preserve the Security Interest granted or purported to be granted hereby;

(c) Each Loan Party authorizes Lender at any time and from time to time to file, transmit, or communicate, as applicable, financing statements and amendments (i) describing the Collateral as "all personal property of debtor" or "all assets of debtor" or words of similar effect, (ii) describing the Collateral as being of equal or lesser scope or with greater detail, or (iii) that contain any information required by Part 5 of Article 9 of the Code for the sufficiency or filing office acceptance of such financing statement. Each Loan Party also hereby ratifies any and all financing statements or amendments previously filed by Lender in any jurisdiction; and

(d) Each Loan Party acknowledges that no Loan Party is authorized to file any financing statement or amendment or termination statement with respect to any financing statement filed in connection with this Agreement without the prior written consent of Lender, subject to such Loan Party's rights under Section 9-509(d)(2) of the Code.

6.16 **Material Licenses**. Contemporaneously with the delivery of each Compliance Certificate pursuant to Section 6.1, provide Lender with copies of each Material License entered into since delivery of the previous Compliance Certificate. Borrower and each other Loan Party shall maintain all of its Material Licenses in full force and effect, except when such failure could not reasonably be expected to result in a Material Adverse Change.

6.17 **Agricultural Matters**.

(a) Borrower and each of its Subsidiaries will comply with all payment instructions imposed on Borrower or such Subsidiary in any notification received by Borrower or such Subsidiary, whether pursuant to the UCC, the FSA or otherwise, and whether sent by a seller of farm products, a lender to such seller, the Secretary of State of any state or any other Person, of any Lien on any farm products purchased or to be purchased hereafter.

(b) Borrower and its Subsidiaries shall pay each of its invoices from vendors and suppliers of perishable agricultural commodities or other farm products in a manner and within a time period consistent with Borrower's or such Subsidiary's past practices, except for invoices being contested in good faith by appropriate proceedings and as to which adequate reserves have been taken in accordance with GAAP.

7. NEGATIVE COVENANTS.

Borrower and each other Loan Party covenants and agrees that until Payment in Full of the Obligations, neither Borrower nor any other Loan Party will, nor will it permit any of its Subsidiaries to, do any of the following:

7.1 **Indebtedness.** Create, incur, assume, suffer to exist, guarantee, or otherwise become or remain, directly or indirectly, liable with respect to any Indebtedness, except for Permitted Indebtedness.

7.2 **Liens.** Create, incur, assume, or suffer to exist, directly or indirectly, any Lien on or with respect to any of its assets, of any kind, whether now owned or hereafter acquired, or any income or profits therefrom, except for Permitted Liens.

7.3 **Restrictions on Fundamental Changes.**

(a) Enter into any merger, consolidation, reorganization, or recapitalization, or reclassify its Stock;

(b) Liquidate, wind up, or dissolve itself (or suffer any liquidation or dissolution);

(c) Suspend or cease operation of a substantial portion of its or their business; or

(d) Form or acquire any direct or indirect Subsidiary after the Closing Date without the prior written consent of Lender, which consent may be given or withheld by Lender in its sole discretion. If Lender provides its prior written consent to the formation or acquisition of any such Subsidiary after the Closing Date, at the time the applicable Loan Party forms or acquires any such Subsidiary, such Loan Party, as applicable, shall (a) within 10 days of such formation or acquisition (or such later date as permitted by Lender in its sole discretion) cause any such Subsidiary to provide to Lender a joinder to this Agreement and a Guaranty (or a joinder to an existing Guaranty), together with such other security documents, as well as appropriate financing statements, all in form and substance reasonably satisfactory to Lender (including being sufficient to grant Lender a first priority Lien (subject to Permitted Liens) in and to all assets of such newly formed or acquired Subsidiary); provided that the Guaranty and such other security documents shall not be required to be provided to Lender with respect to any such Subsidiary of a Loan Party

that is a CFC if providing such documents would result in adverse tax consequences or the costs to the Loan Parties of providing such Guaranty, executing any security documents or perfecting the security interests created thereby are unreasonably excessive (as reasonably determined by Lender in consultation with Borrower) in relation to the benefits of Lender of the security or guarantee afforded thereby, (b) within 10 days of such formation or acquisition (or such later date as permitted by Lender in its sole discretion) provide to Lender a pledge agreement and appropriate certificates and powers or financing statements, pledging all of the direct or beneficial ownership interest in such Subsidiary reasonably satisfactory to Lender; provided that only 65% of the total outstanding voting Stock of any first tier Subsidiary of a Loan Party that is a CFC (and none of the Stock of any Subsidiary of such CFC) shall be required to be pledged if pledging a greater amount would result in adverse tax consequences or the costs to the Loan Parties of providing such pledge or perfecting the security interests created thereby are unreasonably excessive (as determined by Lender in consultation with Borrower) in relation to the benefits of Lender of the security or guarantee afforded thereby (which pledge, if reasonably requested by Lender, shall be governed by the laws of the jurisdiction of such Subsidiary), and (c) simultaneously with such formation or acquisition (or such later date as permitted by Lender in its sole discretion) provide to Lender all other documentation, including articles of organization, bylaws, operating agreements, resolutions, certificates or authority, certificates of good standing and opinions of counsel reasonably satisfactory to Lender, which in Lender's opinion is appropriate with respect to the execution and delivery of the applicable documentation referred to above. Any joinder, guaranty, security agreement, document, agreement, or instrument executed or issued pursuant to this Section 7.3(d) shall be a Loan Document.

7.4 **Disposal of Assets.** Other than Permitted Dispositions or transactions expressly permitted by Sections 7.3 or 7.12, sell, assign (by operation of law or otherwise) or otherwise dispose of, or grant any option with respect to, any of the Collateral or any other asset except as expressly permitted by this Agreement. Lender shall not be deemed to have consented to any sale or other disposition of any of the Collateral or any other asset except as expressly permitted in this Agreement or the other Loan Documents.

7.5 **Change Name.** Change the name, organizational identification number, state of organization, organizational identity or "location" for purposes of Section 9-307 of the Code of any Loan Party or any of its Subsidiaries, in each case without providing at least 45 days prior written notice thereof to Lender.

7.6 **Nature of Business.** Make any change in the nature of its or their business as conducted on the date of this Agreement or acquire any properties or assets that are not reasonably related to the conduct of such business activities; provided, however, that the foregoing shall not prevent any Loan Party or any of its Subsidiaries from engaging in any business that is reasonably related or ancillary to its business.

7.7 **Prepayments and Amendments.**

(a) Except in connection with Refinancing Indebtedness permitted by Section 7.1, make any payment on account of Indebtedness or other obligations which have been contractually subordinated in right of payment to the Obligations if such payment is not permitted at such time under this Agreement and the applicable subordination terms and conditions, including, without limitation, making any payment in respect of any Subordinated Debt if such payment is not expressly permitted under this Agreement and under the applicable Subordination Agreement; or

(b) Directly or indirectly, amend, modify, or change any of the terms or provisions of

(i) any agreement, instrument, document, indenture, or other writing evidencing or governing any of the Subordinated Debt, except to the extent expressly permitted under the terms of the applicable Subordination Agreement and not inconsistent with the provisions of this Agreement;

(ii) any Material Contract except to the extent that such amendment, modification, or change could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Change; or

(iii) the Governing Documents of any Loan Party or any of its Subsidiaries if the effect thereof, either individually or in the aggregate, could reasonably be expected to be materially adverse to the interests of Lender.

7.8 **Change of Control.** Cause, permit, or suffer, directly or indirectly, any Change of Control.

7.9 **Restricted Junior Payments.** Declare or make any Restricted Junior Payment, except subject to the terms and conditions of the Institutional Subordinated Creditors Subordination Agreement and only to the extent expressly permitted under the Institutional Subordinated Creditors Subordination Agreement, Borrower may make regularly scheduled payments of principal and interest in respect of the Subordinated Debt owed by Borrower to the Institutional Subordinated Creditors (and payments of costs and expenses related thereto) when such regularly scheduled payments of principal and interest in respect of such Subordinated Debt (and payments of costs and expenses related thereto) become due and payable on a non-accelerated basis.

7.10 **Accounting Methods.** Modify or change its method of accounting (other than as may be required to be in conformity with GAAP).

7.11 **Investments; Controlled Investments.**

(a) Except for Permitted Investments, directly or indirectly, make or acquire any Investment or incur any liabilities (including contingent obligations) for or in connection with any Investment.

(b) Other than amounts deposited into Deposit Accounts identified on Schedule 5.15 to the Information Certificate which are specially and exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the employees of any Loan Party or its Subsidiaries and other than amounts permitted in the petty cash accounts described in the following sentence, make, acquire, or permit to exist Permitted Investments consisting of cash, Cash Equivalents, or amounts credited to Deposit Accounts or Securities Accounts unless such Loan Party or such Subsidiary, as applicable, and the applicable bank or securities intermediary have entered into Control Agreements with Lender governing such Permitted Investments in order to perfect (and further establish) Lender's Liens in such Permitted Investments. No Loan Party shall, or shall permit any of its Subsidiaries, to establish or maintain any Deposit Account or Securities Account with a banking institution other than Lender, except for up to two (2) petty cash accounts maintained with banks (other than Lender) so long as such petty cash accounts at no time contain more than $10,000 in the aggregate.

7.12 **Transactions with Affiliates.** Directly or indirectly enter into or permit to exist any transaction with any Loan Party or any Affiliate of any Loan Party or any of its Subsidiaries except for:

(a) so long as it has been approved by a Loan Party's or its applicable Subsidiary's Board of Directors (or comparable governing body) in accordance with Applicable Law, any reasonable and customary indemnity provided for the benefit of directors (or comparable managers) of such Loan Party or its applicable Subsidiary;

(b) so long as it has been approved by a Loan Party's or its applicable Subsidiary's Board of Directors (or comparable governing body) in accordance with Applicable Law, the payment of reasonable compensation, severance, or employee benefit arrangements to employees, officers, and outside directors of such Loan Party or its applicable Subsidiary in the ordinary course of business and consistent with industry practice;

(c) transactions expressly permitted by Section 7.3 or Section 7.9;

(d) so long as Borrower has provided prior written notice thereof to Lender, a transaction not otherwise prohibited by this Agreement which has terms and conditions as favorable to such Loan Party as would be obtainable by such Loan Party in a comparable arms-length transaction with a Person which is not another Loan Party, Subsidiary or Affiliate; ~~and~~

(e) the payment of fees and reimbursement of expenses pursuant to the Management Agreement~~.[3]~~ **; and**

(f) the transactions contemplated by the Closing Date Credit Line.

7.13 **Use of Proceeds.** Use the proceeds of any loan made hereunder for any purpose other than **(i) with respect to the Term Loan,** (a) to pay fees, costs, and expenses, including Lender Expenses, incurred in connection with this Agreement, the other Loan Documents, and the transactions contemplated hereby and thereby, and (b) consistent with the terms and conditions hereof, (1) for working capital purposes of the Borrower, **and** (2) to pay Restricted Junior Payments to the extent permitted by Section 7.9 and (~~3~~**ii**) with respect to Advances, ~~to pay for Non-Financed Capital Expenditures of Borrower~~**(A) if any amounts are outstanding under the Closing Date Credit Line, solely to repay principal, interest, fees and other amounts due under the Closing Date Credit Line and (B) otherwise, for general corporate purposes**; provided, however, that no part of the proceeds of the loans made to Borrower will be used to purchase or carry any Margin Stock, to extend credit to others for the purpose of purchasing or carrying any Margin Stock or for any other purpose, in each case that violates the provisions of Regulation T, U or X of the Board of Governors of the Federal Reserve System.

7.14 **Limitation on Issuance of Stock.** Issue or sell or enter into any agreement or arrangement for the issuance and sale of any of its Stock which would result in a Change of Control.

7.15 **Consignments.** Consign any of its Inventory or sell any of its Inventory on bill and hold, sale or return, sale on approval, or other conditional terms of sale, except as set forth on Schedule 7.15 to the Information Certificate.

~~[3] Draft management agreement to be provided~~

7.16 **Inventory and Equipment with Bailees.** Store the Inventory or Equipment of any Loan Party or any of its Subsidiaries at any time now or hereafter with a bailee, warehouseman, or similar party, except as set forth on Schedule 5.29 to the Information Certificate or on Schedule 7.16 to the Information Certificate; provided, however, that Borrower may amend Schedule 5.29 to the Information Certificate so long as such amendment occurs by written notice to Lender not less than 10 days prior to the date such Inventory or Equipment is moved to such new location, and so long as, at the time of such written notice, the applicable Loan Party provides Lender a Collateral Access Agreement with respect to such location if such location is not owned by such Loan Party; provided, further, however, that no Collateral Access Agreement shall be required with respect to any such additional bailee or warehouseman location at which the maximum amount of Inventory and Equipment stored at such location does not exceed $100,000.

~~7.17 **Salaries and Other Compensation.** Pay excessive or unreasonable salaries, bonuses, commissions, consultant fees or other compensation; or increase the salary, bonus, commissions, consultant fees or other compensation of the directors, officers and consultants of any Loan Party, and any members of their families, by more than twenty percent (20%) in the aggregate with respect to any Fiscal Year of Borrower, or pay such an increase from any source other than profits (directly or indirectly) earned in the year of payment.~~

8. FINANCIAL COVENANTS.

Borrower covenants and agrees that until Payment in Full of the Obligations, Borrower will comply with each of the following financial covenants:

8.1 **Fixed Charge Coverage Ratio**. At all times Borrower shall maintain a Fixed Charge Coverage Ratio, measured ~~monthly~~**for the trailing twelve month period** as of the last day of each Fiscal ~~Month~~**Quarter specified below**, of not less than the minimum required ratio set forth opposite **the** applicable Fiscal ~~Year-to-date or trailing twelve-month period~~**Quarter of Borrower** set forth below:

Applicable ~~Fiscal Year-to-Date~~**Trailing Twelve Months** Period Ended as of the following Fiscal ~~Month~~**Quarter**	Minimum Required Fixed Charge Coverage Ratio
~~[ ]~~**Q1 and Q2 2015**	~~[ ]~~**0.80 :1.00**
Q3 and Q4 2015	**1.00 :1.00**
Q1 2016 and each Fiscal Quarter thereafter	**1.10 :1.00**

8.2 **Non-Financed Capital Expenditures**. Borrower shall not make or incur any Non-Financed Capital Expenditure in any Fiscal Year which would cause the aggregate amount of Non-Financed Capital Expenditure made or incurred by Borrower in such Fiscal Year to exceed $~~400,000.~~**800,000.**

8.3 **Minimum EBITDA**. At all times, Borrower shall achieve EBITDA, measured for ~~each Fiscal Month of Borrower~~**the trailing twelve month period** as of the last day of such Fiscal ~~Month~~**Quarter specified below**, of not less than the minimum required amount set forth opposite the applicable Fiscal ~~Month~~**Quarter** of Borrower set forth below:

~~Applicable Fiscal Month End~~	~~Minimum Required EBITDA for such Fiscal Month~~
~~[ ]~~	~~[ ]~~

Applicable Fiscal Quarter End	**Minimum Required EBITDA for Trailing Twelve Months Period**
Q4 2014	**$0**
Q1 2015	**$500,000**
Q2 2015	**$1,000,000**

Q3 2015	**$1,500,000**
Q4 2015	**$2,000,000**
Q1 2016	**$2,250,000**
Q2 2016	**$2,500,000**
Q3 2016	**$2,750,000**
Q4 2016	**$3,000,000**
Q1 2017	**$3,250,000**
Q2 2017	**$3,500,000**
Q3 2017	**$3,750,000**
Q4 2017 and each Fiscal Quarter Thereafter	**$4,000,000**

9. EVENTS OF DEFAULT.

Any one or more of the following events shall constitute an event of default (each, an "Event of Default") under this Agreement:

9.1 If Borrower fails to pay when due and payable, or when declared due and payable, all or any portion of the Obligations consisting of principal, interest, fees, charges or other amounts due Lender or any Bank Product Provider, reimbursement of Lender Expenses, or other amounts constituting Obligations (including any portion thereof that accrues after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding);

9.2 If any Loan Party or any of its Subsidiaries:

(a) fails to perform or observe any covenant or other agreement contained in any of (i) Sections 4.3 6.1, 6.2, 6.3 (solely if any Loan Party is not in good standing in its jurisdiction of organization), 6.5(a) (solely with respect to F.I.C.A., F.U.T.A., federal income taxes and any other taxes or assessments the non-payment of which may result in a lien having priority over Lender's Liens), 6.5(b) 6.6, 6.7 (solely if any Loan Party or any of its Subsidiaries refuses to allow Lender or its representatives or agents to visit its properties, inspect its assets or books or records, examine and make copies of its books and records, or discuss its affairs, finances, and accounts with its officers and employees), 6.8, 6.11, 6.12; 6.13, 6.14, 6.16 or 6.17 of this Agreement, or (ii) Section 7 of this Agreement, or (iii) Section 8 of this Agreement;

(b) fails to perform or observe any covenant or other agreement contained in any of Sections 6.3 (other than if a Loan Party is not in good standing in its jurisdiction of organization), 6.4, 6.5(a) (other than F.I.C.A., F.U.T.A., federal income taxes and any other taxes or assessments the non-payment of which may result in a lien having priority over Lender's Liens), 6.7 (other than if any Loan Party or any of its Subsidiaries refuses to allow Lender or its representatives of agents to visit its properties, inspect its assets or books or records, examine and make copies of its books or records or disclose its affairs, finances, and accounts with its officers and employees), 6.9, 6.10, and 6.15 of this Agreement and such failure continues for a period of 15 days after the earlier of (i) the date on which such failure shall first become known to any officer of any Loan Party or (ii) the date on which written notice thereof is given to any Loan Party by Lender; or

(c) fails to perform or observe any covenant or other agreement contained in this Agreement, or in any of the other Loan Documents, in each case, other than any such covenant or agreement that is unable to be cured or is the subject of another provision of this Section 9 (in which event such other provision of this Section 9 shall govern), and such failure continues for a period of 30 days after the earlier of (i) the date on which such failure shall first become known to any officer of any Loan Party or (ii) the date on which written notice thereof is given to any Loan Party by Lender.

9.3 If one or more judgments, orders, or awards for the payment of money involving an aggregate amount of $250,000, or more (except to the extent fully covered (other than to the extent of customary deductibles) by insurance pursuant to which the insurer has not denied coverage) is entered or filed against a Loan Party or any of its Subsidiaries or against any Guarantor, or with respect to any of their respective assets, and either (a) there is a period of 30 consecutive days at any time after the entry of any such judgment, order, or award during which (1) the same is not discharged, satisfied, vacated, or bonded pending appeal, or (2) a stay of enforcement thereof is not in effect, or (b) any levy, enforcement proceeding or other enforcement action or activity is commenced upon such judgment, order, or award;

9.4 If an Insolvency Proceeding is commenced by a Loan Party or any of its Subsidiaries or by any Guarantor;

9.5 If an Insolvency Proceeding is commenced against a Loan Party or any of its Subsidiaries or against any Guarantor and any of the following events occur: (a) such Loan Party, such Subsidiary or such Guarantor consents to the institution of such Insolvency Proceeding against it, (b) the petition commencing the Insolvency Proceeding is not timely controverted, (c) the petition commencing the Insolvency Proceeding is not dismissed within 60 calendar days of the date of the filing thereof, (d) an interim trustee is appointed to take possession of all or any substantial portion of the properties or assets of, or to operate all or any substantial portion of the business of, such Loan Party, such Subsidiary or such Guarantor, or (e) an order for relief shall have been issued or entered therein; provided that Lender shall have no obligation to provide any extension of credit to Borrower during such 60 calendar day period specified in subsection (c);

9.6 If any Loan Party or any of its Subsidiaries or any Guarantor is enjoined, restrained, or in any way prevented by court order from continuing to conduct all or any material part of the business affairs of such Loan Party, such Subsidiary or such Guarantor, taken as a whole;

9.7 If there is (a) an event of default (as defined under the Subordinated Securities Purchase Agreement) under the Subordinated Securities Purchase Agreement or related documents, or (b) a default by a Loan Party or any of its Subsidiaries or any Guarantor in one or more agreements (other than as described in clause (a) above) to which such Loan Party, such Subsidiary or such Guarantor is a party with one or more third Persons relative to such Loan Party's, such Subsidiary's or such Guarantor's Indebtedness of $250,000 or more, and such default (i) occurs at the final maturity of the obligations thereunder, or (ii) results in a right by such third Person, irrespective of whether exercised and irrespective of whether prohibited by any Subordination Agreement, to accelerate the maturity of the obligations of such Loan Party, such Subsidiary or such Guarantor thereunder or to exercise any other right or remedy, or (c) a default by a Loan Party or any of its Subsidiaries or any Guarantor in, or an involuntary early termination of (other than by a Loan Party or any of its Subsidiaries), one or more Hedge Agreements to which such Loan Party, such Subsidiary or such Guarantor is a party involving an amount of $250,000 or more;

9.8 If any warranty, representation, certificate, statement, or Record made herein or in any other Loan Document or delivered in writing to Lender in connection with this Agreement or any other Loan Document proves to be untrue in any material respect (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) as of the date of issuance or making or deemed making thereof;

9.9 If the obligation of any Guarantor under any Guaranty or any other Loan Document to which any Guarantor is a party is limited or terminated by operation of law or by such Guarantor (other than in accordance with the terms of this Agreement or such Guaranty), or if any Guarantor fails to perform any obligation under any Guaranty or under any such Loan Document, or repudiates or revokes or purports to repudiate or revoke any obligation under any Guaranty or any such Loan Document, or any Guarantor is dissolved, liquidated or ceases to exist for any reason (in each case other than as a result of a transaction expressly permitted under the Loan Documents);

9.10 If this Agreement or any other Loan Document that purports to create a Lien securing any or all of the Obligations, shall, for any reason, fail or cease to create a valid and perfected first-priority Lien on the Collateral covered thereby, except for Permitted Liens or as a result of a disposition of the applicable Collateral in a transaction permitted under this Agreement;

9.11 [Reserved];

9.12 If any event or circumstance shall occur which, in the sole discretion of Lender exercised in good faith, would be reasonably likely to cause Lender to suspect that any Loan Party or any Guarantor has engaged in fraudulent activity with respect to the Collateral or other matters;

9.13 Any director, officer or owner of at least ten percent (10%) of the issued and outstanding ownership interests of a Loan Party or a Guarantor is indicted for a felony offense under state or federal law involving embezzlement, fraud or any other financial crime or any other felony offense under state or federal law involving intentional misconduct, or a Loan Party or a Guarantor hires an officer or appoints a director who has been convicted of any such felony offense, or a Person becomes an owner

of at least ten percent (10%) of the issued and outstanding ownership interests of a Loan Party or a Guarantor who has been convicted of any such felony offense.

9.14 If any Loan Party or any Guarantor fails to pay any indebtedness or obligation owed to Lender or its Affiliates which is unrelated to the Credit Facility or this Agreement as it becomes due and payable or the occurrence of any default or event of default under any agreement between any Loan Party or any Guarantor and Lender or its Affiliates unrelated to the Loan Documents;

9.15 The validity or enforceability of any Loan Document as against any Loan Party or of any Guaranty as against such Guarantor shall at any time for any reason be declared to be null and void, or a proceeding shall be commenced by a Loan Party or any Subsidiary of a Loan Party or by any Guarantor, or by any Governmental Authority having jurisdiction over a Loan Party or any Subsidiary of a Loan Party or any Guarantor, seeking to establish the invalidity or unenforceability thereof as against any Loan Party or any Guarantor, or a Loan Party or any Subsidiary of a Loan Party or any Guarantor shall deny that such Loan Party or such Subsidiary or such Guarantor has any liability or obligation purported to be created under any Loan Document or any Guaranty;

9.16 If (i) an ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or could reasonably be expected to result in liability of any Loan Party under Title IV of ERISA to the Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount in excess of $250,000, or (ii) any Loan Party or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan;

9.17 [Reserved];

9.18 If Borrower implements any product recall involving any products of Borrower which Borrower's customers have purchased from Borrower in an aggregate amount in excess of $250,000 during any Fiscal Year;

9.19 Any Loan Party or any Guarantor (i) becomes the subject of any governmental investigation related to any felony offense, or is indicted by any Governmental Authority with respect to any felony offense, under federal or state law; provided, however, that the investigation which was commenced by the USAO NDIL and described in, and deferred pursuant to, the Deferred Prosecution Agreement, shall not be deemed a violation of this Section 9.19 so long as any such investigation or prosecution continues to be deferred under the Deferred Prosecution Agreement and so long as Borrower has not failed to cure a material breach under the Deferred Prosecution Agreement within the applicable cure period (if any) under the Deferred Prosecution Agreement, or (ii) becomes the subject of any investigation, prosecution, charge or action related to any offense or any violation of law related to the factual matters described in the Deferred Prosecution Agreement by any federal or state agency or department or other Governmental Authority other than the USAO NDIL; or

9.20 (a) Borrower receives notice from the USAO NDIL that a material breach has occurred under any provision of the Deferred Prosecution Agreement and such material breach has not been cured within the applicable cure period (if any) under the Deferred Prosecution Agreement, (b) the USAO NDIL commences or recommences any investigation or prosecution with respect to any matter or matters described in the factual statement of the Deferred Prosecution Agreement, or (c) the Deferred Prosecution Dismissal has not occurred on or before February 28, 2015.

10. RIGHTS AND REMEDIES.

10.1 **Rights and Remedies.** Upon the occurrence and during the continuance of an Event of Default, Lender may (in each case under clauses (a) or (b) by written notice to Borrower; provided that no such notice shall be required with respect to Events of Default under Section 9.4 or Section 9.5), in addition to any other rights or remedies provided for hereunder or under any other Loan Document or by Applicable Law, do any one or more of the following:

(a) declare the Obligations (other than the Hedge Obligations, which may be accelerated in accordance with the terms of the applicable Hedge Agreement), whether evidenced by this Agreement or by any of the other Loan Documents immediately due and payable, whereupon the same shall become and be immediately due and payable and Borrower and each other Loan Party shall be obligated to repay all of such Obligations in full, without presentment, demand, protest, or further notice or other requirements of any kind, all of which are hereby expressly waived by Borrower and each Loan Party;

(b) declare the funding obligations of Lender under this Agreement terminated, whereupon such funding obligations shall immediately be terminated together with any obligation of Lender hereunder to make Advances or to issue Letters of Credit;

(c) give notice to an Account Debtor or other Person obligated to pay an Account, a General Intangible, Negotiable Collateral, or other amount due, notice that the Account, General Intangible, Negotiable Collateral or other amount due has been assigned to Lender for security and must be paid directly to Lender and Lender may collect the Accounts, General Intangible and Negotiable Collateral of each Loan Party directly, and any collection costs and expenses shall constitute part of the Obligations under the Loan Documents;

(d) in Lender's name or in each Loan Party's name, as such Loan Party's agent and attorney-in-fact, notify the United States Postal Service to change the address for delivery of such Loan Party's mail to any address designated by Lender, otherwise intercept such Loan Party's mail, and receive, open and dispose of such Loan Party's mail, applying all Collateral as permitted under this Agreement and holding all other mail for such Loan Party's account or forwarding such mail to such Loan Party's last known address;

(e) without notice to or consent from any Loan Party, and without any obligation to pay rent or other compensation, take exclusive possession of all locations where any Loan Party conducts its business or has any rights of possession and use the locations to store, process, manufacture, sell, use, and liquidate or otherwise dispose of items that are Collateral, and for any other incidental purposes deemed appropriate by Lender in good faith; and

(f) exercise all other rights and remedies provided for in this Agreement, in the other Loan Documents, or otherwise available to it, including, without limitation, all the rights and remedies of a secured party on default under the Code or any other Applicable Law.

10.2 **Additional Rights and Remedies**. Without limiting the generality of the foregoing and upon the occurrence and during the continuance of an Event of Default, Borrower and each other Loan Party expressly agrees that:

(a) Lender, without demand of performance or other demand, advertisement or notice of any kind (except a notice specified below of time and place of public or private sale) to or upon Borrower, any Loan Party or any other Person (all and each of which demands, advertisements and notices are hereby expressly waived to the maximum extent permitted by the Code or any other Applicable Law), may take immediate possession of all or any portion of the Collateral and (i) require Borrower and each other Loan Party to, and Borrower and each other Loan Party hereby agrees that it will at its own expense and upon request of Lender forthwith, assemble all or part of the Collateral as directed by Lender and make it available to Lender at one or more locations designated by Lender where Borrower or such other Loan Party conducts business, and (ii) without notice except as specified below, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any of Lender's, Borrower's or such other Loan Party's offices or elsewhere, for cash, on credit, and upon such other terms as Lender may deem commercially reasonable. Borrower and each other Loan Party agrees that, to the extent notice of sale shall be required by law, at least 10 days notice to Borrower or such other Loan Party of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification and such notice shall constitute a reasonable "authenticated notification of disposition" within the meaning of Section 9-611 of the Code. Lender shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. Lender may adjourn any public or private sale from time to time, and such sale may be made at the time and place to which it was so adjourned. Borrower and each other Loan Party agrees that the internet shall constitute a "place" for purposes of Section 9-610(b) of the Code. Borrower and each other Loan Party agrees that any sale of Collateral to a licensor pursuant to the terms of a license agreement between such licensor and Borrower or such other Loan Party is sufficient to constitute a commercially reasonable sale (including as to method, terms, manner, and time) within the meaning of Section 9-610 of the Code;

(b) Lender may, in addition to other rights and remedies provided for herein, in the other Loan Documents, or otherwise available to it under Applicable Law and without the requirement of notice to or upon any Loan Party or any other Person (which notice is hereby expressly waived to the maximum extent permitted by the Code or any other Applicable Law), (i) with respect to any Loan Party's Deposit Accounts in which Lender's Liens are perfected by control under Section 9-104 of the Code, instruct the bank maintaining such Deposit Account for the applicable Loan Party to pay the balance of such Deposit Account to or for the benefit of Lender, and (ii) with respect to any Loan Party's Securities Accounts in which Lender's Liens are perfected by control under Section 9-106 of the Code, instruct the securities intermediary maintaining such Securities Account for the applicable Loan Party to (A) transfer any cash in such Securities Account to or for the benefit of Lender, or (B) liquidate any financial assets in such Securities Account that are customarily sold on a recognized market and transfer the cash proceeds thereof to or for the benefit of Lender;

(c) any cash held by Lender as Collateral and all cash proceeds received by Lender in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied against the Obligations in the order set forth in Section 10.5 of this Agreement. In the event the proceeds of Collateral are insufficient to satisfy all of the Obligations in full, Borrower and each other Loan Party shall remain jointly and severally liable for any such deficiency; and

(d) the Obligations arise out of a commercial transaction, and that if an Event of Default shall occur and be continuing Lender shall have the right to an immediate writ of possession without notice of a hearing. Lender shall have the right to the appointment of a receiver for each Loan Party or for the properties and assets of each Loan Party, and Borrower and each other Loan Party hereby consents to such rights and such appointment and hereby waives any objection Borrower or such Loan Party may have thereto or the right to have a bond or other security posted by Lender.

Notwithstanding the foregoing or anything to the contrary contained in Section 10.1, upon the occurrence of any Default or Event of Default described in Section 9.4 or Section 9.5 with respect to Borrower, in addition to the remedies set forth above, without any notice to Borrower or any other Person or any act by Lender, all obligations of Lender to provide any further extensions of credit hereunder shall automatically terminate and the Obligations (other than the Hedge Obligations), inclusive of all accrued and unpaid interest thereon and all fees and all other amounts owing under this Agreement or under any of the other Loan Documents, shall automatically and immediately become due and payable and Borrower shall be obligated to repay all of such Obligations in full, without presentment, demand, protest, or notice of any kind, all of which are expressly waived by Borrower and each other Loan Party.

10.3 **Lender Appointed Attorney in Fact**. Borrower and each other Loan Party hereby irrevocably appoints Lender its attorney-in-fact, with full authority in the place and stead of Borrower or such Loan Party and in the name of Borrower or such Loan Party or otherwise, at such time as an Event of Default has occurred and is continuing, to take any action and to execute any instrument which Lender may reasonably deem necessary or advisable to accomplish the purposes of this Agreement, including:

(a) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in connection with the Accounts or any other Collateral of Borrower or such other Loan Party;

(b) to receive, indorse, and collect any drafts or other instruments, documents, Negotiable Collateral or Chattel Paper;

(c) to file any claims or take any action or institute any proceedings which Lender may deem necessary or desirable for the collection of any of the Collateral of Borrower or such other Loan Party or otherwise to enforce the rights of Lender with respect to any of the Collateral;

(d) to repair, alter, or supply Goods, if any, necessary to fulfill in whole or in part the purchase order of any Person obligated to Borrower or such other Loan Party in respect of any Account of Borrower or such other Loan Party;

(e) to use any Intellectual Property or Intellectual Property Licenses of Borrower or such other Loan Party including but not limited to any labels, Patents, Trademarks, trade names, URLs, domain names, industrial designs, Copyrights, or advertising matter, in preparing for sale, advertising for sale, or selling Inventory or other Collateral and to collect any amounts due under Accounts, contracts or Negotiable Collateral of Borrower or such other Loan Party;

(f) to take exclusive possession of all locations where Borrower or such other Loan Party conducts its business or has rights of possession, without notice to or consent of Borrower or any Loan Party and to use such locations to store, process, manufacture, sell, use, and liquidate or otherwise dispose of items that are Collateral, without obligation to pay rent or other compensation for the possession or use of any location;

(g) Lender shall have the right, but shall not be obligated, to bring suit in its own name or in the applicable Loan Party's name, to enforce the Intellectual Property and Intellectual Property Licenses and, if Lender shall commence any such suit, Borrower or such other Loan Party shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents reasonably required by Lender in aid of such enforcement; and

(h) to the extent permitted by law, Borrower and each other Loan Party hereby ratifies all that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until all commitments of Lender under this Agreement to provide extensions of credit are terminated and all Obligations have been paid in full in cash.

10.4 **Remedies Cumulative.** The rights and remedies of Lender under this Agreement, the other Loan Documents, and all other agreements shall be cumulative. Lender shall have all other rights and remedies not inconsistent herewith as provided under the Code, by law, or in equity. No exercise by Lender of one right or remedy shall be deemed an election, and no waiver by Lender of any Default or Event of Default shall be deemed a continuing waiver. No delay by Lender shall constitute a waiver, election, or acquiescence by it.

10.5 **Crediting of Payments and Proceeds**. All payments received by Lender with respect to the Obligations and all net proceeds from the enforcement of the Obligations shall be applied in such manner as Lender shall determine in its sole discretion and, thereafter, to Borrower (to be wired to the Designated Account) or such other Person entitled thereto under Applicable Law.

10.6 **Marshaling.** Lender shall not be required to marshal any present or future collateral security (including but not limited to the Collateral) for, or other assurances of payment of, the Obligations or any of them or to resort to such collateral security or other assurances of payment in any particular order, and all of its rights and remedies under the Loan Documents and in respect of such collateral security and other assurances of payment shall be cumulative and in addition to all other rights and remedies, however existing or arising. To the extent that it lawfully may, Borrower and each other Loan Party hereby agrees that it will not invoke any law relating to the marshaling of collateral which might cause delay in or impede the enforcement of Lender's rights and remedies under the Loan Documents or under any other instrument creating or evidencing any of the Obligations or under which any of the Obligations are outstanding or by which any of the Obligations are secured or payment thereof is otherwise assured, and, to the extent that it lawfully may, Borrower hereby irrevocably waives the benefits of all such laws.

10.7 **License**. Borrower and each other Loan Party hereby grants to Lender a non-exclusive, worldwide and royalty-free license to use or otherwise exploit all Intellectual Property rights of Borrower and such other Loan Party for the purpose of: (a) completing the manufacture of any in-process materials upon the occurrence and during the continuance of any Event of Default so that such materials become saleable Inventory, all in accordance with the same quality standards previously adopted by Borrower or such other Loan Party for its own manufacturing; and (b) selling, leasing or otherwise disposing of any or all Collateral upon the occurrence and during the continuance of any Event of Default.

11. WAIVERS; INDEMNIFICATION.

11.1 **Demand; Protest; etc**. Borrower and each other Loan Party waives demand, protest, notice of protest, notice of default or dishonor, notice of payment and nonpayment, nonpayment at maturity, release, compromise, settlement, extension, or renewal of documents, instruments, chattel paper, and guarantees at any time held by Lender on which Borrower or such other Loan Party may in any way be liable.

11.2 **The Lender's Liability for Collateral.** Borrower and each other Loan Party hereby agrees that: (a) so long as Lender complies with its obligations, if any, under the Code, Lender shall not in any way or manner be liable or responsible for: (i) the safekeeping of the Collateral, (ii) any loss or damage thereto occurring or arising in any manner or fashion from any cause, (iii) any diminution in the value thereof, or (iv) any act or default of any carrier, warehouseman, bailee, forwarding agency, or other Person, and (b) all risk of loss, damage, or destruction of the Collateral shall be borne by Borrower and such other Loan Party.

11.3 **Indemnification.** Borrower and each other Loan Party shall pay, indemnify, defend, and hold the Lender-Related Persons (each, an "Indemnified Person") harmless (to the fullest extent permitted by law) from and against any and all claims, demands, suits, actions, investigations, proceedings, liabilities, fines, costs, penalties, and damages, and all reasonable fees and disbursements of attorneys, experts, or consultants and all other costs and expenses actually incurred in connection therewith or in connection with the enforcement of this indemnification (as and when they are incurred and irrespective of whether suit is brought), at any time asserted against, imposed upon, or incurred by any of them (a) in connection with or as a result of or related to the execution and delivery, enforcement, performance, or administration (including any restructuring, waiver, amendment, forbearance or workout with respect hereto) of this Agreement, any of the other Loan Documents or the transactions contemplated hereby or thereby or the monitoring of compliance by each Loan Party and each of its Subsidiaries with the terms of the Loan Documents, (b) with respect to any investigation, litigation, or proceeding related to this Agreement, any other Loan Document or the use of the proceeds of the credit provided hereunder (irrespective of whether any Indemnified Person is a party thereto), or any act, omission, event, or circumstance in any manner related thereto, (c) in connection with the custody, preservation, use or operation of, or, upon an Event of Default, the sale of, collection from, or other realization upon, any of the Collateral in accordance with this Agreement and the other Loan Documents, (d) with respect to the failure by Borrower or any other Loan Party to perform or observe any of the provisions hereof or any other Loan Document, (e) in connection with the exercise or enforcement of any of the rights of Lender hereunder or under any other Loan Document, (f) in connection with or arising out of any presence or release of Hazardous Materials at, on, under, to or from any assets or properties owned, leased or operated by any Loan Party or any of its Subsidiaries or any Environmental Actions, Environmental Liabilities or Remedial Actions related in any way to any such assets or properties of any Loan Party or any of its Subsidiaries and (g) in connection with the negotiation, preparation and filing and recordation of the Loan Documents, (each and all of the foregoing, the "Indemnified Liabilities"). The foregoing to the contrary notwithstanding, neither Borrower nor any other Loan Party shall have any obligation to any Indemnified Person under this Section 11.3 with respect to any Indemnified Liability that a court of competent jurisdiction finally determines to have resulted from the gross negligence or willful misconduct of such Indemnified Person or its officers, directors, employees, or attorneys. This provision shall survive the termination of this Agreement and the repayment of the Obligations. If any Indemnified Person makes any payment to any other Indemnified Person with respect to an Indemnified Liability as to which Borrower or any other Loan Party was required to indemnify the Indemnified Person receiving such payment,

the Indemnified Person making such payment is entitled to be indemnified and reimbursed by Borrower or such Loan Party with respect thereto. **WITHOUT LIMITATION, THE FOREGOING INDEMNITY SHALL APPLY TO EACH INDEMNIFIED PERSON WITH RESPECT TO INDEMNIFIED LIABILITIES WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF ANY NEGLIGENT ACT OR OMISSION OF SUCH INDEMNIFIED PERSON OR OF ANY OTHER PERSON.**

12. NOTICES.

Unless otherwise provided in this Agreement, all notices or demands relating to this Agreement or any other Loan Document shall be in writing and (except for financial statements and other informational documents which may be sent by first-class mail, postage prepaid) shall be personally delivered or sent by certified mail (postage prepaid, return receipt requested), overnight courier, electronic mail (at such email addresses as a party may designate in accordance herewith), or telefacsimile. In the case of notices or demands to Borrower, any other Loan Party or Lender, as the case may be, they shall be sent to the respective address set forth below:

If to Borrower: **~~[BORROWER~~NATURAL AMERICAN FOODS, INC.~~]~~**
10464 Bryan Highway
Onsted, Michigan 49265
Attn: Jack Irvin
Fax: (517) 467-2840
Email: jack@groebfarms.com

with courtesy copies to (which shall not constitute Notice for purposes of this Section 12): **FOLEY & LARDNER LLP**
777 East Wisconsin Avenue, Suite 3800
Milwaukee, Wisconsin 53202
Attn: Patricia J. Lane
Fax: (414) 297-4900
Email: plane@foley.com

If to Lender: **HC CAPITAL HOLDINGS 0909A, LLC**
c/o Peak Rock Capital
13413 Galleria Circle, Suite Q-300
Austin, TX 78738
Attn: Robert M. Strauss
Fax: (512) 765-6530
Email: Strauss@peakrockcapital.com

with courtesy copies to (which shall not constitute Notice for purposes of this Section 12) **KIRKLAND & ELLIS LLP**
601 Lexington Avenue
New York, NY 10022
Attn: Leonard Klingbaum
Fax: (212) 446-6460
Email: Leonard.Klingbaum@kirkland.com

Any party hereto may change the address at which it is to receive notices hereunder, by notice in writing in the foregoing manner given to the other party. All notices or demands sent in accordance with this Section 12, shall be deemed received on the earlier of the date of actual receipt or 3 Business Days after the deposit thereof in the mail; provided, that (a) notices sent by overnight courier service shall be deemed to have been given when received, (b) notices by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient) and (c) notices by electronic mail shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return email or other written acknowledgment). Any notice given by Lender to Borrower as provided in this Section 12 shall be deemed sufficient notice as to all Loan Parties, regardless of whether each Loan Party is sent a separate copy of such notice or whether each Loan Party is specifically identified in such notice.

13. CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER.

(a) **THE VALIDITY OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (UNLESS EXPRESSLY PROVIDED TO THE CONTRARY IN ANOTHER LOAN DOCUMENT IN RESPECT OF SUCH OTHER LOAN DOCUMENT), THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF AND THEREOF, AND THE RIGHTS OF THE PARTIES HERETO AND THERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR THEREUNDER OR RELATED HERETO OR THERETO AS WELL AS ALL CLAIMS, CONTROVERSIES OR DISPUTES ARISING UNDER OR RELATED TO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK (OTHER THAN ITS CONFLICT OF LAWS RULES AND EXCEPT TO THE EXTENT THE LAW OF ANY OTHER JURISDICTION APPLIES AS TO THE PERFECTION OR ENFORCEMENT OF LENDER'S LIEN IN ANY COLLATERAL AND EXCEPT TO THE EXTENT EXPRESSLY PROVIDED TO THE CONTRARY IN ANY LOAN DOCUMENT) AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA (INCLUDING THE BANKRUPTCY CODE).**

(b) **THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS MAY BE TRIED AND LITIGATED IN THE STATE AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, FEDERAL COURTS LOCATED IN THE SOUTHERN DISTRICT OF NEW YORK, STATE OF NEW YORK; PROVIDED, HOWEVER, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT LENDER'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE LENDER ELECTS TO BRING SUCH ACTION OR WHERE SUCH COLLATERAL OR OTHER PROPERTY MAY BE FOUND. BORROWER AND EACH OTHER LOAN PARTY AND LENDER WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 13(b)**.

(c) **TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, BORROWER AND EACH OTHER LOAN PARTY AND LENDER HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF ANY OF THE LOAN DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. BORROWER AND EACH OTHER LOAN PARTY AND LENDER REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.**

14. ASSIGNMENTS; SUCCESSORS. This Agreement shall bind and inure to the benefit of the respective successors and assigns of each of the parties; provided, however, that neither Borrower nor any other Loan Party may assign this Agreement or any other Loan Document or any rights or duties hereunder or under any of the other Loan Documents without Lender's prior written consent and any prohibited assignment shall be absolutely void *ab initio*. No consent to assignment by the Lender shall release Borrower or any other Loan Party from its Obligations. Lender may assign this Agreement and the other Loan Documents in whole or in part and its rights and duties hereunder or grant participations in the Obligations hereunder and thereunder and no consent or approval by Borrower or any other Loan Party is required in connection with any such assignment or participation; provided, however, if a payment made to any assignee of Lender would be subject to U.S. federal withholding tax imposed by FATCA if such assignee were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the IRC, as applicable), such assignee shall deliver to Borrower at the time or times prescribed by law and at such time or times reasonably requested by Borrower such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the IRC) and such additional documentation reasonably requested by Borrower as may be necessary for Borrower to comply with its obligations under FATCA and to determine that such assignee has complied with such assignee's obligations under FATCA or to determine the amount to deduct and withhold from such payment.

15. AMENDMENTS; WAIVERS. No failure by Lender to exercise any right, remedy, or option under this Agreement or any other Loan Document, or delay by Lender in exercising the same, will operate as a waiver thereof. No amendment of any provision of this Agreement or of any of the other Loan Documents will be effective unless it is in writing and signed by Lender and Borrower, and then only to the extent specifically stated. No waiver by Lender of any provision of this Agreement or of any of the other Loan Documents will be effective unless it is in writing and signed by Lender, and then only to the extent specifically stated. No waiver or amendment by Lender on any occasion shall affect or diminish Lender's rights thereafter to require strict performance by Borrower and each other Loan Party of any provision of this Agreement. Lender's rights under this Agreement and the other Loan Documents will be cumulative and not exclusive of any other right or remedy that Lender may have. The Lender may require a written amendment to this Agreement in connection with any changes to any Schedule of the Information Certificate which

Borrower makes to such Schedule of Information as permitted under this Agreement to reflect such changes to such Schedule of Information.

16. TAXES.

(a) All payments made by Borrower or any other Loan Party hereunder or under any note or other Loan Document will be made without setoff, counterclaim, or other defense. In addition, all such payments will be made free and clear of, and without deduction or withholding for, any present or future Taxes, and in the event any deduction or withholding of Taxes is required, Borrower shall comply with the next sentence of this Section 16(a). If any Taxes are so levied or imposed, Borrower agrees to pay the full amount of such Taxes and such additional amounts as may be necessary so that every payment of all amounts due under this Agreement, any note, or Loan Document, including any amount paid pursuant to this Section 16(a) after withholding or deduction for or on account of any Taxes, will not be less than the amount provided for herein; provided, however, that Borrower shall not be required to increase any such amounts if the increase in such amount payable results from Lender's or such Lender's own willful misconduct or gross negligence (as finally determined by a court of competent jurisdiction). Borrower will furnish to Lender as promptly as possible after the date the payment of any Tax is due pursuant to Applicable Law, certified copies of tax receipts evidencing such payment by Borrower.

(b) Borrower agrees to pay any present or future stamp, value added or documentary taxes or any other excise or property taxes, charges, or similar levies that arise from any payment made hereunder or from the execution, delivery, performance, recordation, or filing of, or otherwise with respect to this Agreement or any other Loan Document.

17. GENERAL PROVISIONS.

17.1 **Effectiveness.** This Agreement shall be binding and deemed effective when executed by Borrower, each Guarantor which is a party hereto and Lender.

17.2 **Section Headings.** Headings and numbers have been set forth herein for convenience only. Unless the contrary is compelled by the context, everything contained in each Section applies equally to this entire Agreement.

17.3 **Interpretation.** Neither this Agreement nor any uncertainty or ambiguity herein shall be construed against the Lender or any Loan Party, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to accomplish fairly the purposes and intentions of all parties hereto.

17.4 **Severability of Provisions.** Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

17.5 **Debtor-Creditor Relationship.** The relationship between the Lender, on the one hand, and the Loan Parties, on the other hand, is solely that of creditor and debtor. Lender shall not have (and shall not be deemed to have) any fiduciary relationship or duty to any Loan Party arising out of or in connection with the Loan Documents or the transactions contemplated thereby, and there is no agency or joint venture relationship between Lender, on the one hand, and the Loan Parties, on the other hand, by virtue of any Loan Document or any transaction contemplated therein.

17.6 **Counterparts; Electronic Execution.** This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Delivery of an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission also shall deliver an original executed counterpart of this Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.

17.7 **Revival and Reinstatement of Obligations.** If the incurrence or payment of the Obligations by Borrower, any other Loan Party or any Guarantor or the transfer to Lender of any property should for any reason subsequently be asserted, or declared, to be void or voidable under any state or federal law relating to creditors' rights, including provisions of the Bankruptcy Code relating to fraudulent conveyances, preferences, or other voidable or recoverable payments of money or transfers of property (each, a "Voidable Transfer"), and if Lender is required to repay or restore, in whole or in part, any such Voidable Transfer, or elects to do so upon the reasonable advice of its counsel, then, as to any such Voidable Transfer, or the amount thereof that Lender is required or elects to repay or restore, and as to all reasonable costs, expenses, and attorneys fees of Lender related thereto, the liability of Borrower, such other Loan Party or such Guarantor automatically shall be revived, reinstated, and restored and shall

exist as though such Voidable Transfer had never been made and all of Lender's Liens in the Collateral shall be automatically reinstated without further action.

17.8 **Confidentiality.**

(a) Lender agrees that material, non-public information regarding the Loan Parties and their respective Subsidiaries, their operations, assets, and existing and contemplated business plans ("Confidential Information") shall be treated by Lender in a confidential manner, and shall not be disclosed by Lender to Persons who are not parties to this Agreement, except: (i) to attorneys for and other advisors, accountants, auditors, and consultants to Lender and to employees, directors and officers of Lender (the Persons in this clause (i), "Lender Representatives") on a "need to know" basis in connection with this Agreement and the transactions contemplated hereby and on a confidential basis, (ii) to Subsidiaries and Affiliates of Lender, provided that any such Subsidiary or Affiliate shall have agreed in writing for Borrower's benefit to receive such information hereunder subject to the terms of this Section 17.8, (iii) as may be required by regulatory authorities, (iv) as may be required by statute, decision, or judicial or administrative order, rule, or regulation; provided that (x) prior to any disclosure under this clause (iv), the disclosing party agrees to provide Borrower with prior notice thereof, to the extent that it is practicable to do so and to the extent that the disclosing party is permitted to provide such prior notice to Borrower pursuant to the terms of the applicable statute, decision, or judicial or administrative order, rule, or regulation and (y) any disclosure under this clause (iv) shall be limited to the portion of the Confidential Information as may be required by such statute, decision, or judicial or administrative order, rule, or regulation, (v) as may be agreed to in advance in writing by Borrower, (vi) as requested or required by any Governmental Authority pursuant to any subpoena or other legal process, provided, that, (x) prior to any disclosure under this clause (vi) the disclosing party agrees to provide Borrower with prior written notice thereof, to the extent that it is practicable to do so and to the extent that the disclosing party is permitted to provide such prior written notice to Borrower pursuant to the terms of the subpoena or other legal process and (y) any disclosure under this clause (vi) shall be limited to the portion of the Confidential Information as may be required by such Governmental Authority pursuant to such subpoena or other legal process, (vii) as to any such information that is or becomes generally available to the public (other than as a result of prohibited disclosure by Lender or Lender Representatives), (viii) in connection with any assignment, participation or pledge of any Lender's interest under this Agreement, provided that prior to receipt of Confidential Information any such assignee, participant, or pledgee shall have agreed in writing for Borrower's benefit to receive such Confidential Information hereunder subject to the terms of this Section, (ix) in connection with any litigation or other adversary proceeding involving parties hereto which such litigation or adversary proceeding involves claims related to the rights or duties of such parties under this Agreement or the other Loan Documents; (x) to equity owners of each Loan Party and (xi) in connection with, and to the extent reasonably necessary for, the exercise of any secured creditor remedy under this Agreement or under any other Loan Document.

(b) Anything in this Agreement to the contrary notwithstanding, Lender may use the name, logos, and other insignia of the Loan Parties and the Maximum Credit provided hereunder in any "tombstone" or comparable advertising, on its website or in other marketing materials of Lender, in each case with the prior written approval of Borrower (not to be unreasonably withheld, conditioned or delayed).

17.9 **Lender Expenses.** Borrower and each other Loan Party agrees to pay the Lender Expenses on the earlier of (a) the first day of the month following the date on which such Lender Expenses were first incurred, or (b) the date on which demand therefor is made by Lender, and Borrower and each other Loan Party agrees that its obligations contained in this Section 17.9 shall survive payment or satisfaction in full of all other Obligations.

17.10 **Setoff**. Upon the occurrence and during the continuance of any Default or Event of Default, Lender may at any time, in its sole discretion and without demand or notice to anyone, setoff any liability owed to Borrower, any other Loan Party or any Guarantor by Lender against any of the Obligations, whether or not due.

17.11 **Survival.** All representations and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that Lender may have had notice or knowledge of any Default or Event of Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as any of the Obligations are outstanding and unpaid or any Letter of Credit is outstanding and so long as the obligation of Lender to provide extensions of credit hereunder has not expired or been terminated.

17.12 **Patriot Act.** Lender hereby notifies the Loan Parties that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that will allow such Lender to identify each Loan Party in accordance with the Patriot Act. In addition, if Lender is required by law or regulation or internal policies to do so, it shall have the right to periodically conduct (a) Patriot Act searches, OFAC/PEP searches, and customary individual background checks for the Loan Parties, and (b) OFAC/PEP

searches and customary individual background checks of the Loan Parties' senior management and key principals, and Borrower, each other Loan Party agrees to cooperate in respect of the conduct of such searches and further agrees that the reasonable costs and charges for such searches shall constitute Lender Expenses hereunder and be for the account of Borrower.

17.13 **Integration.** This Agreement, together with the other Loan Documents, reflects the entire understanding of the parties with respect to the transactions contemplated hereby and shall not be contradicted or qualified by any other agreement, oral or written, before the date hereof. The foregoing to the contrary notwithstanding, all Bank Product Agreements, if any, are independent agreements governed by the written provisions of such Bank Product Agreements, which will remain in full force and effect, unaffected by any repayment, prepayments, acceleration, reduction, increase, or change in the terms of any credit extended hereunder, except as otherwise expressly provided in such Bank Product Agreement.

17.14 **Bank Product Providers.** Each Bank Product Provider shall be deemed a third party beneficiary hereof and of the provisions of the other Loan Documents for purposes of any reference in a Loan Document to the parties for whom Lender is acting. Lender hereby agrees to act as agent for such Bank Product Providers and, by virtue of entering into a Bank Product Agreement, the applicable Bank Product Provider shall be automatically deemed to have appointed Lender as its agent and to have accepted the benefits of the Loan Documents; it being understood and agreed that the rights and benefits of each Bank Product Provider under the Loan Documents consist exclusively of such Bank Product Provider's being a beneficiary of the Liens and security interests (and, if applicable, guarantees) granted to Lender and the right to share in payments and collections of the Collateral as more fully set forth herein and in the other Loan Documents. In addition, each Bank Product Provider, by virtue of entering into a Bank Product Agreement, shall be automatically deemed to have agreed that Lender shall have the right, but shall have no obligation, to establish, maintain, relax, or release Reserves in respect of the Bank Product Obligations and that if Reserves are established there is no obligation on the part of Lender to determine or ensure whether the amount of any such reserve is appropriate or not. Notwithstanding anything to the contrary in this Agreement or any other Loan Document, no provider or holder of any Bank Product shall have any voting or approval rights hereunder solely by virtue of its status as the provider or holder of such agreements or products or the Obligations owing thereunder, nor shall the consent of any such provider or holder be required for any matter hereunder or under any of the other Loan Documents, including as to any matter relating to the Collateral or the release of Collateral or any other Loan Party.

[Signature pages to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered under seal as of the date first above written.

BORROWER:

~~**[BORROWER, INC.]**~~**NATURAL AMERICAN FOODS, INC.**

By: _____
Name:
Title:

LENDER:

HC CAPITAL HOLDINGS 0909A, LLC

By: _____
Name:
Title:

Schedule 1.1

a. **Definitions**. As used in this Agreement, the following terms shall have the following definitions:

"Account" means an account (as that term is defined in Article 9 of the Code).

"Account Debtor" means an account debtor (as that term is defined in the Code).

"Additional Documents" has the meaning specified therefor in Section 6.15 of this Agreement.

"Advances" has the meaning specified therefor in Section 2.1(a) of this Agreement.

"Affiliate" means, as applied to any Person, any other Person who controls, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" means the possession, directly or indirectly through one or more intermediaries, of the power to direct the management and policies of a Person, whether through the ownership of Stock, by contract, or otherwise; provided, however, that, for purposes of the definition of Eligible Accounts and Section 7.12 of this Agreement: (a) any Person which owns directly or indirectly 10% or more of the Stock having ordinary voting power for the election of the board of directors or equivalent governing body of a Person or 10% or more of the partnership or other ownership interests of a Person (other than as a limited partner of such Person) shall be deemed an Affiliate of such Person, (b) each director (or comparable manager) of a Person shall be deemed to be an Affiliate of such Person, and (c) each partnership in which a Person is a general partner shall be deemed an Affiliate of such Person.

"Agreement" means this Credit and Security Agreement to which this Schedule 1.1 is attached.

"Applicable Law" means as to any Person, all statutes, rules, regulations, orders, or other requirements having the force of law and applicable to such Person, and all court orders and injunctions, and/or similar rulings applicable to such Person, in each case of or by any Governmental Authority, or court, or tribunal which has jurisdiction over such Person, or any property of such Person.

"Asset Sale" shall mean (a) any conveyance, sale, lease, sublease, assignment, transfer or other disposition (including by way of merger or consolidation but excluding any assignments or transfers in connection with the granting of any Lien otherwise permitted hereunder) and (b) any issuance or sale of any equity interests of any Subsidiary of Borrower, in the case of both (a) and (b), to any person other than (i) Borrower, (ii) any Loan Party or (iii) any other Subsidiary.

"Authorized Person" means any one of the individuals identified on Schedule A-2, as such Schedule is updated from time to time by written notice from Borrower to Lender.

"Automatic Revolver Request" has the meaning set forth in Section 2.3(a).

"Availability" means, as of any date of determination, the amount that Borrower is entitled to borrow as Advances under Section 2.1 of this Agreement (after giving effect to all then outstanding Obligations **and obligations under the Closing Date Credit Line**).

"Average Excess Availability" means, as of any date of determination for the applicable period of determination based upon the end-of-day amounts on the Lender's loan system, the amount of average Excess Availability, determined for such period, as determined by Lender in its sole discretion.

"Bank Product" means any one or more of the following financial products or accommodations extended to Borrower or its Subsidiaries by a Bank Product Provider: (a) commercial credit cards, (b) commercial credit card processing services, (c) debit cards, (d) stored value cards, (e) purchase cards (including so-called "procurement cards" or "P-cards"), (f) Cash Management Services, or (g) transactions under Hedge Agreements.

"Bank Product Agreements" means those agreements entered into from time to time by Borrower or its Subsidiaries with a Bank Product Provider in connection with the obtaining of any of the Bank Products, including, without limitation, all Cash Management Documents.

"Bank Product Collateralization" means providing cash collateral (pursuant to documentation reasonably satisfactory to Lender) to be held by Lender for the benefit of the Bank Product Provider in an amount determined by Lender as sufficient to satisfy the reasonably estimated credit exposure with respect to the then existing Bank Product Obligations (other than Hedge Obligations).

"Bank Product Obligations" means (a) all obligations, liabilities, reimbursement obligations, fees, or expenses owing by a Loan Party or its Subsidiaries to Lender or another Bank Product Provider pursuant to or evidenced by a Bank Product Agreement and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, and (b) all Hedge Obligations.

"Bank Product Provider" means Lender or any of its Affiliates, or any other institution, that provide Bank Products to Borrower or its Subsidiaries.

"Bank Product Reserve Amount" means, as of any date of determination, the Dollar amount of reserves that Lender has determined are necessary or appropriate to establish (based upon Lender's reasonable determination of credit and operating risk exposure to Borrower or its Subsidiaries in respect of Bank Product Obligations) in respect of Bank Products then provided or outstanding.

"Bankruptcy Code" means title 11 of the United States Code, as in effect from time to time.

"Bankruptcy Court" means the United States Bankruptcy Court for the Eastern District of Michigan, together with any other court having competent jurisdiction over the Case from time to time.

"Benefit Plan" means a "defined benefit plan" (as defined in Section 3(35) of ERISA) for which Borrower or any of its Subsidiaries or ERISA Affiliates has been an "employer" (as defined in Section 3(5) of ERISA) within the past six years.

"Board of Directors" means the board of directors (or comparable managers) of Borrower, any other Loan Party or any committee thereof duly authorized to act on behalf of the board of directors (or comparable managers).

"Books" means books and records (including Borrower's or any other Loan Party's Records indicating, summarizing, or evidencing Borrower's or such other Loan Party's assets (including the Collateral) or liabilities, Borrower's or such other Loan Party's Records relating to Borrower's or such other Loan Party's business operations or financial condition, or Borrower's or such other Loan Party's Goods or General Intangibles related to such information).

"Borrower" means ~~[Borrower~~**Natural American Foods**, Inc.~~]~~, a Delaware corporation.

"Borrowing" means a borrowing consisting of Advances (i) requested by Borrower, (ii) made by Lender pursuant to Section 2.6(c), or (iii) a Protective Advance.

"Borrowing Base" means, as of any date of determination, the result of:

(a) 85% (less the amount, if any, of the Dilution Reserve, if applicable) of the amount of Eligible Accounts, *plus*

(b) the *lower* of

(i) $~~11,000,000,~~**15,000,000,** or

(ii) (A) the lower of (I) 75% *times* the Value of Eligible Inventory consisting of raw materials, or

(II) 85% *times* the most recently determined Net Liquidation Percentage times the Value of Eligible Inventory consisting of raw materials, *plus*

(B) the lower of (I) 75% *times* the Value of Eligible Inventory consisting of finished goods, or

(II) 85%

times the most recently determined Net Liquidation Percentage *times* the Value of Eligible Inventory consisting of finished goods, ~~*plus*~~

~~(C) the *product* of (I) 42%~~

~~*times* the Value of Eligible Inventory consisting of mesquite honey so acquired by Borrower in calendar year 2013 ,~~ *minus*

(c) the aggregate amount of Reserves established by Lender.

"Borrowing Base Certificate" means a form of borrowing base certificate in form and substance reasonably acceptable to Lender.

"Borrowing Request" a written request for a Borrowing substantially in the form of Exhibit F.

"Business Day" means any day that is not a Saturday, Sunday, or other day on which banks are authorized or required to close pursuant to the rules and regulations of the Federal Reserve System.

"Capital Expenditures" means, with respect to any Person for any period, the aggregate of all expenditures by such Person and its Subsidiaries during such period that are capital expenditures as determined in accordance with GAAP, whether such expenditures are paid in cash or financed.

"Capitalized Lease Obligation" means that portion of the obligations under a Capital Lease that is required to be capitalized in accordance with GAAP; provided that any lease that is treated as an operating lease for purposes of GAAP as of the date hereof shall not be treated as a Capital Lease for purposes of the definition of Fixed Charge and shall continue to be treated as an operating lease (and any future lease, if it were in effect on the date hereof, that would be treated as an operating lease for purposes of GAAP as of the date hereof shall be treated as an operating lease), notwithstanding any actual or proposed change in GAAP after the date hereof.

"Capital Lease" means a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP.

"Case" means case numbered 13-58200 for relief under chapter 11 of the Bankruptcy Code in the Bankruptcy Court.

"Cash Equivalents" means (a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within 1 year from the date of acquisition thereof, (b) marketable direct obligations issued or fully guaranteed by any state of the United States or any political subdivision of any such state or any public instrumentality thereof maturing within 1 year from the date of acquisition thereof and having one of the three highest ratings obtainable from either Standard & Poor's Rating Group ("S&P") or Moody's Investors Service, Inc. ("Moody's"), (c) commercial paper maturing no more than 270 days from the date of creation thereof and, at the time of acquisition, having a rating of at least A-1 from S&P or at least P-1 from Moody's, (d) certificates of deposit, time deposits, overnight bank deposits or bankers' acceptances maturing within 1 year from the date of acquisition thereof issued by any bank organized under the laws of the United States or any state thereof or the District of Columbia or any United States branch of a foreign bank having combined capital and surplus of not less than $250,000,000, (e) Deposit Accounts maintained with (i) any bank that satisfies the criteria described in clause (d) above, or (ii) any other bank organized under the laws of the United States or any state thereof so long as the full amount maintained with any such other bank is insured by the Federal Deposit Insurance Corporation, (f) repurchase obligations of any commercial bank satisfying the requirements of clause (d) of this definition or recognized securities dealer having combined capital and surplus of not less than $250,000,000, having a term of not more than seven days, with respect to securities satisfying the criteria in clauses (a) or (d) above, (g) debt securities with maturities of six months or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the criteria described in clause (d) above, and (h) Investments in money market funds substantially all of whose assets are invested in the types of assets described in clauses (a) through (g) above.

"Cash Management Services" means any cash management or related services including treasury, depository, return items, overdraft, controlled disbursement, merchant stored value cards, e-payables services, electronic funds transfer,

interstate depository network, automatic clearing house transfer (including the Automated Clearing House processing of electronic funds transfers through the direct Federal Reserve Fedline system) and other cash management arrangements.

"Cash Management Documents" means the agreements governing each of the Cash Management Services of Lender or any other institution utilized by Borrower, which agreements shall currently include the Master Agreement for Treasury Management Services or other applicable treasury management services agreement, "Acceptance of Services", the "Service Description" governing each such treasury management service used by Borrower, and all replacement or successor agreements which govern such Cash Management Services of Lender or any other institution.

"Casualty Event" means any event that gives rise to the receipt by Borrower or any other Loan Party of any casualty insurance proceeds or condemnation awards in respect of any tangible or real property (including any improvements thereon) to replace, restore or repair, or compensate for the loss of, such property.

"CFC" means a controlled foreign corporation (as that term is defined in the IRC).

"Change of Control" means that none of the Permitted Holders is a Lender under this Agreement and (i) the Permitted Holders shall fail to own beneficially (within the meaning of Rule 13d-5 of the Exchange Act as in effect on the Closing Date), directly or indirectly, in the aggregate Stock representing at least a majority of the aggregate ordinary voting power represented by the issued and outstanding Stock of Borrower, or (ii) (x) any person or "group" (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Closing Date) shall own beneficially (within the meaning of Rule 13d-5 of the Exchange Act as in effect on the Closing Date), directly or indirectly, Stock of the Borrower representing a greater amount of ordinary voting power in the aggregate than the voting power represented by all Stock of the Borrower owned beneficially (within the meaning of Rule 13d-5 of the Exchange Act as in effect on the Closing Date), directly or indirectly, by the Permitted Holders and (y) any person or "group" (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Closing Date), in each case other than the Permitted Holders, shall have the power, whether through voting or other shareholder arrangements or otherwise, to elect a majority of the board of directors of the Borrower.

"Chattel Paper" means chattel paper (as that term is defined in the Code), and includes tangible chattel paper and electronic chattel paper.

"Closing Date" means the date of the making of the initial Advance (or other extension of credit) under this Agreement.

"Closing Date Credit Line" means the revolving credit facility established on the Closing Date with BMO Harris Bank, N.A., in aggregate principal amount of up to $19,000,000.

"Code" means the New York Uniform Commercial Code, as in effect from time to time; provided, however, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, priority, or remedies with respect to Lender's Lien on any Collateral is governed by the Uniform Commercial Code as enacted and in effect in a jurisdiction other than the State of New York, the term "Code" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority, or remedies. To the extent that defined terms set forth herein shall have different meanings under different Articles under the Uniform Commercial Code, the meaning assigned to such defined term under Article 9 of the Uniform Commercial Code shall control.

"Collateral" means all of Borrower's:

(a) Accounts;

(b) Books;

(c) Chattel Paper;

(d) Deposit Accounts, money, cash and Cash Equivalents;

(e) Goods, including Equipment and Fixtures;

(f) General Intangibles;

(g) Inventory;

(h) Investment Related Property;

(i) Negotiable Collateral;

(j) Supporting Obligations;

(k) Commercial Tort Claims;

(l) Other assets of such Loan Party that now or hereafter come into the possession, custody, or control of Lender (or its agent or designee); and

(m) all of the proceeds (as such term is defined in the Code) and products, whether tangible or intangible, of any of the foregoing, including proceeds of insurance or Commercial Tort Claims covering or relating to any or all of the foregoing, and any and all Accounts, Books, Chattel Paper, Deposit Accounts, Equipment, Fixtures, General Intangibles, Inventory, Investment Related Property, Negotiable Collateral, Supporting Obligations, money, or other tangible or intangible property resulting from the sale, lease, license, exchange, collection, or other disposition of any of the foregoing, the proceeds of any award in condemnation with respect to any of the foregoing, any rebates or refunds, whether for taxes or otherwise, and all proceeds of any such proceeds, or any portion thereof or interest therein, and the proceeds thereof, and all proceeds of any loss of, damage to, or destruction of the above, whether insured or not insured, and, to the extent not otherwise included, any indemnity, warranty, or guaranty payable by reason of loss or damage to, or otherwise with respect to any of the foregoing (the "Proceeds"). Without limiting the generality of the foregoing, the term "Proceeds" includes whatever is receivable or received when Investment Related Property or proceeds are sold, exchanged, collected, or otherwise disposed of, whether such disposition is voluntary or involuntary, and includes proceeds of any indemnity or guaranty payable to Borrower or Lender from time to time with respect to any of the Investment Related Property.

Notwithstanding the foregoing, "Collateral" shall not include any rights or interest in any contract, lease, permit, license or license agreement covering real or personal property of Borrower if under the terms of such contract, lease, permit, license or license agreement, or Applicable Law with respect thereto, the grant of a security interest or lien therein is prohibited as a matter of law or under the terms of the such contract, lease, permit, license, or license agreement and such prohibition or restriction has not been waived or the consent of the party to such contract, lease, permit, license or license agreement has not been obtained (provided, that (A) the foregoing exclusion of this paragraph shall in no way be construed (1) to apply to the extent that any described prohibition or restriction is unenforceable under Section 9-406, 9-407, 9-408 or 9-409 of the Code or other Applicable Law, or (2) to apply to the extent that any consent or waiver has been obtained that would permit Lender's security interest or lien notwithstanding the prohibition or restriction on the pledge of such contract, lease, permit, license or license agreement and (B) the foregoing exclusion of this paragraph shall in no way be construed to limit, impair, or otherwise affect any of Lender's continuing security interests and liens upon any rights or interests of Borrower in or to (1) monies due or to become due under or in connection with any described contract, lease, permit, license, license agreement (including any Accounts), or (2) any proceeds from the sale, license, lease, or other dispositions of any such contract, lease, permit, license or license agreement.

"Collateral Access Agreement" means a landlord's disclaimer and consent, bailee letter, or acknowledgement agreement of any lessor, warehouseman, processor, consignee, or other Person in possession of, having a Lien upon, or having rights or interests in the Books, Equipment, Accounts or Inventory of any Loan Party or of any of its Subsidiaries, in each case, in favor of Lender with respect to the Collateral at such premises or otherwise in the custody, control or possession of such lessor, warehouseman, processor, consignee or other Person and in form and substance reasonably satisfactory to Lender.

"Collection Account" means the Deposit Account identified on Schedule A-1.

"Collections" means *all* cash, checks, notes, instruments, and other items of payment (including insurance Proceeds, cash Proceeds of asset sales, rental Proceeds, and tax refunds).

"Commercial Tort Claims" means commercial tort claims (as that term is defined in the Code), and includes those commercial tort claims listed on Schedule 5.6(d) to the Information Certificate.

"Compliance Certificate" means a certificate substantially in the form of Exhibit A delivered by the chief financial officer of Borrower to Lender.

"Confidential Information" has the meaning specified therefor in Section 17.8 of this Agreement.

"Confirmation Order" shall mean the order of the Bankruptcy Court in the Case confirming the Reorganization Plan on ~~[_____]~~.[4] **December 20, 2013.**

"Confirmation Order Entry Date" shall mean the date on which the Confirmation Order was entered by the Bankruptcy Court.

"Continuing Director" means (a) any member of the Board of Directors who was a director (or comparable manager) of Borrower on the Closing Date, and (b) any individual who becomes a member of the Board of Directors of Borrower after the Closing Date if such individual was approved, appointed or nominated for election to the Board of Directors by a majority of the Continuing Directors, but excluding any such individual originally proposed for election in opposition to the Board of Directors in office at the Closing Date in an actual or threatened election contest relating to the election of the directors (or comparable managers) of Borrower and whose initial assumption of office resulted from such contest or the settlement thereof.

"Control Agreement" means a control agreement, in form and substance reasonably satisfactory to Lender, executed and delivered by a Loan Party or any of its Subsidiaries, Lender, and the applicable securities intermediary (with respect to a Securities Account), the applicable bank (with respect to a Deposit Account) or issuer (with respect to uncertificated securities).

"Copyrights" means any and all rights in any works of authorship, including (i) copyrights and moral rights, (ii) copyright registrations and recordings thereof and all applications in connection therewith including those listed on Schedule 5.25(b) to the Information Certificate, (iii) income, license fees, royalties, damages, and payments now and hereafter due or payable under and with respect thereto, including payments under all licenses entered into in connection therewith and damages and payments for past, present, or future infringements thereof, (iv) the right to sue for past, present, and future infringements thereof, and (v) all of each Loan Party's rights corresponding thereto throughout the world.

"Copyright Security Agreement" means each Copyright Security Agreement executed and delivered by the applicable Loan Party in favor of Lender, in form and substance reasonably acceptable to Lender.

"Credit Facility" means the Revolving Credit Facility and the Term Loan.

"Daily Balance" means, as of any date of determination and with respect to any Obligation, the amount of such Obligation owed at the end of such day.

"Daily Three Month LIBOR" means the rate per annum (rounded up to the nearest whole 1/8th of one percent) for United States dollar deposits quoted by Lender for the purpose of calculating the effective Interest Rate for loans that reference Daily Three Month LIBOR as the Inter-Bank Market Offered Rate in effect from time to time for the 3 month delivery of funds in amounts approximately equal to the principal amount of such loans. Borrower understands and agrees that Lender may base its quotation of the Inter-Bank Market Offered Rate upon such offers or other market indicators of the Inter-Bank Market as Lender in its discretion deems appropriate, including but not limited to the rate offered for U.S. dollar deposits on the London Inter-Bank Market. When interest is determined in relation to Daily Three Month LIBOR, each change in the interest rate shall become effective each Business Day that Lender determines that Daily Three Month LIBOR has changed.

"Default" means an event, condition, or default that, with the giving of notice, the passage of time, or both, would be an Event of Default.

"Deferred Prosecution Agreement" means that certain Deferred Prosecution Agreement signed by Borrower on or about February 11, 2013 and filed on or about February 15, 2013, between Borrower and the USAO NDIL, approved by the United States District Court for the Northern District of Illinois, Eastern Division.

"Deferred Prosecution Dismissal" means the dismissal with prejudice of the information filed by the USAO NDIL against Borrower pursuant to the Deferred Prosecution Agreement and the related expiration of the Deferred Prosecution Agreement.

"Deposit Account" means any deposit account (as that term is defined in the Code).

"Designated Account" means the operating Deposit Account of Borrower at Lender identified on Schedule D-1

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[4] ~~To be provided.~~

"Dilution" means, as of any date of determination, a percentage that is the result of dividing the Dollar amount of (a) bad debt write-downs, discounts, advertising allowances, credits, deductions, or other dilutive items as determined by Lender with respect to Borrower's Accounts, by (b) Borrower's billings with respect to Accounts.

"Dilution Reserve" means, as of any date of determination, an amount sufficient to reduce the advance rate against Eligible Accounts by 1 percentage point for each percentage point by which Dilution is in excess of 5%.

"DIP Credit Agreement" means the Senior Secured Superpriority Priming Debtor-in-Possession Credit and Security Agreement, dated as of October 3, 2013, by and between Groeb Farms, Inc., as borrower and HC Capital Holdings 0909A, LLC, as Lender.

"Dollars" or "$" means United States dollars.

"EBITDA" means, with respect to any fiscal period, the consolidated net income (or loss) of Borrower and its Subsidiaries, minus non-cash gains and non-cash income and decreases in LIFO reserves, *plus* non-cash losses, non-cash charges, non-cash expenses and non-cash write downs, **unusual or non-recurring costs or expenses,** Interest Expense, income taxes, depreciation and amortization, increases in LIFO reserves for such period and management fees and expenses paid or accrued in such fiscal period, in each case, determined on a consolidated basis in accordance with GAAP.

"Eligible Accounts" means those Accounts created by Borrower in the ordinary course of its business, that arise out of Borrower's sale or lease of Goods or rendition of services, that comply with each of the representations and warranties respecting Eligible Accounts made in the Loan Documents, and that are not excluded as ineligible by virtue of one or more of the excluding criteria set forth below; provided, however, that such criteria may be revised from time to time by Lender in Lender's reasonable discretion. In determining the amount to be included, Eligible Accounts shall be calculated net of customer deposits, credits and unapplied cash. Eligible Accounts shall not include the following:

(a) Accounts that the Account Debtor has failed to pay within the earlier of 90 days after the original invoice date or 60 days after the original due date;

(b) Accounts with selling terms of more than 60 days;

(c) Accounts owed by an Account Debtor (or its Affiliates) where twenty-five percent (25%) or more of all Accounts owed by that Account Debtor (or its Affiliates) are deemed ineligible under clause (a) or (b) above or clauses (i) or (s) below;

(d) Accounts with respect to which the Account Debtor is an Affiliate, agent or equity owner of Borrower or an employee or agent of Borrower or any Affiliate of Borrower;

(e) Accounts arising in a transaction wherein Goods are placed on consignment or are sold pursuant to a guaranteed sale, a sale or return, a sale on approval, or any other terms by reason of which the payment by the Account Debtor may be conditional or contingent;

(f) Accounts that are not payable in Dollars;

(g) Accounts with respect to which the Account Debtor either (i) does not maintain its chief executive office in the United States or Canada, or (ii) is not organized under the laws of the United States or any state thereof or under the laws of Canada or any province thereof, or (iii) is the government of any foreign country or sovereign state, or of any state, province, municipality, or other political subdivision thereof, or of any department, agency, public corporation, or other instrumentality thereof, unless (x) the Account is supported by an irrevocable letter of credit reasonably satisfactory to Lender (as to form, substance, and issuer or domestic confirming bank) that has been delivered to Lender and is directly drawable by Lender, or (y) the Account is guaranteed pursuant to an approved working capital guarantee from the Export-Import Bank of the United States in favor of Lender and acceptable to Lender in all respects;

(h) Accounts with respect to which the Account Debtor is either (i) the United States or any department, agency, or instrumentality of the United States (exclusive, however, of Accounts with respect to which Borrower has complied, to the reasonable satisfaction of Lender, with the Assignment of Claims Act, 31 USC §3727), or (ii) any state of the United States;

(i) Accounts with respect to which the Account Debtor is a creditor of Borrower, has or has asserted a right of setoff, or has disputed its obligation to pay all or any portion of the Account, to the extent of such claim, right of setoff, or dispute;

(j) That portion of Accounts which reflect a reasonable reserve for warranty claims or returns or amounts which are owed to account debtors, including those for rebates, allowances, co-op advertising, new store allowances or other deductions;

(k) Accounts owing by a single Account Debtor or group of Affiliated Account Debtors whose total obligations owing to Borrower exceed fifteen percent (15%) of the aggregate amount of all otherwise Eligible Accounts (but the portion of the Accounts not in excess of the foregoing applicable percentages may be deemed Eligible Accounts), such percentage being subject to reduction if the creditworthiness of such Account Debtor deteriorates;

(l) Accounts with respect to which the Account Debtor is subject to an Insolvency Proceeding, is not Solvent or has gone out of business, or as to which Borrower has received notice of an imminent Insolvency Proceeding or a material impairment of the financial condition of such Account Debtor;

(m) Accounts, the collection of which, Lender, in its reasonable discretion, believes to be doubtful by reason of the Account Debtor's financial condition;

(n) Accounts representing credit card sales or "C.O.D." sales;

(o) Accounts that are not subject to a valid and perfected first priority Lender's Lien or that are subject to any other Lien (other than the junior Permitted Lien in favor of the Institutional Subordinated Creditors);

(p) Accounts that consist of progress billings (such that the obligation of the Account Debtors with respect to such Accounts is conditioned upon Borrower's satisfactory completion of any further performance under the agreement giving rise thereto) or retainage invoices;

(q) Accounts with respect to which the Account Debtor is a Sanctioned Person or Sanctioned Entity;

(r) that portion of Accounts which represent finance charges, service charges, sales taxes or excise taxes;

(s) that portion of Accounts which has been restructured, extended, amended or otherwise modified;

(t) bill and hold invoices, except those with respect to which Lender shall have received an agreement in writing from the Account Debtor, in form and substance satisfactory to Lender, confirming the unconditional obligation of the Account Debtor to take the Goods related thereto and pay such invoice, so long as such Accounts satisfy all other criteria for Eligible Accounts hereunder;

(u) Accounts which have not been invoiced;

(v) Accounts constituting (i) Proceeds of copyrightable material unless such copyrightable material shall have been registered with the United States Copyright Office, or (ii) Proceeds of patentable inventions unless such patentable inventions have been registered with the United States Patent and Trademark Office; and

(w) Accounts or that portion of Accounts otherwise deemed ineligible by Lender in its reasonable discretion.

Any Accounts which are not Eligible Accounts shall nonetheless constitute Collateral.

"Eligible Equipment" means Equipment of Borrower which is subject to a valid and perfected first priority Lender's Lien, is not subject to a Lien in favor of any Person other than Lender, is designated by Lender as eligible, and covered by the most recent acceptable appraisal received by Lender. All Equipment which does not constitute Eligible Equipment shall nonetheless constitute Collateral.

"Eligible Inventory" means Inventory consisting of raw materials and finished goods held for sale in the ordinary course of Borrower's business, that complies with each of the representations and warranties respecting Eligible Inventory made in the Loan Documents, and that is not excluded as ineligible by virtue of one or more of the excluding criteria set forth below; provided, however, that such criteria may be revised from time to time by Lender in Lender's reasonable discretion. An item of Inventory shall not be included in Eligible Inventory if:

(a) Borrower does not have good, valid, and marketable title thereto;

(b) it consists of work-in-process Inventory, components which are not part of finished goods, supplies used or consumed in Borrower's business, or Goods that constitute spare parts or maintenance parts (other than after-market parts), packaging and shipping materials, or sample inventory or customer supplied parts or Inventory;

(c) it consists of Inventory that is perishable or live or where less than 8 weeks remain until the Inventory's stated expiration or "sell-by" or "use-by" date;

(d) Borrower does not have actual and exclusive possession thereof (either directly or through a bailee or agent of Borrower);

(e) it is not located at one of the locations in the continental United States set forth on Schedule 5.29 to the Information Certificate, except for Transfer Eligible Inventory ~~in an aggregate amount not to exceed $150,000 at any time~~;

(f) ~~it is stored at locations holding Inventory of Borrower valued at less than $100,000;~~ **[Reserved]**

(g) ~~it is in transit to or from a location of Borrower, except for Transfer Eligible Inventory in an aggregate amount not to exceed $150,000 at any time;~~ **[Reserved]**

(h) it is located on real property leased by Borrower or in a contract warehouse or on the real property of any other Person, in each case, unless it is subject to a Collateral Access Agreement executed by the lessor, warehouseman or other Person, as the case may be, and unless it is segregated or otherwise separately identifiable from Goods of others, if any, stored on the premises;

(i) it is the subject of a bill of lading or other document of title;

(j) it is on consignment from any consignor; or on consignment to any consignee or subject to any bailment unless the consignee or bailee has (i) executed an agreement with Lender, and (ii) provided evidence acceptable to Lender that Borrower has properly perfected a first priority security interest in such consigned Inventory and has properly notified in writing the other creditors of consignee who hold an interest in such Inventory of Borrower's security interest in such Inventory, and (iii) Borrower has taken such other actions with respect to such consigned Inventory as Lender may reasonably request;

(k) it is not subject to a valid and perfected first priority Lender's Lien;

(l) it consists of goods returned, rejected or put on hold by Borrower's customers;

(m) it consists of Goods that are damaged, contaminated, spoiled, defective, obsolete or slow moving;

(n) Inventory that Borrower has returned, has attempted to return, is in the process of returning or intends to return to the vendor of such Inventory;

(o) it consists of Goods that are restricted or controlled, or regulated items;

(p) it consists of Goods that are bill and hold Goods;

(q) it is subject to third party trademark, licensing or other proprietary rights;

(r) it consists of customer-specific Inventory not supported by purchase orders; or

(s) Inventory otherwise deemed ineligible by Lender in its reasonable discretion.

Any Inventory which is not Eligible Inventory shall nonetheless constitute Collateral.

"Environmental Action" means any written complaint, summons, citation, notice, directive, order, claim, litigation, investigation, judicial or administrative proceeding, judgment, letter, or other written communication from any Governmental Authority, or any third party involving violations of Environmental Laws or releases of Hazardous Materials (a) from any assets, properties, or businesses of any Loan Party, any Subsidiary of a Loan Party, or any of their predecessors in interest, (b) from adjoining properties or businesses, or (c) from or onto any facilities which received Hazardous Materials generated by any Loan Party, any Subsidiary of a Loan Party, or any of their predecessors in interest.

"Environmental Law" means any applicable federal, state, provincial, foreign or local statute, law, rule, regulation, ordinance, code, binding and enforceable guideline, binding and enforceable written policy, or rule of common law now or hereafter in effect and in each case as amended, or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree or judgment, in each case, to the extent binding on any Loan Party or any of its Subsidiaries, relating to the environment, the effect of the environment on employee health, or Hazardous Materials, in each case as amended from time to time.

"Environmental Liabilities" means all liabilities, monetary obligations, losses, damages, costs and expenses (including all reasonable fees, disbursements and expenses of counsel, experts, or consultants, and costs of investigation and feasibility studies), fines, penalties, sanctions, and interest incurred as a result of any claim or demand, or Remedial Action required, by any Governmental Authority or any third party, and which relate to any Environmental Action.

"Environmental Lien" means any Lien in favor of any Governmental Authority for Environmental Liabilities.

"Equipment" means equipment (as that term is defined in the Code).

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute thereto.

"ERISA Affiliate" means (a) any Person subject to ERISA whose employees are treated as employed by the same employer as the employees of any Loan Party or its Subsidiaries under IRC Section 414(b), (b) any trade or business subject to ERISA whose employees are treated as employed by the same employer as the employees of any Loan Party or its Subsidiaries under IRC Section 414(c), (c) solely for purposes of Section 302 of ERISA and Section 412 of the IRC, any organization subject to ERISA that is a member of an affiliated service group of which any Loan Party or any of its Subsidiaries is a member under IRC Section 414(m), or (d) solely for purposes of Section 302 of ERISA and Section 412 and 430 of the IRC, any Person subject to ERISA that is a party to an arrangement with any Loan Party or any of its Subsidiaries and whose employees are aggregated with the employees of a Loan Party or its Subsidiaries under IRC Section 414(o).

"ERISA Event" means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of any Loan Party or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which such entity was a "substantial employer" as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by any Loan Party or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate, the treatment of a Pension Plan amendment as a termination under Section 4041 or 4041A of ERISA; (e) the institution by the PBGC of proceedings to terminate a Pension Plan; (f) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (g) the determination that any Pension Plan is considered an at-risk plan or a plan in endangered or critical status within the meaning of Sections 430, 431 and 432 of the IRC or Sections 303, 304 and 305 of ERISA; or (h) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon any Loan Party or any ERISA Affiliate.

"Event of Default" has the meaning specified therefor in Section 9 of this Agreement.

"Excess Availability" means, as of any date of determination, the amount of Availability *minus* **the aggregate amount, if any, owing under the Closing Date Credit Line *minus*** the aggregate amount, if any, of all trade payables and other obligations of Borrower and its Subsidiaries aged in excess of 90 days beyond their terms as of the end of the immediately preceding month (excluding trade payables subject to dispute), and all book overdrafts and fees of Borrower and its Subsidiaries, in each case as determined by Lender in its sole discretion.

"Excess Cash Flow" means, with respect to any Person for the applicable period, such Person's EBITDA *minus* (a) Non-Financed Capital Expenditures made (to the extent not already incurred in a prior period) or incurred during such period, *minus* (b) cash taxes paid during such period to the extent greater than zero, *minus* (c) Fixed Charges for such period.

"Excess Cash Flow Period" shall mean (i) with respect to the initial Excess Cash Flow Period, the period beginning with the Closing Date and ending December 31, 2014 and (ii) with respect to each subsequent Excess Cash Flow Period, each Fiscal Year of Borrower thereafter.

"Exchange Act" means the Securities Exchange Act of 1934, as in effect from time to time.

"Farm Product Lien Amount" means any amount which Borrower owes to a producer or seller of farm products which is secured by a Lien.

"Farm Products Reserve" means a reserve equal to the Farm Product Lien Amount determined by Lender from time to time in its sole discretion.

"FATCA" means Sections 1471 through 1474 of the IRC as of the date of this Agreement (or any amendment or successor version that is substantially comparable) and any current or future regulations or official interpretations thereof.

"Filing Date" means October 1, 2013.

"Financial Covenants" means each of the financial covenants set forth in Section 8, regardless of whether such financial covenant is currently applicable to Borrower.

"Fiscal Month" means any of the twelve periods comprising Borrower's Fiscal Year, determined in accordance with Borrower's historical practice.

"Fiscal Quarter" means a period of three consecutive Fiscal Months ending on or about March 31, June 30, September 30 or December 31.

"Fiscal Year" means a period of twelve Fiscal Months ending on or about December 31.

"Fixed Charges" means, with respect to any fiscal period and with respect to Borrower and its Subsidiaries determined on a consolidated basis in accordance with GAAP, the sum, without duplication, of (a) cash Interest Expense paid during such period (other than interest paid-in-kind, amortization of financing fees, and other non-cash Interest Expense), (b) principal payments paid in cash in respect of Indebtedness (other than Indebtedness of types described in clauses (e) through (g) of the definition of Indebtedness) paid during such period, including cash payments with respect to Capital Leases, but excluding principal payments made with respect to the Revolving Credit Facility unless accompanied by a permanent reduction in the ~~Maximum Revolver Amount~~**commitments thereunder**, and (c) all Restricted Junior Payments of Borrower (~~including~~**excluding** all payments in cash of management, consulting, monitoring, sale representation, advisory or other service fees (and related costs and expenses**)**) to any Affiliate of Borrower and other dividends or distributions paid in cash during such period.

"Fixed Charge Coverage Ratio" means, with respect to Borrower and its Subsidiaries for any period, the ratio of (i) EBITDA for such period, *minus* (a) Non-Financed Capital Expenditures made (to the extent not already incurred in a prior period) or incurred during such period, *minus* (b) cash taxes paid during such period, to the extent greater than zero, to (ii) Fixed Charges for such period.

"Fixtures" means fixtures (as that term is defined in the Code).

"Foreign Subsidiary" means, with respect to any Person, any Subsidiary of such Person that is not organized or existing under the laws of the United States of America, any state thereof or the District of Columbia and any Subsidiary that holds no material assets other than interests in Foreign Subsidiaries.

"FSA" means the Food Service Security Act of 1985, as amended and in effect from time to time, and regulations issued from time to time thereunder.

"Funding Date" means the date on which a Borrowing occurs.

"GAAP" means generally accepted accounting principles as in effect in the United States on the Closing Date, consistently applied; (i) except for any change in accounting practices to the extent that, due to a promulgation of the Financial Accounting Standards Board changing or implementing any new accounting standard, Borrower either (a) is required to implement such change, or (b) for future periods will be required to and for the current period may in accordance with generally accepted accounting principles implement such change, for its financial statements to be in conformity with generally accepted accounting principles (any such change is hereafter referred to a "Required GAAP Change"), provided that (x) Borrower shall fully disclose in such financial statements any such Required GAAP Change and the effects of the Required GAAP Change on Borrower's income, retained earnings or other accounts, as applicable, and (y) the Financial Covenants and other covenants shall be adjusted as necessary to reflect the effects of such Required GAAP Change, provided that if the Lender and Borrower cannot agree on such adjustments, the Financial Covenants and the other covenants will be calculated and interpreted without giving effect to the Required GAAP Change, and (ii) except that all calculations relative to liabilities shall be made without giving effect to Statement of Financial Accounting Standards No. 159.

"General Intangibles" means general intangibles (as that term is defined in the Code), and includes payment intangibles, contract rights, rights to payment, rights under Hedge Agreements (including the right to receive payment on account

of the termination (voluntarily or involuntarily) of any such Hedge Agreements), rights arising under common law, statutes, or regulations, choses or things in action, goodwill, Intellectual Property, Intellectual Property Licenses, purchase orders, customer lists, monies due or recoverable from pension funds, route lists, rights to payment and other rights under any royalty or licensing agreements, including Intellectual Property Licenses, infringement claims, pension plan refunds, pension plan refund claims, insurance premium rebates, tax refunds, and tax refund claims, interests in a partnership or limited liability company which do not constitute a security under Article 8 of the Code, and any other personal property other than Commercial Tort Claims, money, Accounts, Chattel Paper, Deposit Accounts, Goods, Investment Related Property, Negotiable Collateral, and oil, gas, or other minerals before extraction.

"Goods" means goods (as that term is defined in the Code).

"Governing Documents" means, with respect to any Person, the certificate or articles of incorporation, certificate of formation, by-laws, operating agreement, limited liability company agreement, shareholder agreement, investment agreement or other organizational documents of such Person.

"Governmental Authority" means any federal, state, local, or other governmental or administrative body, instrumentality, board, department, or agency or any court, tribunal, administrative hearing body, arbitration panel, commission, or other similar dispute-resolving panel or body.

"Guarantors" means (a) each Subsidiary of Borrower that becomes a Guarantor as required by this Agreement, and (b) each other Person that becomes a guarantor after the Closing Date, and each of them is a "Guarantor".

"Guaranty" means any guaranty executed and delivered by a Guarantor in favor of Lender in form and substance reasonably satisfactory to Lender, and all of such guaranties are, collectively, the "Guaranties".

"Hard Costs" shall mean, with respect to the purchase by Borrower of an item of Eligible New Equipment or an item of Eligible New Racking, the net cash amount actually paid to acquire title to such item, net of all incentives, trade in allowances, discounts and rebates, and exclusive of freight, delivery charges, installation costs and charges, software costs, charges and fees, warranty costs, taxes, insurance and other incidental costs or expenses and all indirect costs or expenses of any kind.

"Hazardous Materials" means (a) substances that are defined or listed in, or otherwise classified pursuant to, any Applicable Laws or regulations as "hazardous substances," "hazardous materials," "hazardous wastes," "toxic substances," or any other formulation intended to define, list, or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, reproductive toxicity, or "EP toxicity", (b) oil, petroleum, or petroleum derived substances, natural gas, natural gas liquids, synthetic gas, drilling fluids, produced waters, and other wastes associated with the exploration, development, or production of crude oil, natural gas, or geothermal resources, (c) any flammable substances or explosives or any radioactive materials, and (d) asbestos in any form or electrical equipment that contains any oil or dielectric fluid containing levels of polychlorinated biphenyls in excess of 50 parts per million.

"Hedge Agreement" means a "swap agreement" as that term is defined in Section 101(53B)(A) of the Bankruptcy Code.

"Hedge Obligations" means any and all obligations or liabilities, whether absolute or contingent, due or to become due, now existing or hereafter arising, of any Loan Party or any of its Subsidiaries arising under, owing pursuant to, or existing in respect of Hedge Agreements entered into with Lender or another Bank Product Provider.

"Indebtedness" as to any Person means, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes, or other similar instruments and all reimbursement or other obligations in respect of letters of credit, bankers acceptances, or other financial products, (c) all obligations of such Person as a lessee under Capital Leases, (d) all obligations or liabilities of others secured by a Lien on any asset of such Person, irrespective of whether such obligation or liability is assumed, (e) all obligations of such Person to pay the deferred purchase price of assets (other than trade payables and accrued expenses incurred in the ordinary course of business and repayable in accordance with customary trade practices), (f) all net obligations of such Person owing under Hedge Agreements (which amount shall be calculated based on the amount that would be payable by such Person if the Hedge Agreement were terminated on the date of determination), (g) any Prohibited Preferred Stock of such Person, and (h) any obligation of such Person guaranteeing or intended to guarantee (whether directly or indirectly guaranteed, endorsed, co-made, discounted, or sold with recourse) any obligation of any other Person that constitutes Indebtedness under any of clauses (a) through (g) above. For purposes of this definition, (i) the amount of any Indebtedness represented by a guaranty or other similar instrument shall be the lesser of the principal amount of the obligations guaranteed and still outstanding and the maximum amount for which the guaranteeing Person may be liable pursuant to the terms of the instrument embodying such Indebtedness, and (ii) the amount of any Indebtedness described in clause (d) above shall be the lower of the amount of the obligation and the fair market value of the assets of such Person securing such obligation.

"Indebtedness" shall not include any obligations in respect of customer advances received and held in the ordinary course of business.

"Indemnified Liabilities" has the meaning specified therefor in Section 11.3 of this Agreement.

"Indemnified Person" has the meaning specified therefor in Section 11.3 of this Agreement.

"Insolvency Proceeding" means any proceeding commenced by or against any Person under any provision of the Bankruptcy Code or under any other state or federal bankruptcy or insolvency law, assignments for the benefit of creditors generally, receiverships, formal or informal moratoria, compositions, extensions generally with creditors, or proceedings seeking reorganization, arrangement, or other similar relief.

"Institutional Subordinated Creditors" means, collectively, Argosy Investment Partners III, L.P., Marquette Capital Fund I, L.P. and Horizon Capital Partners III, L.P.

"Institutional Subordinated Creditors Subordination Agreement" means that certain Intercreditor and Subordination Agreement by and among the Institutional Subordinated Creditors, as subordinated lenders, and Lender, as senior lender, and acknowledged by Borrower.

"Intellectual Property" means any and all Patents, Copyrights, Trademarks, trade secrets, know-how, inventions (whether or not patentable), algorithms, software programs (including source code and object code), processes, product designs, industrial designs, blueprints, drawings, data, customer lists, URLs and domain names, specifications, documentations, reports, catalogs, literature, and any other forms of technology or proprietary information of any kind, including all rights therein and all applications for registration or registrations thereof.

"Intellectual Property Licenses" means, with respect to any Person (the "Specified Party"), (i) any licenses or other similar rights provided to the Specified Party in or with respect to Intellectual Property owned or controlled by any other Person, and (ii) any licenses or other similar rights provided to any other Person in or with respect to Intellectual Property owned or controlled by the Specified Party, in each case, including (A) any software license agreements (other than license agreements for commercially available off-the-shelf software that is generally available to the public which have been licensed to the Specified Party pursuant to end-user licenses), (B) the license agreements listed on Schedule 5.25(b) to the Information Certificate, and (C) the right to use any of the licenses or other similar rights described in this definition in connection with the enforcement of the Lender's rights under the Loan Documents.

"Interest Expense" means, for any period, the aggregate of the interest expense of Borrower and its Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP.

"Interest Rate" means an interest rate equal to Daily Three Month LIBOR, which interest rate shall change whenever Daily Three Month LIBOR changes. Notwithstanding the foregoing, in no event shall the Interest Rate be less than two percent (2.00%) per annum.

"Interest Rate Margin" means (a) with respect to Advances under the Revolving Credit Facility, the applicable increment set forth and described in the Revolving Facility Pricing Grid, established as of the last date of each Fiscal Quarter according to the then applicable Status and (b) with respect to the Term Loan, the applicable increment set forth and described in the Term Loan Pricing Grid, established as of the last date of each Fiscal Quarter according to the then applicable Status. Any adjustment in the Interest Rate Margin shall not become effective until the first calendar day of the first month immediately following receipt by Lender of financial statements relating to the last day of such Fiscal Quarter pursuant to Section 6.1. If financial statements of Borrower necessary to establish the appropriate Interest Rate Margin hereunder are not received by Lender on or prior to the date required pursuant to Section 6.1, the applicable Interest Rate Margin shall be determined as if Level ~~II~~**I** Status were in effect (and~~, in the case of the Revolving Credit Facility,~~ assuming an Average Excess Availability of $0) and such Level ~~II~~**I** Status shall remain in effect until such time as the required financial statements are so received; provided, however, that for the period commencing on the Closing Date and continuing to the date Lender receives Borrower's financial statements and related officer's certificates required by Section 6.1 demonstrating the financial performance of Borrower for the Fiscal Quarter ending ~~[_____]~~**December 31, 2013,** the applicable Interest Rate Margins shall be determined as if Level II Status were in effect (and assuming an Average Excess Availability of $~~[MIDDLE RANGE]~~**0**), regardless of the Fixed Charge Coverage Ratio or Average Excess Availability of Borrower for such period.

"Inventory" means inventory (as that term is defined in the Code).

"Investment" means, with respect to any Person, any investment by such Person in any other Person (including Affiliates) in the form of loans, guarantees, advances, capital contributions (excluding (a) commission, travel, and similar advances to officers and employees of such Person made in the ordinary course of business not to exceed $100,000 in the aggregate during any Fiscal Year of Borrower, and (b) *bona fide* Accounts arising in the ordinary course of business), or acquisitions of Indebtedness, Stock, or all or substantially all of the assets of such other Person (or of any division or business line of such other Person), and any other items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP.

"Investment Related Property" means any and all investment property (as that term is defined in the Code).

"IRC" means the Internal Revenue Code of 1986, as in effect from time to time.

"ISP98" means the International Standby Practices (1998 Revision, effective January 1, 1999), International Chamber of Commerce Publication No. 590.

"Lease" means any agreement, whether written or oral no matter how styled or structured, pursuant to which a Loan Party is entitled to the use or occupancy of any real property for any period of time.

"Lender" has the meaning specified therefor in the preamble to this Agreement and its successors and assigns.

"Lender-Related Persons" means Lender, together with its Affiliates, officers, directors, employees, attorneys, and agents.

"Lender's Liens" mean the Liens granted by Borrower and the other Loan Parties and their respective Subsidiaries to Lender under the Loan Documents.

"Lender Expenses" means all (a) reasonable costs or expenses (including taxes, and insurance premiums) required to be paid by any Loan Party or any of its Subsidiaries or any Guarantor under any of the Loan Documents that are paid, advanced, or incurred by Lender, (b) reasonable out-of-pocket fees or charges paid or incurred by Lender in connection with Lender's transactions with any Loan Party or any of its Subsidiaries or any Guarantor under any of the Loan Documents, including, fees or charges for photocopying, notarization, couriers and messengers, telecommunication, public record searches (including tax lien, judgment lien, litigation, bankruptcy and Code searches and including searches with the patent and trademark office, the copyright office, or the department of motor vehicles), filing, recording, publication, appraisal (including periodic collateral appraisals or business valuations to the extent of the fees and charges (and up to the amount of any limitation contained in this Agreement to the extent applicable), and environmental audits, (c) Lender's customary fees and charges (as adjusted from time to time) with respect to the disbursement of funds (or the receipt of funds) to or for the account of Borrower (whether by wire transfer or otherwise), together with any out of pocket costs and expenses incurred in connection therewith, (d) out-of-pocket charges paid or incurred by Lender resulting from the dishonor of checks payable by or to any Loan Party, (e) reasonable out-of-pocket costs and expenses paid or incurred by Lender to correct any default or enforce any provision of the Loan Documents, or during the continuance of an Event of Default, in gaining possession of, maintaining, handling, preserving, storing, shipping, selling, preparing for sale, or advertising to sell the Collateral, or any portion thereof, irrespective of whether a sale is consummated, (f) reasonable out-of-pocket examination fees and expenses (including reasonable travel, meals, and lodging) of Lender related to any inspections, exams, audits or appraisals to the extent of the fees and charges (and up to the amount of any limitation contained in this Agreement to the extent applicable), (g) reasonable out-of-pocket costs and expenses of third party claims or any other suit paid or incurred by Lender in enforcing or defending the Loan Documents or in connection with the transactions contemplated by the Loan Documents or Lender's relationship with any Loan Party or any of its Subsidiaries or any Guarantor, (h) Lender's reasonable costs and expenses (including reasonable attorneys fees) incurred in advising, structuring, drafting, reviewing, administering (including reasonable travel, meals, and lodging), or amending the Loan Documents, (i) Lender's reasonable costs and expenses (including reasonable attorneys, accountants, consultants, and other advisors fees and expenses) incurred in terminating, enforcing (including reasonable attorneys, accountants, consultants, and other advisors fees and expenses incurred in connection with a "workout," a "restructuring," or an Insolvency Proceeding concerning any Loan Party or any of its Subsidiaries or any Guarantor or in exercising rights or remedies under the Loan Documents), or defending the Loan Documents, irrespective of whether suit is brought, or in taking any Remedial Action concerning the Collateral, and (j) usage charges, charges, fees, costs and expenses for amendments, renewals, extensions, transfers, or drawings from time to time imposed by Lender in respect of Letters of Credit and out-of-pocket charges, fees, costs and expenses paid or incurred by Lender in connection with the issuance, amendment, renewal, extension, or transfer of, or drawing under, any Letter of Credit or any demand for payment thereunder.

"Lender Representatives" has the meaning specified therefor in Section 17.8(a) of this Agreement.

"Letter of Credit" means a letter of credit (as that term is defined in the Code) issued by Lender for the account of Borrower or any of its Subsidiaries.

"Letter of Credit Agreements" means a Letter of Credit Application, together with any and all related letter of credit agreements pursuant to which Lender agrees to issue, amend, or extend a Letter of Credit, or pursuant to which Borrower agrees to reimburse Lender for all Letter of Credit Disbursements, each such application and related agreement to be in the form specified by Lender from time to time.

"Letter of Credit Application" means an application requesting Lender to issue, amend, or extend a Letter of Credit, each such application to be in the form specified by Lender from time to time.

"Letter of Credit Collateralization" means either (a) providing cash collateral (pursuant to documentation reasonably satisfactory to Lender, including provisions that specify that the Letter of Credit fee and all usage charges set forth in this Agreement and the Letter of Credit Agreements will continue to accrue while the Letters of Credit are outstanding) to be held by Lender for the benefit of Lender in an amount equal to 110% of the then existing Letter of Credit Usage, (b) delivering to Lender the original of each Letter of Credit, together with documentation executed by all beneficiaries under each Letter of Credit in form and substance acceptable to Lender terminating all of such beneficiaries' rights under such Letters of Credit, or (c) providing Lender with a standby letter of credit, in form and substance reasonably satisfactory to Lender, from a commercial bank acceptable to Lender (in its sole discretion) in an amount equal to 110% of the then existing Letter of Credit Usage (it being understood that the Letter of Credit fee and all usage charges set forth in this Agreement will continue to accrue while the Letters of Credit are outstanding and that any such fees that accrue must be an amount that can be drawn under any such standby letter of credit).

"Letter of Credit Disbursement" means a payment made by Lender pursuant to a Letter of Credit.

"Letter of Credit Usage" means, as of any date of determination, the sum of (i) the aggregate undrawn amount of all outstanding Letters of Credit, and (ii) the aggregate amount of outstanding reimbursement obligations with respect to Letters of Credit which remain unreimbursed or which have not been paid through an Advance under the Revolving Credit Facility.

"Lien" means any mortgage, deed of trust, pledge, hypothecation, assignment for security purposes, charge, deposit arrangement for security purposes, encumbrance, easement, lien (statutory or other), security interest, or other security arrangement, including any conditional sale contract or other title retention agreement, the interest of a lessor under a Capital Lease and any synthetic or other financing lease having substantially the same economic effect as any of the foregoing.

"Loan Account" has the meaning specified therefor in Section 2.8 of this Agreement.

"Loan Documents" means this Agreement, each amendment thereto, ~~the~~**any** Revolving Note~~, the~~ **requested by Lender, any** Term Note **requested by Lender**, any Borrowing Base Certificate, the Control Agreements, the Cash Management Documents, the Copyright Security Agreements, the Guaranties, the Letters of Credit, the Patent Security Agreements, the Trademark Security Agreements, the Subordination Agreements, any note or notes executed by Borrower in connection with this Agreement and payable to Lender, any Letter of Credit Applications and other Letter of Credit Agreements entered into by Borrower in connection with this Agreement, and any other instrument or agreement entered into, now or in the future, by any Loan Party or any of its Subsidiaries, any Guarantor or any other Person in favor of Lender in connection with this Agreement, but specifically excluding all Hedge Agreements.

"Loan Management Service" means Lender's or a Bank Product Provider's proprietary automated loan management program currently known as "Loan Manager" and any successor service or product of Lender which performs similar services.

"Loan Party" means Borrower and each Subsidiary of Borrower which becomes a Guarantor.

"Lockbox" means "Lockbox" as defined and described in the Cash Management Documents.

"~~[~~Management Agreement~~]" means [TO COME]~~**" means the Management Services Agreement, dated on or about the Closing Date, between Borrower and Peak Rock Capital Directors LP, as from time to time amended**.

"Margin Stock" as defined in Regulation U of the Board of Governors of the Federal Reserve System as in effect from time to time.

"Material Adverse Change" means (a) a material adverse change in the business, prospects, operations, results of operations, assets, liabilities or financial condition of Borrower and its Subsidiaries taken as a whole, (b) a material impairment of the ability of any Loan Party or its Subsidiaries or of any Guarantor or to perform its obligations under the Loan Documents to which it is a party or of the Lender's ability to enforce the Obligations or realize upon any of the collateral security for the Obligations, including, without limitation, any of the Collateral, or (c) a material impairment of the enforceability or priority of

Lender's Liens with respect to any of the collateral security for the Obligations, including, without limitation, any of the Collateral, as a result of an action or failure to act on the part of any Loan Party or its Subsidiaries or of any Guarantor.

"Material Contract" means, with respect to any Loan Party or any Subsidiary of any Loan Party, (i) each contract or agreement to which such Loan Party or such Subsidiary is a party involving aggregate consideration payable to or by such Loan Party or such Subsidiary of $250,000 or more (other than purchase orders in the ordinary course of the business of such Loan Party or such Subsidiary), and (ii) all other contracts or agreements, the loss of which could reasonably be expected to result in a Material Adverse Change.

"Material Licenses" means, with respect to any Loan Party or any Subsidiary of any Loan Party, any license, permit or other authorization which is required or necessary for any Loan Party or any Subsidiary of any Loan Party to conduct any material portion of its business or operations.

"Maturity Date" has the meaning specified therefor in Section 2.9 of this Agreement.

"Maximum Credit" is $30,000,000 as of the date of this Agreement.

"Maximum Revolver Amount" is $~~25,000,000~~**19,000,000** as of the date of this Agreement.

"Moody's" has the meaning specified therefor in the definition of Cash Equivalents.

"Multiemployer Plan" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which any Loan Party or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

"Multiple Employer Plan" means a Plan which has two or more contributing sponsors (including any Loan Party or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

"Negotiable Collateral" means letters of credit, letter-of-credit rights, instruments, promissory notes, drafts and documents (as each such term is defined in the Code).

"Net Cash Proceeds" shall mean:

(a) with respect to any Asset Sale, the cash proceeds received by Borrower or any of its Subsidiaries (including cash proceeds subsequently received (as and when received by Borrower or any of its Subsidiaries) in respect of non-cash consideration initially received) net of (i) the direct costs relating to such Asset Sale, including, without limitation, selling expenses (including reasonable brokers' or sales fees or commissions, legal, accounting, investment banking and other professional and transactional fees, transfer and similar taxes and Borrower's good faith estimate of income or other taxes paid or payable in connection with such sale); (ii) amounts provided as a reserve, in accordance with GAAP, against (x) any liabilities under any indemnification obligations associated with such Asset Sale, (y) any other liabilities retained by Borrower or any of its Subsidiaries associated with the assets or properties sold in such Asset Sale (provided that, to the extent and at the time any such amounts are released from such reserve, such amounts shall constitute Net Cash Proceeds) or (z) earn-outs and other purchase price adjustments associated with the purchase price of the assets or properties subject to such Asset Sale and; (iii) Borrower's good faith estimate of payments required to be made with respect to unassumed liabilities relating to the assets or properties sold within 180 days of such Asset Sale (provided that, to the extent such cash proceeds are not used to make payments in respect of such unassumed liabilities within 180 days of such Asset Sale, such cash proceeds shall constitute Net Cash Proceeds); and (iv) the principal amount, premium or penalty, if any, interest and other amounts paid with to respect to any Indebtedness for borrowed money which is secured by a Lien on the assets or properties sold in such Asset Sale (so long as such Lien was permitted to encumber such assets or properties under the Loan Documents at the time of such sale) and which is repaid with such proceeds (other than any such Indebtedness assumed by the purchaser of such properties);

(b) with respect to any incurrence of Indebtedness, the cash proceeds thereof (from a Person other than Borrower or any other Loan Party), net of customary fees, sales and underwriting discounts, premiums, commissions, costs and other expenses incurred in connection therewith; and

(c) with respect to any Casualty Event, the cash proceeds of casualty and condemnation insurance (which for the avoidance of doubt will exclude any proceeds of business interruption insurance) received in respect thereof, net of all (i) reasonable fees, premiums, costs, expenses and taxes incurred in connection with the collection of such proceeds, awards or other compensation in respect of such Casualty Event and (ii) the principal amount, premium or penalty, if any, interest and other

amounts with respect to any Indebtedness for borrowed money which is secured by a Lien on the assets or properties subject to such Casualty Event (so long as such Lien was permitted to encumber such assets or properties under the Loan Documents at the time of such Casualty Event) and which is repaid with such proceeds.

"Net Forced Liquidation Value" means, as to Eligible Equipment, at any time, the value of such Eligible Equipment, determined on a forced liquidation basis, as set forth in the most recent acceptable appraisal received by Lender and upon which Lender may rely, net of all operating expenses and associated costs of such liquidation, such value to be as determined from time to time by an appraisal company selected or approved by Lender, with such most recent acceptable appraisal to be in form, scope, methodology and content acceptable to Lender.

"Net Liquidation Percentage" means the percentage of the Value of Borrower's Eligible Inventory that is estimated to be recoverable in an orderly liquidation of such Eligible Inventory as set forth in the most recent acceptable appraisal received by Lender and upon which Lender may rely, net of all operating expenses and associated costs of such liquidation, such percentage to be as determined from time to time by an appraisal company selected or approved by Lender, with such most recent acceptable appraisal to be in form, scope, methodology and content acceptable to Lender.

"Net Orderly Liquidation Value" means, as to the Eligible Equipment, Eligible New Equipment and Eligible New Racking, at any time, the value of such Eligible Equipment, Eligible New Equipment or Eligible New Racking, as applicable, determined on an orderly liquidation basis, as set forth in the most recent acceptable appraisal received by Lender and upon which Lender may rely, net of all operating expenses and associated costs of such liquidation, such value to be as determined from time to time by an appraisal company selected or approved by Lender, with such most recent acceptable appraisal to be in form, scope, methodology and content acceptable to Lender.

"Non-Financed Capital Expenditures" means Capital Expenditures of Borrower and its Subsidiaries not financed by the seller of the capital asset, by a third party lender or by means of any extension of credit by Lender other than by means of an Advance under the Revolving Credit Facility **or loans made under the Closing Date Credit Line**.

"Obligations" means (a) all loans (including the Advances and the Term Loan), debts, principal, interest (including any interest that accrues after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), reimbursement or indemnification obligations with respect to Letters of Credit (irrespective of whether contingent), premiums, liabilities (including all amounts charged to the Loan Account pursuant to this Agreement), obligations (including indemnification obligations), fees, Lender Expenses (including any fees or expenses that accrue after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), guaranties, and all covenants and duties of any other kind and description owing by any Loan Party or any Guarantor pursuant to or evidenced by this Agreement or any of the other Loan Documents and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, sole, joint, several or joint and several, now existing or hereafter arising, and including all interest not paid when due and all other expenses or other amounts that any Loan Party or any Guarantor is required to pay or reimburse by the Loan Documents or by law or otherwise in connection with the Loan Documents, and (b) all Bank Product Obligations. Any reference in this Agreement or in the Loan Documents to the Obligations shall include all or any portion thereof and any extensions, modifications, renewals, or alterations thereof, both prior and subsequent to any Insolvency Proceeding.

"OFAC" means The Office of Foreign Assets Control of the U.S. Department of the Treasury.

"Overadvance Amount" has the meaning specified therefor in Section 2.4(f) of this Agreement.

"Payment in Full" or "Paid in Full" means, when used in connection with the Obligations, the full and final payment in cash of all of the Obligations (other than unasserted contingent indemnification obligations), and the expiration, termination, cancellation or cash collateralization (including Letter of Credit Collateralization and Bank Product Collateralization) of all Letter of Credit Usage, Bank Product Obligations (including Hedge Obligations) or other similar obligations, and the termination of all commitments and obligations of Lender to make loans or extend other financial accommodations to Borrower under the Credit Agreement or the other Loan Documents.

"Patents" means patents and patent applications, including (i) the patents and patent applications listed on Schedule 5.25(b) to the Information Certificate, (ii) all continuations, divisionals, continuations-in-part, re-examinations, reissues, and renewals thereof and improvements thereon, (iii) all income, royalties, damages and payments now and hereafter due or payable under and with respect thereto, including payments under all licenses entered into in connection therewith and damages and payments for past, present, or future infringements thereof, (iv) the right to sue for past, present, and future infringements thereof, and (v) all of each Loan Party's rights corresponding thereto throughout the world.

"Patent Security Agreement" means each Patent Security Agreement executed and delivered by the applicable Loan Party in favor of Lender, in form and substance reasonably acceptable to Lender.

"Patriot Act" means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

"PBGC" means the Pension Benefit Guaranty Corporation.

"Pension Act" means the Pension Protection Act of 2006.

"Pension Funding Rules" means the rules of the IRC and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans and set forth in, with respect to plan years ending prior to the effective date of the Pension Act, Section 412 of the IRC and Section 302 of ERISA, each as in effect prior to the Pension Act and, thereafter, Section 412, 430, 431, 432 and 436 of the IRC and Sections 302, 303, 304 and 305 of ERISA.

"Pension Plan" means any employee pension benefit plan (including a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by any Loan Party and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the IRC.

"Permitted Discretion" means a determination made in good faith and in the exercise of the commercially reasonable business judgment of Lender in accordance with customary business practices for comparable asset-based transactions.

"Permitted Dispositions" means:

(a) sales, abandonment, or other dispositions of Equipment that is substantially worn, damaged, or obsolete in the ordinary course of business or that is no longer used in the business of the applicable Loan Party or the applicable Subsidiary of a Loan Party;

(b) sales of Inventory to buyers in the ordinary course of business;

(c) the granting of Permitted Liens;

(d) the making of a Restricted Junior Payment that is expressly permitted to be made pursuant to this Agreement;

(e) the making of a Permitted Investment; and

(f) any other disposition (not otherwise specifically permitted in this definition of Permitted Dispositions) which is agreed to in writing by Lender in its sole discretion.

"Permitted Holders" means Peak Rock Capital, its successors and its affiliates, and funds or partnerships managed or advised by them but not including any portfolio company of the foregoing.

"Permitted Indebtedness" means:

(a) Indebtedness evidenced by this Agreement or the other Loan Documents or any other Indebtedness of a Loan Party or any Subsidiary of a Loan Party to Lender or any of Lender's Affiliates;

(b) subject to the provisions of this Agreement and the applicable Subordination Agreements, Subordinated Debt of the Borrower which Lender has agreed in writing may be incurred by Borrower;

(c) Indebtedness set forth on Schedule 5.19 to the Information Certificate and any Refinancing Indebtedness in respect of such Indebtedness;

(d) Permitted Purchase Money Indebtedness and any Refinancing Indebtedness in respect of such Indebtedness;

(e) endorsement of instruments or other payment items for deposit;

(f) the incurrence by Borrower or its Subsidiaries of Indebtedness under Hedge Agreements permitted under the terms of this Agreement that are incurred for the bona fide purpose of hedging the interest rate, commodity, or foreign currency risks associated with the operations of Borrower and its Subsidiaries and not for speculative purposes;

(g) Indebtedness incurred in respect of Bank Products other than pursuant to Hedge Agreements;

(h) Indebtedness under Capital Leases of Borrower or any of its Subsidiaries;

(i) unsecured Indebtedness (not otherwise specifically permitted in this definition of Permitted Indebtedness) in an aggregate principal amount not to exceed at any time $100,000;

(j) Indebtedness pursuant to the Closing Date Credit Line; and

(~~j~~**k**) other Indebtedness (not otherwise specifically permitted in this definition of Permitted Indebtedness) which is agreed to in writing by Lender in its sole discretion.

"Permitted Investments" means:

(a) Investments in cash and Cash Equivalents;

(b) Investments in negotiable instruments deposited or to be deposited for collection in the ordinary course of business;

(c) advances made in connection with purchases of Goods or services in the ordinary course of business from Persons which are not Affiliates of Borrower and reasonable advances made for costs and expenses in the ordinary course of business;

(d) Investments owned by Borrower or any of its Subsidiaries on the Closing Date and set forth on Schedule P-1;

(e) Investments resulting from entering into Bank Product Agreements;

(f) investments received in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and disputes with, customers and suppliers, in each case in the ordinary course of business;

(g) Investments constituting deposits made in connection with the purchase of goods or services or to secure the performance of statutory obligations constituting Permitted Liens, in each case in the ordinary course of business in an aggregate amount for such deposits not to exceed $100,000 at any one time; and

(h) other Investments (not otherwise specifically permitted in this definition of Permitted Investments) in an aggregate amount not to exceed at any time $100,000.

"Permitted Liens" means

(a) Liens granted to, or for the benefit of, Lender and/or the Bank Product Providers to secure the Obligations;

(b) Liens for unpaid taxes, assessments, or other governmental charges or levies that either (i) are not yet delinquent, or (ii) do not have priority over Lender's Liens and the underlying taxes, assessments, or charges or levies are the subject of Permitted Protests;

(c) judgment Liens arising solely as a result of the existence of judgments, orders, or awards that do not constitute an Event of Default under Section 9.3 of the Agreement;

(d) Liens set forth on Schedule P-2; provided, however, that to qualify as a Permitted Lien, any such Lien described on Schedule P-2 shall only secure the Indebtedness that it secures on the Closing Date and any Refinancing Indebtedness in respect thereof;

(e) the interests of lessors under operating leases and non-exclusive licensors under license agreements;

(f) purchase money Liens or the interests of lessors under Capital Leases to the extent that such Liens or interests secure Permitted Purchase Money Indebtedness and so long as (i) such Lien attaches only to the asset purchased or acquired, the proceeds thereof and the contracts pursuant to which such asset was acquired, and (ii) such Lien only secures the Indebtedness that was incurred to acquire the asset purchased or acquired or any Refinancing Indebtedness in respect thereof;

(g) Liens that are replacements of Permitted Liens to the extent that the original Indebtedness is the subject of permitted Refinancing Indebtedness and so long as the replacement Liens only encumber those assets that secured the original Indebtedness;

(h) Liens arising by operation of law in favor of warehousemen, landlords, carriers, mechanics, materialmen, laborers, or suppliers, incurred in the ordinary course of business and not in connection with the borrowing of money, and which Liens either (i) are for sums not yet delinquent, or (ii) are the subject of Permitted Protests;

(i) Liens on amounts deposited to secure the obligations of a Loan Party or any Subsidiary of a Loan Party in connection with worker's compensation or other unemployment insurance;

(j) Liens on amounts deposited to secure the obligations of a Loan Party or any Subsidiary of a Loan Party in connection with the making or entering into of bids, tenders or leases in the ordinary course of business and not in connection with the borrowing of money;

(k) Liens on amounts deposited to secure the reimbursement obligations of a Loan Party or any Subsidiary of a Loan Party with respect to surety or appeal bonds obtained in the ordinary course of business;

(l) with respect to any real property owned or leased by a Loan Party or any Subsidiary of any Loan Party, survey exceptions or encumbrances, easements or reservations, or rights of others for rights-of-way, utilities and other similar purposes, or zoning or other restrictions as to the use of such real properties, which do not materially interfere with the business of such Loan Party or such Subsidiary

(m) rights of setoff or bankers' liens upon deposits of cash in favor of banks or other depositary institutions permitted under this Agreement solely to the extent incurred in connection with the maintenance of such deposit accounts in the ordinary course of business;

(n) Liens in favor of customs authorities arising as a matter of law to secure customs duties in connection with the importation of goods;

(o) subordinated Liens in favor of the Institutional Subordinated Creditors to secure the Subordinated Debt of Borrower to the Institutional Subordinated Creditors so long as such Liens are subordinated to Lender's Liens pursuant to the Institutional Subordination Creditors Subordination Agreement; and

(p) Liens (not otherwise specifically permitted in this definition of Permitted Liens) which are agreed to in writing by Lender in its sole discretion.

"Permitted Overadvance Amount" means $~~[_____]~~.[5] **0.**

"Permitted Protest" means the right of Borrower or any other Loan Party or any of their respective Subsidiaries to protest any Lien (other than any Lien that secures the Obligations), taxes (other than payroll taxes or taxes that are the subject of a United States federal tax lien), or rental payment, provided that (a) a reserve with respect to such obligation is established on the books and records of Borrower, such other Loan Party or such Subsidiary in such amount as is required under GAAP, (b) any such protest is instituted promptly and prosecuted diligently by Borrower, such other Loan Party or such Subsidiary, as applicable, in good faith, and (c) Lender is satisfied that, while any such protest is pending, there will be no impairment of the enforceability, validity, or priority of any of Lender's Liens.

"Permitted Purchase Money Indebtedness" means Purchase Money Indebtedness incurred after the Closing Date in an aggregate principal amount outstanding not to exceed $100,000 during any Fiscal Year of Borrower.

~~[5] To be discussed.~~

"Person" means natural persons, corporations, limited liability companies, limited partnerships, general partnerships, limited liability partnerships, joint ventures, trusts, land trusts, business trusts, or other organizations, irrespective of whether they are legal entities, and governments and agencies and political subdivisions thereof.

"Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan), maintained for employees of any Loan Party or any ERISA Affiliate or any such Plan to which any Loan Party or any ERISA Affiliate is required to contribute on behalf of any of its employees.

"Preferred Stock" means, as applied to the Stock of any Person, the Stock of any class or classes (however designated) that is preferred with respect to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Stock of any other class of such Person.

"Prime Rate" means at any time the rate of interest most recently announced by Lender at its principal office as its Prime Rate, with the understanding that the Prime Rate is one of Lender's base rates, and serves as the basis upon which effective rates of interest are calculated for those loans making reference to it, and is evidenced by its recording in such internal publication or publications as Lender may designate. Each change in the rate of interest shall become effective on the date each Prime Rate change is announced by Lender.

"Proceeds" has the meaning specified therefor in Schedule 1.1, definition of "Collateral".

"Prohibited Preferred Stock" means any Preferred Stock that by its terms is mandatorily redeemable or subject to any other payment obligation (including any obligation to pay dividends, other than dividends of shares of Preferred Stock of the same class and series payable in kind or dividends of shares of common stock) on or before a date that is less than 1 year after the Maturity Date, or, on or before the date that is less than 1 year after the Maturity Date, is redeemable at the option of the holder thereof for cash or assets or securities (other than distributions in kind of shares of Preferred Stock of the same class and series or of shares of common stock).

"Projections" means Borrower's forecasted (a) balance sheets, (b) profit and loss statements, (c) Availability projections, and (d) cash flow statements, all prepared on a basis reasonably consistent with Borrower's historical financial statements, together with appropriate supporting details and a statement of underlying assumptions.

"Protective Advance" has the meaning specified therefor in Section 2.3(d).

"PTO" means the United States Patent and Trademark Office.

"Purchase Money Indebtedness" means Indebtedness (other than the Obligations, but including Capitalized Lease Obligations), incurred at the time of, or within 60 days after, the acquisition, construction or improvement of any fixed assets for the purpose of financing all or any part of the cost of acquisition, construction or improvement thereof.

"Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

"Refinancing Indebtedness" means refinancings, renewals, or extensions of Indebtedness so long as:

(a) such refinancings, renewals, or extensions do not result in an increase in the principal amount of the Indebtedness so refinanced, renewed, or extended, other than by the amount of premiums paid thereon and the fees and expenses incurred in connection therewith and by the amount of unfunded commitments with respect thereto,

(b) such refinancings, renewals, or extensions do not result in a shortening of the average weighted maturity (measured as of the refinancing, renewal, or extension) of the Indebtedness so refinanced, renewed, or extended, nor are they on terms or conditions that, taken as a whole, are or could reasonably be expected to be materially adverse to the interests of Lender,

(c) if the Indebtedness that is refinanced, renewed, or extended was subordinated in right of payment to the Obligations, then the terms and conditions of the refinancing, renewal, or extension must include subordination terms and conditions that are at least as favorable to the Lender as those that were applicable to the refinanced, renewed, or extended Indebtedness, and

(d) the Indebtedness that is refinanced, renewed, or extended is not recourse to any Person that is liable on account of the Obligations other than those Persons which were obligated with respect to the Indebtedness that was refinanced, renewed, or extended.

"Remedial Action" means all actions taken to (a) clean up, remove, remediate, contain, treat, monitor, assess, evaluate, or in any way address Hazardous Materials in the indoor or outdoor environment, (b) prevent or minimize a release or threatened release of Hazardous Materials so they do not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment, (c) restore or reclaim natural resources or the environment, (d) perform any pre-remedial studies, investigations, or post-remedial operation and maintenance activities, or (e) conduct any other actions with respect to Hazardous Materials required by Environmental Laws.

"Reorganization Plan" shall mean the Second Amended Plan of Reorganization of Borrower pursuant to Chapter 11 of the Bankruptcy Code, approved by the Bankruptcy Court pursuant to the Confirmation Order.

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA, other than events for which the 30 day notice period has been waived.

"Reserves" means, ,as of any date of determination, the sum of (a) an amount or percent of a specified item or category of items that Lender establishes from time to time in its Permitted Discretion to reduce Availability to reflect (i) such matters, events, conditions, contingencies or risks which affect or which may reasonably be expected to affect the assets, business or prospects of Borrower, any other Loan Party or the Collateral or its value or the enforceability, perfection or priority of Lender's security interest in the Collateral, or (ii) Lender's reasonable judgment that any collateral report or financial information relating to Borrower or any other Loan Party delivered to Lender is incomplete, inaccurate or misleading in any material respect, *plus* (b) the Dilution Reserve, the Farm Products Reserve and the Bank Product Reserve Amount; provided that, in the case of clauses (a) and (b), (x) no reserve shall be established to the extent that it is duplicative of any other reserves or items that are otherwise excluded through eligibility criteria and (y) the amount of any reserve shall have a reasonable relationship as determined by the Lender in its Permitted Discretion to the matter, event, condition, contingency or risk that is the basis therefor

"Restricted Junior Payment" means (a) declaration or payment of any dividend or the making of any other payment or distribution on account of Stock issued by Borrower to the direct or indirect holders of such Stock, (b) any purchase, redemption, or other acquisition or retirement for value of any Stock issued by Borrower~~,~~ **or** (c) any payment in respect of any Subordinated Debt owed by Borrower to any Subordinated Creditor and/or any Subordinated Creditors~~, or (d) any payment of management, consulting, monitoring, sale representation, advisory or other service fees (and related costs and expenses) to any Affiliate of Borrower~~.

"Revolving Facility Pricing Grid" means the pricing grid attached as Exhibit G-1 hereto.

"Revolving Note" means a promissory note of Borrower payable to Lender in the amount of $~~25,000,000,~~**19,000,000,** as such promissory note may be amended, restated, extended or otherwise modified from time to time, including any other promissory note or notes accepted from time to time in substitution therefor or in renewal thereof.

"Revolver Usage" means, as of any date of determination, the sum of (a) the amount of outstanding Advances *plus* (b) the amount of **outstanding obligations under the Closing Date Credit Line *plus* (c) the amount of** the Letter of Credit Usage.

"Revolving Credit Facility" means the $~~25,000,000~~**19,000,000** revolving line of credit facility described in Section 2.1 pursuant to which Lender provides Advances to Borrower and issues Letters of Credit for the account of Borrower.

"Sanctioned Entity" means (a) a country or a government of a country, (b) an agency of the government of a country, (c) an organization directly or indirectly controlled by a country or its government, (d) a Person resident in or determined to be resident in a country, in each case, that is subject to a country sanctions program administered and enforced by OFAC.

"Sanctioned Person" means a person named on the list of Specially Designated Nationals maintained by OFAC.

"S&P" has the meaning specified therefor in the definition of Cash Equivalents.

"SEC" means the United States Securities and Exchange Commission and any successor thereto.

"Securities Account" means a securities account (as that term is defined in the Code).

"Securities Act" means the Securities Act of 1933, as amended from time to time, and any successor statute.

"Security Interest" has the meaning specified therefor in Section 3.1 of this Agreement.

"Solvent" means, with respect to any Person on a particular date, that, (i) at fair valuations, the sum of such Person's assets (and including as assets for this purpose all rights of subrogation, contribution or indemnification arising pursuant to any guarantees given by such Person) is greater than all of such Person's debts and including subordinated and contingent liabilities computed at the amount which, such Person has a reasonable basis to believe, represents an amount which can reasonably be expected to become an actual or matured liability (and including as to contingent liabilities arising pursuant to any guarantee the face amount of such liability as reduced to reflect the probability of it becoming a matured liability); and (ii) such Person is able to pay its debts as they mature and has (and has a reasonable basis to believe it will continue to have) sufficient capital (and not unreasonably small capital) to carry on its business consistent with its practices as of the date hereof.

"Status" means the financial condition of Borrower expressed as Level I or Level II, each as determined in accordance with the definition of "Interest Rate Margin" herein.

"Stock" means all shares, options, warrants, interests, participations, or other equivalents (regardless of how designated) of or in a Person, whether voting or nonvoting, including common stock, preferred stock, or any other "equity security" (as such term is defined in Rule 3a11-1 of the General Rules and Regulations promulgated by the SEC under the Exchange Act).

"Subordinated Creditors" means, collectively, Argosy Investment Partners III, L.P., Marquette Capital Fund I, L.P., Horizon Capital Partners III, L.P. and any other Person now or in the future subordinating Indebtedness or other obligations of any Loan Party held by that Person to the payment of the Obligations, and each is a "Subordinated Creditor".

"Subordinated Debt" means Indebtedness or other obligations owed by Borrower or any other Loan Party which have been subordinated to the Obligations pursuant to a Subordination Agreement.

"Subordinated Securities Purchase Agreement" means, that certain Securities Purchase Agreement dated as of the date hereof by and among the Borrower and the Institutional Subordinated Creditors.

"Subordination Agreement" means each subordination agreement now or hereafter executed by one or more of the Subordinated Creditors in favor of Lender in form and content acceptable to Lender in its sole discretion, including, without limitation, the Institutional Subordinated Creditors Subordination Agreement.

"Subsidiary" of a Person means a corporation, partnership, limited liability company, or other entity in which that Person directly or indirectly owns or controls the shares of Stock having ordinary voting power to elect a majority of the board of directors (or appoint other comparable managers) of such corporation, partnership, limited liability company, or other entity.

"Supporting Obligations" means supporting obligations (as such term is defined in the Code), and includes letters of credit and guaranties issued in support of Accounts, Chattel Paper, documents, General Intangibles, instruments or Investment Related Property.

"Taxes" means any taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature now or hereafter imposed by any jurisdiction or by any political subdivision or taxing authority thereof or therein with respect to such payments and all interest, penalties or similar liabilities with respect thereto; provided, however, that Taxes shall exclude (i) any tax imposed on the net income or net profits of Lender (including any branch profits taxes), in each case imposed by the jurisdiction (or by any political subdivision or taxing authority thereof in which Lender is organized or the jurisdiction (or by any political subdivision or taxing authority thereof) in which Lender's principal office is located in each case as a result of a present or former connection between Lender and the jurisdiction or taxing authority imposing the tax (other than any such connection arising solely from Lender having executed, delivered or performed its obligations or received payment under, or enforced its rights or remedies under this Agreement or any other Loan Document), and (ii) any U.S. withholding taxes imposed under FATCA.

"Termination Date" has the meaning specified therefor in Section 2.9 of this Agreement.

"Term Loan" has the meaning specified therefor in Section 2.2 of this Agreement.

"Term Loan Amount" means $~~5,000,000.~~**11,000,000.**

"Term Loan Pricing Grid" means the pricing grid attached as Exhibit G-2 hereto.

"Term Note" means a promissory note of Borrower payable to Lender in the amount of $~~5,000,000,~~**11,000,000,** as such promissory note may be amended, restated, extended or otherwise modified from time to time, including any other promissory note or notes accepted from time to time in substitution therefor or in renewal thereof.

"Trademark Security Agreement" means each Trademark Security Agreement executed and delivered by the applicable Loan Party in favor of Lender, in form and substance reasonably acceptable to Lender.

"Trademarks" means any and all trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, including (i) the trade names, registered trademarks, trademark applications, registered service marks and service mark applications listed on Schedule 5.25(b) to the Information Certificate, (ii) all renewals thereof, (iii) all income, royalties, damages and payments now and hereafter due or payable under and with respect thereto, including payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (iv) the right to sue for past, present and future infringements and dilutions thereof, (v) the goodwill of each Loan Party's business symbolized by the foregoing or connected therewith, and (vi) all of each Loan Party's rights corresponding thereto throughout the world.

"Transfer Eligible Inventory" means Eligible Inventory that is in transit on trucks or trailers owned or leased by Borrower with a destination being a location identified on Schedule 5.29 to the Information Certificate which is owned by Borrower or leased by Borrower and subject to a Collateral Access Agreement.

"Uniform Customs" means the Uniform Customs and Practice for Documentary Credits (2007 Revision), effective July, 2007 International Chamber of Commerce Publication No. 600.

"United States" means the United States of America.

"Unused Amount" has the meaning specified therefor in Schedule 2.12 of this Agreement.

"USAO NDIL" means the Department of Justice, United States Attorney's Office for the Northern District of Illinois.

"URL" means "uniform resource locator," an internet web address.

"Value" means, as determined by Lender in good faith, with respect to Inventory, the lower of (a) cost computed on a first-in first-out basis in accordance with GAAP or (b) market value, provided that for purposes of the calculation of the Borrowing Base, (i) the Value of the Inventory shall not include: (A) the portion of the value of Inventory equal to the profit earned by any Affiliate on the sale thereof to any Borrower or (B) write-ups or write-downs in value with respect to currency exchange rates and (ii) notwithstanding anything to the contrary contained herein, the cost of the Inventory shall be computed in the same manner and consistent with the most recent appraisal of the Inventory received and accepted by Lender, if any.

"Voidable Transfer" has the meaning specified therefor in Section 17.7 of this Agreement.

b. **Accounting Terms**. All accounting terms not specifically defined herein shall be construed in accordance with GAAP; provided, however, that if Borrower notifies Lender that Borrower requests an amendment to any provision hereof to eliminate the effect of any change in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board of the American Institute of Certified Public Accountants (or successor thereto or any agency with similar functions) (an "Accounting Change") occurring after the Closing Date, or in the application thereof (or if Lender notifies Borrower that Lender requests an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such Accounting Change or in the application thereof, then Lender and Borrower agree that they will negotiate in good faith amendments to the provisions of this Agreement that are directly affected by such Accounting Change with the intent of having the respective positions of the Lender and Borrower after such Accounting Change conform as nearly as possible to their respective positions as of the date of this Agreement and, until any such amendments have been agreed upon, the provisions in this Agreement shall be calculated as if no such Accounting Change had occurred. Whenever used herein, the term "financial statements" shall include the footnotes and schedules thereto. Whenever the term "Borrower" is used in respect of a financial covenant or a related definition, it shall be understood to mean Borrower and its Subsidiaries on a consolidated basis, unless the context clearly requires otherwise.

c. **Code**. Any terms used in this Agreement that are defined in the Code shall be construed and defined as set forth in the Code unless otherwise defined herein. The meaning of any term defined herein by reference to the Code will not be limited by reason of any limitation set forth on the scope of the Code, whether under Section 9-109 of the Code, by reason of federal preemption or otherwise.

d. **Construction**. Unless the context of this Agreement or any other Loan Document clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, the terms "includes" and "including" are not limiting, and the term "or" has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or." The words "hereof," "herein," "hereby," "hereunder," and similar terms in this Agreement or any other Loan Document refer to this Agreement or such other Loan Document, as the case may be, as a whole and not to any particular provision of this Agreement or such other Loan Document, as the case may be. Section, subsection, clause, schedule, and exhibit references herein are to this Agreement unless otherwise specified. Any reference in this Agreement or in any other Loan Document to any agreement, instrument, or document shall include all alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements, thereto and thereof, as applicable (subject to any restrictions on such alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements set forth herein). The words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts, and contract rights. Any reference herein or in any other Loan Document to the satisfaction, repayment, or payment in full of the Obligations shall mean the repayment in full in cash or immediately available funds (or (a) in the case of contingent reimbursement obligations with respect to Letters of Credit, providing Letter of Credit Collateralization, and (b) in the case of obligations with respect to Bank Products (other than Hedge Obligations), providing Bank Product Collateralization) of all of the Obligations (including the payment of any Lender Expenses that have accrued irrespective of whether demand has been made therefor and the payment of any termination amount then applicable (or which would or could become applicable as a result of the repayment of the other Obligations) under Hedge Agreements) other than unasserted contingent indemnification Obligations. Any reference herein to any Person shall be construed to include such Person's successors and assigns. Any requirement of a writing contained herein or in any other Loan Document shall be satisfied by the transmission of a Record.

e. **Schedules and Exhibits**. All of the schedules and exhibits attached to this Agreement shall be deemed incorporated herein by reference.

Schedule 2.12

TO CREDIT AND SECURITY AGREEMENT

Borrower shall pay to Lender each of the following fees:

On the Closing Date:

Origination Fee: A one-time Commitment Fee of $1,125,000, which shall be fully earned and payable upon the execution of this Agreement.

Monthly:

(a) **Unused Line Fee**. An unused line fee of one-quarter of one percent (0.25%) per annum of the daily average of the Maximum Revolver Amount reduced by outstanding Advances and the Letter of Credit Usage (the "Unused Amount"), from the date of this Agreement to and including the Termination Date, which unused line fee shall be payable monthly in arrears on the first day of each month and on the Termination Date.

(b) **Cash Management Fees**. Service fees to Lender for Cash Management Services provided pursuant to the Cash Management Documents, Bank Product Agreements or any other agreement entered into by the parties, in the amount prescribed in Lender's current service fee schedule.

(c) **Letter of Credit Fees.** A Letter of Credit fee (in addition to the charges, commissions, fees, and costs set forth in Section 2.13) which shall accrue at a rate equal to two percent (2.00%) per annum times the Daily Balance of the undrawn amount of all outstanding Letters of Credit, which Letter of Credit fee shall be payable monthly in arrears on the first day of each month and on the Termination Date. All fees upon the occurrence of any other activity with respect to any Letter of Credit (including, without limitation, the issuance, transfer, amendment, extension or cancellation of any Letter of Credit and honoring of draws under any Letter of Credit) determined in accordance with Lender's standard fees and charges then in effect for such activity.

Upon demand by Lender or as otherwise specified in this Agreement:

(a) **Collateral Exam Fees, Costs and Expenses**. Lender's costs and expenses in connection with any collateral exams, audits or inspections conducted by or on behalf of Lender at the current rates established from time to time by Lender as its fee for collateral exams, audits or inspections (which fees are currently $125 per hour per collateral examiner), together with all actual out-of-pocket costs and expenses incurred in conducting any collateral exam, audit, or inspection. Lender may conduct collateral exams, audits and inspections; provided, however, that commencing on the first anniversary of the Closing Date and during each year thereafter, so long as no Default or Event of Default shall have occurred and is continuing and (i) Availability was at or greater than $5,000,000 on each day of the 180 day period immediately preceding the first day of such Fiscal Year, Borrower shall have no obligation to reimburse Lender for fees, costs and expenses related to more than two (2) such collateral exams, audits or inspections during such Fiscal Year of Borrower; and (ii) Availability was less than $5,000,000 at any time during the 180 day period immediately preceding the first day of such Fiscal Year, Borrower shall have no obligation to reimburse Lender for fees, costs and expenses related to more than three (3) such collateral exams, audits or inspections during such Fiscal Year of Borrower.

(b) **Appraisal Fees, Costs and Expenses**. Lender's costs and expenses, including any appraisal fees and costs and expenses incurred by an appraiser, in connection with any appraisal of all or any part of the Collateral conducted at the request of the Lender; provided, however, that commencing on the first anniversary of the Closing Date and during each year thereafter, so long as no Default or Event of Default shall have occurred, Borrower shall have no obligation to reimburse Lender for fees, costs and expenses related to more than one (1) such appraisal of all or any part of the Collateral conducted during each such Fiscal Year.

(c) **Termination, Reduction and Prepayment Fees**. If (i) Lender terminates the Revolving Credit Facility after the occurrence and during the continuance of an Event of Default, or (ii) Borrower terminates the Revolving Credit Facility on a date prior to the Maturity Date, or (iii) Borrower reduces the Maximum Revolver Amount or if Borrower and Lender agree to reduce the Maximum Revolver Amount, or (iv) Borrower prepays all or any portion of the Term Loan, then Borrower shall pay Lender as liquidated damages a termination, reduction or prepayment fee in an amount equal to a percentage of the Maximum Credit in the case of a termination of the Revolving Credit Facility, a percentage of the amount of reduction of the Maximum Revolver Amount in the case of a reduction in the Maximum Revolver Amount, a percentage of the amount of prepayment of the Term Loan (as the case may be) calculated as follows: (A) two percent (2.00%) if the termination or reduction occurs on or before the first anniversary of the first Advance; and (B) one percent (1.00%) if the termination or reduction occurs after the first anniversary of the first Advance, but on or before the second anniversary of the first Advance; (C) zero percent (0.00%) if the termination or reduction occurs after the second anniversary of the first Advance. If the Credit Facility is refinanced by Lender or any of its Affiliates 18 months or more after the Closing Date, such refinancing shall not be a termination or reduction resulting in the payment of termination or reduction fees under this clause (c).

Schedule 6.1

TO CREDIT AND SECURITY AGREEMENT

Deliver to Lender each of the financial statements, reports, or other items set forth below at the following times, in form satisfactory to Lender:

as soon as available, but in any event within 25 days after the end of each Fiscal Month:	(a) an unaudited consolidated and consolidating balance sheet, income statement, statement of cash flow, and statement of owner's equity covering the operations of Borrower and its Subsidiaries during such period and compared to the prior period, together with a corresponding discussion and analysis of results from management; and (b) a Compliance Certificate along with the underlying calculations, including **(for the last Fiscal Month of each Fiscal Quarter)** the calculations to establish compliance with the financial covenants set forth in Section 8.
as soon as available, but in any event within 120 days after the end of each Fiscal Year:	(a) consolidated and consolidating financial statements of Borrower for each such Fiscal Year, audited by independent certified public accountants reasonably acceptable to Lender and certified, without any qualification which relates to the treatment or classification of any item and which, as a condition to the removal of such qualification, would require an adjustment to such item), by such accountants to have been prepared in accordance with GAAP (such audited financial statements to include a balance sheet, income statement, statement of cash flow, and statement of owner's equity and, if prepared, such accountants' letter to management), together with a corresponding discussion and analysis of results from management; (b) a Compliance Certificate along with the underlying calculations, including the calculations to establish compliance with the financial covenants set forth in Section 8 and certain other covenants under this Agreement; and
as soon as available, but in any event within 30 days before the start of each Fiscal Year:	(a) copies of Borrower's Projections, in form and substance (including as to scope and underlying assumptions) satisfactory to Lender, in its sole discretion, for such Fiscal Year, on a monthly basis, certified by the chief financial officer of Borrower as being such officer's good faith estimate of the financial performance of Borrower during the period covered thereby.

Schedule 6.2

TO CREDIT AND SECURITY AGREEMENT

Provide Lender with each of the documents set forth below at the following times in form and substance satisfactory to Lender:

Weekly on the second Business Day of each week or more frequently if Lender requests:	(a) a weekly collateral report in form and detail acceptable to Lender; (b) a Borrowing Base Certificate **and balance statement under the Closing Date Credit Line**; and (b) Inventory system/perpetual reports specifying the cost of Borrower's Inventory, by location and by category, with additional detail showing additions to and deletions therefrom (delivered electronically in an acceptable format, if Borrower has implemented electronic reporting).
Monthly (no later than the 10th day of each month or more frequently if Lender requests:	(a) a detailed aging of Borrower' Accounts, together with a reconciliation to the monthly Account roll-forward and supporting documentation for any reconciling items noted (delivered electronically in an acceptable format, if Borrower has implemented electronic reporting); (b) a detailed calculation of those Accounts that are not eligible for the Borrowing Base; and (c) a summary aging, by vendor, of Borrower's accounts payable (delivered electronically in an acceptable format, if Borrower has implemented electronic reporting).
Monthly (no later than the 20th day of each month) or more frequently if Lender requests:	(a) a reconciliation of Accounts aging, trade accounts payable aging, and Inventory perpetual of Borrower to the general ledger and the monthly financial statements, including any book reserves related to each category; (b) Inventory system/perpetual reports specifying the cost of Borrower's Inventory, by location and by category, with additional detail showing additions to and deletions therefrom (delivered electronically in an acceptable format, if Borrower has implemented electronic reporting); and (c) a detailed calculation of Inventory categories that are not eligible for the Borrowing Base.
Annually, or more frequently, if Lender requests:	(a) a detailed list of Borrower's and its Subsidiaries' customers, with address and contact information; and (b) mark to market Inventory adjustments.
Upon request by Lender:	(a) copies of purchase orders and invoices for Inventory and Equipment acquired by Borrower or its Subsidiaries; and (b) such other reports and information as to the Collateral and as to Borrower, each other Loan Party and each Subsidiary of each Loan Party and each Guarantor, as Lender may reasonably request.

EXHIBIT A

TO CREDIT AND SECURITY AGREEMENT

FORM OF COMPLIANCE CERTIFICATE

[on Borrower's letterhead]

To: HC Capital Holdings 0909A, LLC
c/o Peak Rock Capital
13413 Galleria Circle, Suite Q-300
Austin, TX 78738
Attn: Robert M. Strauss

Re: Compliance Certificate dated [_____]

Ladies and Gentlemen:

Reference is made to that certain Credit and Security Agreement (as amended, the "Credit Agreement") dated as of ~~[~~ ~~]~~**December 31, 2013,** by and between HC Capital Holdings 0909A, LLC ("Lender") and ~~[Borrower~~**Natural American Foods**, Inc.~~]~~ ("Borrower"). Capitalized terms used in this Compliance Certificate have the meanings set forth in the Credit Agreement unless specifically defined herein.

Pursuant to Schedule 6.1 of the Credit Agreement, the undersigned officer of Borrower hereby certifies that:

1. Attached are the required financial information of Borrower and its Subsidiaries which are required to be furnished to Lender pursuant to Section 6.1 of the Credit Agreement for the period ended _____, ____ (the "Reporting Date"). Such financial information has been prepared in accordance with GAAP [(except for year-end adjustments and the lack of footnotes)]*, and fairly presents in all material respects the financial condition of Borrower and its Subsidiaries.

2. Such officer has reviewed the terms of the Credit Agreement and has made, or caused to be made under his/her supervision, a review in reasonable detail of the transactions and condition of Borrower and its Subsidiaries during the accounting period covered by the financial statements delivered pursuant to Schedule 6.1 of the Credit Agreement.

3. Such review has not disclosed the existence on and as of the date hereof, and the undersigned does not have knowledge of the existence as of the date hereof, of any event or condition that constitutes a Default or Event of Default.

4. The representations and warranties of Borrower, each other Loan Party and each Subsidiary of each Loan Party and each Guarantor set forth in the Credit Agreement and the other Loan Documents are true and correct in all material respects on and as of the date hereof (except to the extent they relate to a specified date).

5. As of the Reporting Date, Borrower and its Subsidiaries are in compliance with the applicable covenants contained in Section 7 **[**and Section 8 of the Credit Agreement as demonstrated on Schedule 1 hereof**]****.

IN WITNESS WHEREOF, this Compliance Certificate is executed by the undersigned this _____ day of _____, _____.

~~**[BORROWER, INC.]**~~

Natural American Foods, Inc.

By: _____

Name:_____
Title:_____

* Include bracketed language with monthly unaudited financial statements. Exclude bracketed language with annual audit reports
**** Include bracketed language and calculations with Compliance Certificate delivered on the last Fiscal Month of each Fiscal Quarter**

SCHEDULE 1 TO COMPLIANCE CERTIFICATE

I further certify that (Please check and complete each of the following):

1. **Fixed Charge Coverage Ratio.** As of the Reporting Date, the Fixed Charge Coverage Ratio of Borrower and its Subsidiaries, measured on a ~~[fiscal year-to-date basis] [~~trailing twelve~~-~~-month basis~~]~~, for the period ending on the Reporting Date, is ___:1.0, which ☐ satisfies ☐ does not satisfy the requirement that such ratio be not less than the ratio required in Section 8.1 for such Reporting Date. Attached to this Schedule 1 are calculations supporting the foregoing certification with respect to the Fixed Charge Coverage Ratio of Borrower.

2. **Non-Financed Capital Expenditures**. As of the Reporting Date, the Borrower has made or incurred Non-Financed Capital Expenditures for the Fiscal Year to-date-period ending on the Reporting Date of $_____which ☐ satisfies ☐ does not satisfy the requirement that Borrower shall not make or incur any Non-Financed Capital Expenditures in any Fiscal Year that would cause the aggregate amount of Non-Financed Capital Expenditures made or incurred by Borrower in such Fiscal Year to exceed $~~400,000.~~**800,000.**

3. **Minimum EBITDA.** As of the Reporting Date, Borrower has achieved EBITDA, measured for the ~~Fiscal Month~~**trailing twelve month period** ended as of the Reporting Date, of not less than $_____ which ☐ satisfies ☐ does not satisfy the requirement that Borrower shall achieve EBITDA of not less than amount required by Section 8.3 for the ~~Fiscal Month~~**trailing twelve month period** ended as of the Reporting Date.

~~4. **Permitted Regularly Scheduled Principal and Interest Payments in respect of the Subordinated Debt owing to the Institutional Subordinated Creditors.** Pursuant to Section 7.9 of the Credit Agreement, Borrower has made regularly scheduled principal and interest payments in respect of the Subordinated Debt owing to the Institutional Subordinated Creditors during the period ending on the Reporting Date of $_____. Borrower certifies that, on a pro forma basis, Borrower is in compliance with each of the Financial Covenants immediately after giving effect to the forgoing payments. Attached are Borrower's pro forma calculation of Borrower's pro forma compliance with each of the Financial Covenants after giving effect to such payments.~~

SCHEDULE 2 TO COMPLIANCE CERTIFICATE

Borrower's Calculation of
Fixed Charge Coverage Ratio,
EBITDA, etc.

Borrower's Calculation of
Average Excess Availability and Status

~~Borrower's Calculation of~~
~~Pro forma Compliance with Financial Covenants after giving effect to Payments on Subordinated Debt~~

Borrower's Calculation of
Excess Cash Flow for Previous Fiscal Year, Borrower's Average Excess Availability and Borrower's Pro forma Compliance with Financial Covenants

EXHIBIT B

TO CREDIT AND SECURITY AGREEMENT

CONDITIONS PRECEDENT

THE OBLIGATION OF LENDER TO MAKE ITS INITIAL EXTENSION OF CREDIT PROVIDED FOR IN THIS AGREEMENT IS SUBJECT TO THE FULFILLMENT, TO THE SATISFACTION OF LENDER, OF EACH OF THE FOLLOWING CONDITIONS PRECEDENT:

(a) the Closing Date shall occur on or before ~~[ ]~~**December 31, 2013.**

(b) ~~Lender shall have received a letter duly executed by Borrower authorizing Lender to file appropriate financing statements in such office or offices as may be necessary or, in the opinion of Lender, desirable to perfect the security interests to be created by the Loan Documents;~~**[Reserved]**

(c~~) Lender shall have received evidence that appropriate financing statements have been duly filed in such office or offices as may be necessary or, in the opinion of Lender, desirable to perfect the Lender's Liens in and to all collateral under the Loan Documents, including, without limitation, the Collateral; (d~~) Lender shall have received each of the following documents, in form and substance satisfactory to Lender, duly executed, and each such document shall be in full force and effect:

(i) this Agreement and the other Loan Documents;

(ii) ~~*the Cash Management Documents,*~~**[Reserved]**

(iii) ~~*a Control Agreement with Wells Fargo Bank, National Association,*~~**[Reserved]**

(iv) ~~a disbursement letter executed and delivered by Borrower to Lender regarding the extensions of credit to be made on the Closing Date, the form and substance of which is satisfactory to Lender,~~**[Reserved]**

(v) the Institutional Subordinated Creditors Subordination Agreement in favor of Lender, together with copies of all loan documents evidencing the Subordinated Debt of such parties including such amendments as Lender may require, and

(vi) copies of the Subordinated Securities Purchase Agreement and related documents with all changes and amendments required by Lender;~~;~~

(~~e~~**d**) Lender shall have received a certificate from the Secretary of Borrower (i) attesting to the resolutions of the Board of Directors of Borrower, as applicable, authorizing its execution, delivery, and performance of the Loan Documents to which it is a party, (ii) authorizing specific officers to execute the same, and (iii) attesting to the incumbency and signatures of such specific officers;

(~~f~~**e**) Lender shall have received copies of the articles of incorporation and bylaws of Borrower, as amended, modified, or supplemented to the Closing Date, certified as true, correct and complete by the Secretary of Borrower;

(~~g~~**f**) Lender shall have received a certificate of status with respect to Borrower dated within 10 days of the Closing Date, such certificate to be issued by the appropriate officer of the jurisdiction of organization of ~~Person~~**Borrower**, which certificate shall indicate that ~~such Person~~**Borrower** is in good standing in such jurisdiction~~;~~

(g) [Reserved]

~~(h) [RESERVED]~~**(h) [Reserved]**

(i) ~~*Lender shall have received copies of the policies of insurance and certificates of insurance, as are required by Section 6.6 (other than endorsements thereto), the form and substance of which shall be satisfactory to Lender;*~~**[Reserved]**

(j~~) Lender shall have received Collateral Access Agreements with respect to Borrower's leased locations or public warehouse locations at 10464 Bryan Highway, Onsted, MI 49265; 3220 SE County Highway 484, Belleview, Florida 34421; 125 E. Laurel Street, Colton, CA 92324; 1701 Massey Tompkins, Baytown, TX; 4750 Unit B Zinfandel Court, Ontario, CA 91761-2319; 31 Plymouth St., Mansfield, MA 02048; 3601 S. Leonard Rd., St. Joseph, MO 64503; and 26545 Danti Ct., Hayward, CA 94545;~~

~~(k) [RESERVED]~~

~~(l) Lender shall have completed (i) Patriot Act searches, OFAC/PEP searches and customary individual background checks for each Loan Party and each Guarantor, and (ii) OFAC/PEP searches and customary individual background searches for the senior management and key principals of each Loan Party and each Guarantor, the results of which shall be satisfactory to Lender;~~(~~m~~) Lender shall have received a set of Projections of Borrower satisfactory to Lender;

(~~n~~**k**) Borrower shall have paid all Lender Expenses incurred in connection with the transactions evidenced by this Agreement;

(~~o) Each Loan Party and each of its Subsidiaries~~**l) Borrower** shall have received all licenses, approvals or evidence of other actions required by any Governmental Authority in connection with the execution and delivery by ~~such Loan Party or its Subsidiaries~~**Borrower** of the Loan Documents or with the consummation of the transactions contemplated ~~thereby;~~**hereby.**

(~~p~~**(m**) all other documents and legal matters in connection with the transactions contemplated by this Agreement shall have been delivered, executed, or recorded and shall be in form and substance satisfactory to Lender;

(~~q~~**n**) (i) The Confirmation Order Entry Date shall have occurred, (ii~~) the time to appeal the Confirmation Order or to seek review, rehearing or certiorari with respect to the Confirmation Order shall have expired, (iii~~) no appeal or petition for review, rehearing or certiorari with respect to the Confirmation Order shall be pending, and (~~iv~~**iii**) the Confirmation Order shall be in full force and effect.

(~~r~~**o**) (i) The effective date of the Reorganization Plan shall have occurred no later than January 10, 2014, and (ii) all conditions precedent to the effectiveness of the Reorganization Plan shall have been fulfilled or waived by the Lender, including the execution, delivery and performance of all instruments, documents and agreements necessary to effectuate the Reorganization Plan;

(~~s~~**p**) Lender shall have received a true and correct copy of the Confirmation Order (which may be provided from the Public Access to Court Electronic Records Website) evidencing the release or termination or discharge of all Liens (other than Liens otherwise permitted pursuant to the terms of the Reorganization Plan or this Agreement) granted to, created or purported to be created under the documents governing (i) any Indebtedness of the Borrower and its Subsidiaries arising prior to the Filing Date or (ii) the DIP Credit Agreement, and no Indebtedness of the Borrower and its Subsidiaries that arose prior to the Filing Date or other claims against Borrower and its Subsidiaries other than claims pursuant to, or not otherwise prohibited by, the Reorganization Plan, shall remain outstanding as obligations of the Borrower and its Subsidiaries and no Liens shall remain attached to any assets or property of the Borrower and its Subsidiaries except (i) for the Indebtedness incurred under the Loan Documents and Liens created pursuant to the Loan Documents or (ii) as otherwise permitted pursuant to the terms of the Reorganization Plan or this Agreement;

(~~t~~**q**) Lender shall have received evidence that the DIP Credit Agreement has been or concurrently with the Closing Date is being terminated and all obligations thereunder shall have been repaid in full (other than any contingent indemnification or other obligations not yet due and payable);

(~~u~~**r**) The reorganization of the Loan Parties pursuant to the Reorganization Plan shall have occurred and all transactions necessary to effectuate the Reorganization Plan shall have been consummated;

(~~v~~**s**) such opinions of counsel for Borrower and the Guarantors as Lender may request; and

(~~w~~**t**) Lender shall have received such other items as Lender shall have reasonably requested.

EXHIBIT C

TO CREDIT AND SECURITY AGREEMENT

CONDITIONS SUBSEQUENT
~~[To be agreed]~~

Within 30 days of the Closing Date (or such later date as may be agreed by the Lender in its sole discretion), Borrower shall have satisfied each of the following conditions subsequent:

(a) Lender shall have received each of the following documents, in form and substance satisfactory to Lender, duly executed, and each such document shall be in full force and effect:

(i) *the Cash Management Documents,* **and**

(ii) *a Control Agreement with Wells Fargo Bank, National Association*.

(b) *Lender shall have received copies of the policies of insurance and certificates of insurance, as are required by Section 6.6 (other than endorsements thereto), the form and substance of which shall be satisfactory to Lender*.

(c) *Lender shall have received Collateral Access Agreements with respect to Borrower's leased locations or public warehouse locations at 10464 Bryan Highway, Onsted, MI 49265; 3220 SE County Highway 484, Belleview, Florida 34421; 125 E. Laurel Street, Colton, CA 92324; 1701 Massey Tompkins, Baytown, TX; 4750 Unit B Zinfandel Court, Ontario, CA 91761-2319; 31 Plymouth St., Mansfield, MA 02048; 3601 S. Leonard Rd., St. Joseph, MO 64503; and 26545 Danti Ct., Hayward, CA* **94545.**

(d) *Lender shall have completed (i) Patriot Act searches, OFAC/PEP searches and customary individual background checks for each Loan Party and each Guarantor, and (ii) OFAC/PEP searches and customary individual background searches for the senior management and key principals of each Loan Party and each Guarantor, the results of which shall be satisfactory to Lender*.

EXHIBIT D

TO CREDIT AND SECURITY AGREEMENT

REPRESENTATIONS AND WARRANTIES

5.1 **Due Organization and Qualification; Subsidiaries.**

(a) Each Loan Party and each Guarantor (i) is duly organized and existing and in good standing under the laws of the jurisdiction of its organization, (ii) is qualified to do business in any state where the failure to be so qualified could reasonably be expected to result in a Material Adverse Change, and (iii) has all requisite power and authority to own and operate its properties, to carry on its business as now conducted and as proposed to be conducted, to enter into the Loan Documents to which it is a party and to carry out the transactions contemplated thereby.

(b) Set forth on Schedule 5.1(b) to the Information Certificate is a complete and accurate description of the authorized capital Stock of each Loan Party, each Subsidiary of each Loan Party and each Guarantor, by class, and, as of the Closing Date, a description of the number of shares of each such class that are issued and outstanding. Other than as described on Schedule 5.1(b) to the Information Certificate, as of the Closing Date, there are no subscriptions, options, warrants, or calls relating to any shares of any capital Stock of any Loan Party, any Subsidiary of any Loan Party or any Guarantor, including any right of conversion or exchange under any outstanding security or other instrument. No Loan Party or any Subsidiary of any Loan Party or any Guarantor is subject to any obligation (contingent or otherwise) to repurchase or otherwise acquire or retire any shares of its capital Stock or any security convertible into or exchangeable for any of its capital Stock.

(c) Set forth on Schedule 5.1(c) to the Information Certificate (as such Schedule may be updated from time to time to reflect changes resulting from transactions permitted under this Agreement), is a complete and accurate list of the direct and indirect Subsidiaries of the Loan Parties and of the Guarantors, showing: (i) the number of shares of each class of common and preferred Stock authorized for each of such Subsidiaries, and (ii) the number and the percentage of the outstanding shares of each such class owned directly or indirectly by each Loan Party and each Guarantor. All of the outstanding capital Stock of each such Subsidiary of any Loan Party and each Subsidiary of each Guarantor has been validly issued and is fully paid and non-assessable.

5.2 **Due Authorization; No Conflict.**

(a) As to each Loan Party and each Guarantor, the execution, delivery, and performance by such Loan Party or such Guarantor, as applicable, of the Loan Documents to which it is a party have been duly authorized by all necessary action on the part of such Loan Party or such Guarantor, as applicable.

(b) As to each Loan Party and each Guarantor, the execution, delivery, and performance by such Loan Party or such Guarantor, as applicable, of the Loan Documents to which it is a party do not (i) violate any material provision of federal, state, or local law or regulation applicable to any Loan Party or its Subsidiaries or to any Guarantor or its Subsidiaries, the Governing Documents of any Loan Party or its Subsidiaries or of any Guarantor or its Subsidiaries, or any order, judgment, or decree of any court or other Governmental Authority binding on any Loan Party or its Subsidiaries or on any Guarantor or its Subsidiaries, (ii) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under **the Closing Date Credit Line,** any Material Contract or any Material License of any Loan Party or its Subsidiaries except to the extent that any such conflict, breach or default could not individually or in the aggregate reasonably be expected to cause a Material Adverse Change, (iii) result in or require the creation or imposition of any Lien of any nature whatsoever upon any assets of any Loan Party, other than Permitted Liens, or (iv) require any approval of any interest holders of such Loan Party or such Guarantor or any approval or consent of any Person under any Material Contract or any Material License of any Loan Party, other than consents or approvals that have been obtained and that are still in force and effect and except, in the case of Material Contracts, for consents or approvals, the failure to obtain could not individually or in the aggregate reasonably be expected to cause a Material Adverse Change.

5.3 **Governmental Consents.** No consent, approval, authorization, or other order or other action by, and no notice to or filing with, any Governmental Authority or any other Person is required to be obtained or made by any Loan Party or any Guarantor (i) for the grant of any security interest by such Loan Party or such Guarantor in and to any of the collateral security for the Obligations, including, without limitation, the Collateral, pursuant to this Agreement or any other Loan Document or for the execution, delivery, or performance of this Agreement or any other Loan Document by such Loan Party or such Guarantor, in each case except for any filings or notices contemplated by the Loan Documents and such consents, approvals, authorizations, orders, actions, notices or filings as have been obtained or made, or (ii) for the exercise by Lender of the voting or other rights provided for in this Agreement or in any other Loan Document with respect to the Investment Related Property or the remedies in respect of the collateral security for the Obligations, including, without limitation, the Collateral, pursuant to this Agreement or any other Loan

Document, except as may be required in connection with such disposition of Investment Related Property by laws affecting the offering and sale of securities generally. No Intellectual Property License of any Loan Party or Guarantor that is material and necessary to the conduct of the business of such Loan Party or such Guarantor requires any consent of any other Person in order for such Loan Party or such Guarantor to grant the security interest granted hereunder or under any other Loan Document in the right, title or interest of such Loan Party or such Guarantor in or to such Intellectual Property License.

5.4 **Binding Obligations.** Each Loan Document has been duly executed and delivered by each Loan Party and Guarantor that is a party thereto and is the legally valid and binding obligation of such Loan Party or such Guarantor, as applicable, enforceable against such Loan Party or such Guarantor, as applicable, in accordance with its respective terms, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally.

5.5 **Title to Assets; No Encumbrances.** Each Loan Party and each Subsidiary of each Loan Party and each Guarantor has (a) good, sufficient and legal title to (in the case of fee interests in real property), (b) valid leasehold interests in (in the case of leasehold interests in real or personal property), and (c) good and marketable title to (in the case of all other personal property), all of its respective assets reflected in its most recent financial statements delivered pursuant to Section 6.1 and most recent collateral reports delivered pursuant to Section 6.2, in each case except for assets disposed of since the date of such financial statements to the extent permitted hereby. All of such assets are free and clear of Liens except for Permitted Liens.

5.6 **Jurisdiction of Organization; Location of Chief Executive Office; Organizational Identification Number; Commercial Tort Claims.**

(a) The exact legal name of (within the meaning of Section 9-503 of the Code) and jurisdiction of organization of each Loan Party and each of its Subsidiaries and of each Guarantor is set forth on Schedule 5.6(a) to the Information Certificate (as such Schedule may be updated from time to time to reflect changes resulting from transactions permitted under this Agreement).

(b) The chief executive office of each Loan Party and each of its Subsidiaries and of each Guarantor is located at the address indicated on Schedule 5.6(b) to the Information Certificate (as such Schedule may be updated from time to time to reflect changes resulting from transactions permitted under this Agreement).

(c) The tax identification numbers and organizational identification numbers, if any, of each Loan Party and each Subsidiary of each Loan Party and of each Guarantor are identified on Schedule 5.6(c) to the Information Certificate (as such Schedule may be updated from time to time to reflect changes resulting from transactions permitted under this Agreement).

(d) As of the Closing Date, no Loan Party and no Subsidiary of a Loan Party holds any Commercial Tort Claims, except as set forth on Schedule 5.6(d) to the Information Certificate.

5.7 **Litigation.**

(a) Except as set forth on Schedule 5.7(b) to the Information Certificate and except as otherwise disclosed in Borrower's Annual Report for the Fiscal Year ended December 31, 2012, there are no actions, suits, or proceedings pending or, to the knowledge of any Loan Party, after due inquiry, threatened in writing against a Loan Party or any of its Subsidiaries that either individually or in the aggregate could reasonably be expected to result in a Material Adverse Change.

(b) Schedule 5.7(b) to the Information Certificate sets forth a complete and accurate description, with respect to each of the actions, suits, or proceedings that, as of the Closing Date, is pending or, to the knowledge of any Loan Party, after due inquiry, threatened in writing against any Loan Party or any Subsidiary of any Loan Party that either individually or in the aggregate could reasonably be expected to result in a Material Adverse Change, of (i) the parties to such actions, suits, or proceedings as of the Closing Date, (ii) the nature of the dispute that is the subject of such actions, suits, or proceedings as of the Closing Date, (iii) the status, as of the Closing Date, with respect to such actions, suits, or proceedings, and (iv) whether, as of the Closing Date, any liability of any Loan Party or any Subsidiary of any Loan Party in connection with such actions, suits, or proceedings is covered by insurance.

5.8 **Compliance with Laws.** No Loan Party nor any of its Subsidiaries (a) is in violation of any Applicable Laws, rules, regulations, executive orders, or codes (including Environmental Laws) that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change, or (b) is subject to or in default with respect to any final judgments, writs, injunctions, decrees, rules or regulations of any court or any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change.

5.9 **No Material Adverse Change.** All historical financial statements relating to the Loan Parties and their Subsidiaries that have been delivered by Borrower to Lender have been prepared in accordance with GAAP (except as otherwise noted therein and, in the case of unaudited financial statements, for the lack of footnotes and being subject to year-end audit adjustments) and present fairly in all material respects, the consolidated financial condition of the Loan Parties and their Subsidiaries as of the date thereof and results of operations for the period then ended. Since the date of the most recent financial statement delivered to Lender, no event, circumstance, or change has occurred that has resulted in, or could reasonably be expected to result in, a Material Adverse Change with respect to the Loan Parties and their Subsidiaries.

5.10 **Fraudulent Transfer.** No transfer of property is being made by any Loan Party and no obligation is being incurred by any Loan Party in connection with the transactions contemplated by this Agreement or the other Loan Documents with the intent to hinder, delay, or defraud either present or future creditors of such Loan Party.

5.11 **ERISA Compliance**.

(a) Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the IRC and other Federal or state laws. Each Pension Plan that is intended to be a qualified plan under Section 401(a) of the IRC has received a favorable determination letter from the Internal Revenue Service to the effect that the form of such Plan is qualified under Section 401(a) of the IRC and the trust related thereto has been determined by the Internal Revenue Service to be exempt from federal income tax under Section 501(a) of the IRC, or an application for such a letter is currently being processed by the Internal Revenue Service. To the best knowledge of the Loan Parties, nothing has occurred that would prevent or cause the loss of such tax-qualified status.

(b) There are no pending or, to the best knowledge of the Loan Parties, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to result in a Material Adverse Change. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Change.

(c) No ERISA Event has occurred, and neither the Loan Parties nor any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan, in each case that could reasonably be expected to result in liability to any Loan Party or any ERISA Affiliate individually or in the aggregate in excess of $250,000; (ii) the Loan Parties and each ERISA Affiliate has met in all material respects all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained; (iii) as of the most recent valuation date for any Pension Plan as of which a valuation is available at the time of determination, the funding target attainment percentage (as defined in Section 430(d)(2) of the IRC) is 60% or higher and neither the Loan Parties nor any ERISA Affiliate knows of any facts or circumstances that could reasonably be expected to cause the funding target attainment percentage for any such plan to drop below 60% as of such most recent valuation date; (iv) neither the Loan Parties nor any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; (v) neither the Loan Parties nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA; and (vi) no Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan.

(d) No Loan Party or any ERISA Affiliate maintains or contributes to, or has any unsatisfied obligation to contribute to, or liability under, any active or terminated Pension Plan other than (A) on the Closing Date, those listed on Schedule 5.11(d) hereto and (B) thereafter, Pension Plans not otherwise prohibited by this Agreement.

5.12 **Environmental Condition.** Except as set forth on Schedule 5.12 to the Information Certificate, (a) to each Loan Party's knowledge, no properties or assets of any Loan Party or any Subsidiary of any Loan Party has ever been used by any Loan Party, any Subsidiary of any Loan Party, or by previous owners or operators in the disposal of, or to produce, store, handle, treat, release, or transport, any Hazardous Materials, where such disposal, production, storage, handling, treatment, release or transport was in violation, in any material respect, of any applicable Environmental Law, in a manner that could reasonably be expected to result in a Material Adverse Change, (b) to each Loan Party's knowledge, after due inquiry, no properties or assets of any Loan Party or any Subsidiary of any Loan Party have ever been designated or identified in any manner pursuant to any environmental protection statute as a Hazardous Materials disposal site, (c) no Loan Party nor any of its Subsidiaries has received notice that a Lien arising under any Environmental Law has attached to any revenues or to any real property owned or operated by a Loan Party or its Subsidiaries, and (d) no Loan Party nor any of its Subsidiaries nor any of their respective facilities or operations is subject to any outstanding written order, consent decree, or settlement agreement with any Person relating to any Environmental Law or Environmental Liability that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Change.

5.13 **Intellectual Property.** Each Loan Party and each of its Subsidiaries own, or hold licenses or other similar contractual interests in, all material trademarks, trade names, copyrights, patents, and licenses that are necessary to the conduct of its business as currently conducted.

5.14 **Leases.** Each Loan Party and each of its Subsidiaries enjoy peaceful and undisturbed possession under all leases material to its business and to which it is a party or under which it is operating, and, subject to Permitted Protests, all of such material leases are valid and subsisting and no material default by the applicable Loan Party or the applicable Subsidiary exists under any of them.

5.15 **Deposit Accounts and Securities Accounts.** Set forth on Schedule 5.15 to the Information Certificate (as updated pursuant to Section 6.12(j)(iv)) is a listing of all of the Deposit Accounts and Securities Accounts of each Loan Party and each of its Subsidiaries, including, with respect to each bank or securities intermediary (a) the name and address of such Person, and (b) the account numbers of the Deposit Accounts or Securities Accounts maintained with such Person.

5.16 **Complete Disclosure.** All factual information taken as a whole (other than forward-looking information and projections and information of a general economic nature and general information about the industry of a Loan Party or any of its Subsidiaries) furnished by or on behalf of a Loan Party or any of its Subsidiaries in writing to Lender (including all information contained in the Schedules hereto or in the other Loan Documents) for purposes of or in connection with this Agreement or the other Loan Documents, and all other such factual information taken as a whole (other than forward-looking information and projections and information of a general economic nature and general information about the industry of a Loan Party or any of its Subsidiaries) hereafter furnished by or on behalf of a Loan Party or any of its Subsidiaries in writing to Lender will be, true and accurate, in all material respects, on the date as of which such information is dated or certified and not incomplete by omitting to state any fact necessary to make such information (taken as a whole) not misleading in any material respect at such time in light of the circumstances under which such information was provided. The Projections most recently delivered to Lender represent, and as of the date on which any other Projections are delivered to Lender, such additional Projections represent, Borrower's good faith estimate, on the date such Projections are delivered, of the future performance of the Loan Parties and their respective Subsidiaries for the periods covered thereby based upon assumptions believed by Borrower to be reasonable at the time of the delivery thereof to Lender.

5.17 **Material Contracts**. Set forth on Schedule 5.17 to the Information Certificate (as such Schedule may be updated from time to time in accordance herewith) is a reasonably detailed description of the Material Contracts of each Loan Party and each Subsidiary of each Loan Party as of the most recent date on which Borrower provided Compliance Certificate pursuant to Section 6.1; provided, however, that Borrower may amend Schedule 5.17 to the Information Certificate to add an additional Material Contract or to remove a Material Contract which has expired at the end of its normal term or which has been terminated and the failure to maintain such Material Contract could not reasonably be expected to result in a Material Adverse Change, so long as such amendment occurs by written notice to Lender on the date that Borrower provides its Compliance Certificate. Each Material Contract (other than a Material Contract that has expired at the end of its normal term or a Material Contract which has been terminated and the failure to maintain such Material Contract could reasonably be expected to result in a Material Adverse Change) (a) is in full force and effect and is binding upon and enforceable against the applicable Loan Party or the applicable Subsidiary and, to Borrower's knowledge, after due inquiry, each other Person that is a party thereto in accordance with its terms, (b) has not been otherwise amended or modified (other than amendments or modifications permitted by Section 7.7(b)), and (c) is not in default due to the action or inaction of the applicable Loan Party or the applicable Subsidiary.

5.18 **Patriot Act.** To the extent applicable, each Loan Party and each of its Subsidiaries and each Guarantor is in compliance, in all material respects, with the (a) Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, and (b) Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA Patriot Act of 2001) (the "Patriot Act"). No part of the proceeds of the loans made hereunder will be used by any Loan Party or any of its Subsidiaries or any of their Affiliates, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

5.19 **Indebtedness.** Set forth on Schedule 5.19 to the Information Certificate is a true and complete list of all Indebtedness (other than Capital Leases) of each Loan Party and each of its Subsidiaries outstanding immediately prior to the Closing Date that is to remain outstanding immediately after giving effect to the closing hereunder on the Closing Date and such Schedule accurately sets forth the aggregate principal amount of such Indebtedness as of the Closing Date.

5.20 **Payment of Taxes.** Except as otherwise permitted under Section 6.5, all tax returns and reports of each Loan Party and each of its Subsidiaries required to be filed by any of them have been timely filed, and all taxes and assessments shown on such tax returns to be due and payable by any Loan Party or any of its Subsidiaries have been paid when due and payable. Except as otherwise permitted under Section 6.5 all assessments, fees and other governmental charges upon a Loan Party or any of its

Subsidiaries and upon their respective assets, income, businesses and franchises that are due and payable have been paid when due and payable except when the failure to pay any such assessment, fee or charge could not reasonably be expected to result in a Material Adverse Change. Each Loan Party and each of its Subsidiaries have made adequate provision in accordance with GAAP for all taxes not yet due and payable. No Loan Party knows of any proposed tax assessment against such Loan Party, any other Loan Party or any of its Subsidiaries that is not being actively contested by such Loan Party or such Subsidiary diligently, in good faith, and by appropriate action; provided such reserves or other appropriate provisions, if any, as shall be required in conformity with GAAP shall have been made or provided therefor.

5.21 **Margin Stock.** No Loan Party nor any of its Subsidiaries is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any Margin Stock. No part of the proceeds of the loans made to Borrower will be used to purchase or carry any such Margin Stock or to extend credit to others for the purpose of purchasing or carrying any such Margin Stock or for any other purpose, in each case in a manner that violates the provisions of Regulation T, U or X of the Board of Governors of the United States Federal Reserve.

5.22 **Governmental Regulation.** No Loan Party nor any of its Subsidiaries is subject to regulation under the Federal Power Act or the Investment Company Act of 1940. No Loan Party nor any of its Subsidiaries is a "registered investment company" or a company "controlled" by a "registered investment company" or a "principal underwriter" of a "registered investment company" as such terms are defined in the Investment Company Act of 1940.

5.23 **OFAC.** No Loan Party or any of its Subsidiaries or any Guarantor is in violation of any of the country or list based economic and trade sanctions administered and enforced by OFAC. No Loan Party or any of its Subsidiaries or any Guarantor (a) is a Sanctioned Person or a Sanctioned Entity, (b) has its assets located in Sanctioned Entities, or (c) derives revenues from investments in, or transactions with Sanctioned Persons or Sanctioned Entities. No proceeds of any loan made hereunder will be used to fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Person or a Sanctioned Entity.

5.24 **Employee and Labor Matters.** There is (i) no unfair labor practice complaint pending or, to the knowledge of Borrower, threatened against any Loan Party or any of its Subsidiaries before any Governmental Authority and no grievance or arbitration proceeding pending or threatened against any Loan Party or any of its Subsidiaries which arises out of or under any collective bargaining agreement and that could reasonably be expected to result in a Material Adverse Change, or (ii) no strike, labor dispute, slowdown, stoppage or similar action or grievance pending or threatened in writing against any Loan Party or any of its Subsidiaries that could reasonably be expected to result in a Material Adverse Change. No Loan Party or any of its Subsidiaries has incurred any liability or obligation under the Worker Adjustment and Retraining Notification Act or similar state law, which remains unpaid or unsatisfied. The hours worked and payments made to employees of each Loan Party and each of its Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable legal requirements, except to the extent such violations could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Change. All material payments due from any Loan Party or any of its Subsidiaries on account of wages and employee health and welfare insurance and other benefits have been paid or accrued as a liability on the books of such Loan Party, except where the failure to do so could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Change. Schedule 5.24 to the Information Certificate provides a complete and correct list of all collective bargaining or similar agreements of each Loan Party and each Subsidiary of each Loan Party with unions, labor organizations or other bargaining agents.

5.25 **Collateral.**

(a) **[Reserved]**

(b) **Intellectual Property**. As of the Closing Date, Schedule 5.25(b) to the Information Certificate provides a complete and correct list of: (i) all registered Copyrights owned by any Loan Party, all applications for registration of Copyrights owned by any Loan Party, and all other Copyrights owned by any Loan Party and material to the conduct of the business of any Loan Party; (ii) all Intellectual Property Licenses entered into by any Loan Party pursuant to which (A) any Loan Party has provided any material license or other material rights in Intellectual Property owned or controlled by such Loan Party to any other Person or (B) any Person has granted to any Loan Party any material license or other material rights in Intellectual Property owned or controlled by such Person that is material to the business of such Loan Party, including any Intellectual Property that is incorporated in any Inventory, software, or other product marketed, sold, licensed, or distributed by such Loan Party; (iii) all Patents owned by any Loan Party and all applications for Patents owned by any Loan Party; and (iv) all registered Trademarks owned by any Loan Party, all applications for registration of Trademarks owned by any Loan Party, and all other Trademarks owned by any Loan Party and material to the conduct of the business of any Loan Party.

(i) To each Loan Party's knowledge after reasonable inquiry, no Person has infringed or misappropriated or is currently infringing or misappropriating any Intellectual Property rights owned by such Loan Party, in each case, that either individually or in the aggregate could reasonably be expected to result in a Material Adverse Change;

(ii) To each Loan Party's knowledge after reasonable inquiry, all registered Copyrights, registered Trademarks, and issued Patents that are owned by such Loan Party and necessary in the conduct of its business are valid, subsisting and enforceable and in compliance with all legal requirements, filings, and payments and other actions that are required to maintain such Intellectual Property in full force and effect; and

(iii) Each Loan Party has taken reasonable steps to maintain the confidentiality of and otherwise protect and enforce its rights in all trade secrets owned by such Loan Party that are necessary in the business of such Loan Party;

(c) **Valid Security Interest**. This Agreement creates a valid security interest in the Collateral of each Loan Party, to the extent a security interest therein can be created under the Code, securing the payment of the Obligations. Except to the extent a security interest in the Collateral cannot be perfected by the filing of a financing statement under the Code, all filings and other actions necessary or desirable to perfect and protect such security interest have been duly taken or will have been taken upon the filing of financing statements listing each applicable Loan Party, as a debtor, and Lender, as secured party, in the jurisdictions listed next to such Loan Party's name on Schedule 5.6(a) to the Information Certificate. Upon the making of such filings, Lender shall have a first priority perfected security interest in the Collateral of each Loan Party to the extent such security interest can be perfected by the filing of a financing statement, subject to Permitted Liens. Upon filing of the Copyright Security Agreement with the United States Copyright Office, filing of the Trademark Security Agreement with the PTO and the filing of the Patent Security Agreement with the PTO, and the filing of appropriate financing statements in the jurisdictions listed on Schedule 5.6(a) to the Information Certificate, all action necessary or desirable to perfect the Security Interest in and to on each Loan Party's Patents, Trademarks, or Copyrights has been taken.

5.26 **Eligible Accounts.** As to each Account that is identified by Borrower as an Eligible Account in a Borrowing Base Certificate or other report submitted to Lender, such Account is (a) a bona fide existing payment obligation of the applicable Account Debtor created by the sale and delivery of Inventory or the rendition of services to such Account Debtor in the ordinary course of Borrower's business, (b) owed to Borrower, and (c) not excluded as ineligible by virtue of one or more of the excluding criteria set forth in the definition of Eligible Accounts.

5.27 **Eligible Inventory.** As to each item of Inventory that is identified by Borrower as Eligible Inventory in a Borrowing Base Certificate submitted to Lender, such Inventory is (a) of good and merchantable quality, free from known defects, and (b) not excluded as ineligible by virtue of one or more of the excluding criteria set forth in the definition of Eligible Inventory.

5.28 **Inventory Records.** Each Loan Party keeps correct and accurate records itemizing and describing the type, quality, and quantity of its and its Subsidiaries' Inventory and the book value thereof.

5.29 **Locations of Inventory and Equipment.** Except as identified in Schedule 5.29 to the Information Certificate (as such Schedule may be updated pursuant to Section 6.14), the Inventory and Equipment (other than vehicles or Equipment out for repair) of the Loan Parties and their respective Subsidiaries are not stored with a bailee, warehouseman, or similar party other than as permitted in Section 7.16 and are located only at, or in-transit between or to, the locations identified on Schedule 5.29 to the Information Certificate (as such Schedule may be updated pursuant to Section 6.14).

5.31 **Licenses**. Set forth on Schedule 5.31 to the Information Certificate (as such Schedule may be updated from time to time in accordance herewith) is a reasonably detailed description of each Material License of each Loan Party and each Subsidiary of each Loan Party as of the most recent date on which Borrower provided its Compliance Certificate pursuant to Section 6.1; provided, however, that any Borrower may amend Schedule 5.31 to the Information Certificate to add an additional Material License or to remove a Material License which has expired at the end of its normal term or which has been terminated and the failure to maintain such Material License could not reasonably be expected to result in a Material Adverse Change, so long as such amendment occurs by written notice to the Lender on the date that such Borrower provides its Compliance Certificate. Each Material License (other than a Material License which has expired at the end of its normal term or a Material License which has been terminated and the failure to maintain such Material License could not reasonably be expected to result in a Material Adverse Change) (a) is in full force and effect and (b) has not expired, been terminated, been withdrawn or otherwise have ceased to be in full force and effect.

5.32 **Agricultural Matters**. All of Borrower's assets constituting farm products or proceeds thereof are free and clear of Liens, including any Liens in favor of producers or sellers of farm products, except as specifically set forth on Schedule 5.32 to the Information Certificate.

5.33 **Eligible Equipment – Motor Vehicles**. Schedule 5.33 to the Information Certificate sets forth all each item of Eligible Equipment which is a motor vehicle or which has a certificate of title that is owned by Loan Parties as of the Closing Date, by model, model year and vehicle identification number.

5.34 **Deferred Prosecution Agreement**. The execution, delivery and performance by Borrower of the Deferred Prosecution Agreement has been duly authorized by all necessary action on the part of the Borrower. The information contained in the factual statement of the Deferred Prosecution Agreement is true and correct in all material respects. Borrower is not aware of any information which would make any factual statement contained in the Deferred Prosecution Agreement misleading or inaccurate in any material respect. Borrower is not in material breach of any of its covenants or obligations under the Deferred Prosecution Agreement.

EXHIBIT E[6]

TO CREDIT AND SECURITY AGREEMENT

INFORMATION CERTIFICATE
OF
BORROWER

Dated: [_____] [__], **December 31,** 2013

HC Holdings 0909A, LLC
c/o Peak Rock Capital
13413 Galleria Circle, Suite Q-300
Austin, TX 78738
Attn: Robert M. Strauss

In connection with certain financing provided or to be provided by Wells Fargo Bank, National Association ("Lender"), the undersigned Borrower represents and warrants to Lender the following information about each Loan Party and each Subsidiary of each Loan Party and each Guarantor (Capitalized terms not specifically defined shall have the meaning set forth in the Agreement):

1. Attached as Schedule 5.1(b) is a complete and accurate description of (i) the authorized Stock of each Loan Party and each of its Subsidiaries and each Guarantor, by class, and the number of shares issued and outstanding and the names of the owners thereof (including stockholders, members and partners) and their holdings, all as of the date of this Agreement, (ii) all subscriptions, options, warrants or calls relating to any shares of Stock of such Loan Party, such Subsidiary and such Guarantor, including any right of conversion or exchange; (iii) each stockholders' agreement, restrictive agreement, voting agreement or similar agreement relating to any such Stock; and (iv) and organization chart for the Guarantors, the Borrower and their Subsidiaries.

2. Each Loan Party and each Guarantor is affiliated with, or has ownership in, the entities (including Subsidiaries) set forth on Schedule 5.1(c).

3. Each Loan Party and each Guarantor uses the following trade name(s) in the operation of their business (e.g. billing, advertising, etc.):

   Borrower:

4. Each Loan Party and each Guarantor is a registered organization of the following type:

   [Borrower**Natural American Foods**, Inc.] is a Delaware corporation.

5. The exact legal name (within the meaning of Section 9-503 of the Code) of each Loan Party and each Guarantor as set forth in its respective certificate of incorporation, organization or formation, or other public organic document, as amended to date is set forth in Schedule 5.5(a).

6. Each Loan Party and each Guarantor is organized solely under the laws of the State set forth on Schedule 5.6(a). Each Loan Party and each Guarantor is in good standing under those laws and no Loan Party or Guarantor is organized in any other State.

7. The chief executive office and mailing address of each Loan Party and each Guarantor is located at the address set forth on Schedule 5.6(b) hereto.

8. The books and records of each Loan Party and each Guarantor pertaining to Accounts, contract rights, Inventory, and other assets are located at the addresses specified on Schedule 5.6(b).

9. The identity and Federal Employer Identification Number of each Loan Party and each Subsidiary of each Loan Party and each Guarantor and organizational identification number, if any, is set forth on Schedule 5.6(c). (Please Use Form Attached)

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[6] TO BE UPDATED BY BORROWER/FOLEY AS OF THE CLOSING DATE.

10. No Loan Party has any Commercial Tort Claims, except as set forth on Schedule 5.6(d).

11. There are no judgments, actions, suits, proceedings or other litigation pending by or against or threatened by or against any Loan Party, any of its Subsidiaries and/or any of its Affiliates or any of its officers or principals, except as set forth on Schedule 5.7(b).

12. Since its date of organization, the name as set forth in each Loan Party's organizational documentation filed of record with the applicable state authority has been changed as follows:

13. Since the date of its organization, each Loan Party has made or entered into the following mergers or acquisitions:

14. The assets of each Loan Party and each Subsidiary of each Loan Party are owned and held free and clear of Liens, mortgages, pledges, security interests, encumbrances or charges except as set forth below: See Schedule P-2 attached to the Credit and Security Agreement.

15. No Loan Party or any ERISA Affiliate maintains or contributes to, or has any unsatisfied obligation to contribute to, or liability under, any Pension Plan other than (A) on the Closing Date, those listed in Schedule 5.11(d) and (B) thereafter, Pension Plans not otherwise prohibited by this Agreement.

16. Each Loan Party has been and remains in compliance with all environmental laws applicable to its business or operations except as set forth on Schedule 5.12 and except to the extent that the failure to be in compliance therewith could not reasonably be expected to result in a Material Adverse Change.

17. No Loan Party has any Deposit Accounts, investment accounts, Securities Accounts or similar accounts with any bank, securities intermediary or other financial institution, except as set forth on Schedule 5.15 for the purposes and of the types indicated therein and except as otherwise permitted in Section 7.11(b).

18. No Loan Party is a party to or bound by an collective bargaining or similar agreement with any union, labor organization or other bargaining agent except as set forth below (indicate date of agreement, parties to agreement, description of employees covered, and date of termination):

19. Set forth on Schedule 5.17 is a reasonably detailed description of each Material Contract of each Loan Party and each of its Subsidiaries as of the date of the Agreement.

20. Set forth on Schedule 5.19 is a true and complete list of all Indebtedness of each Loan Party and each of its Subsidiaries outstanding immediately prior to the Closing Date.

21. No Loan Party has made any loans or advances or guaranteed or otherwise become liable for the obligations of any others, except as set forth below:

.

22. No Loan Party has any Chattel Paper (whether tangible or electronic) or instruments as of the date hereof, except as follows:

23. No Loan Party owns or licenses any Trademarks, Patents, Copyrights or other Intellectual Property, and is not a party to any Intellectual Property License except as set forth on Schedule 5.25 (indicate type of Intellectual Property and whether owned or licensed, registration number, date of registration, and, if licensed, the name and address of the licensor).

24. Schedule 5.26(a) sets forth all real property owned by each Loan Party.

25. The Inventory, Equipment and other goods of each Loan Party are located only at the locations set forth on Schedule 5.29.

26. Set forth on Schedule 5.31 is a reasonably detailed description of each Material License of each Loan Party and each of its Subsidiaries as of the date of this Agreement.

27. Set forth on Schedule 5.33 is a list of all Eligible Equipment owned by each Loan Party as of the date of this Agreement.

28. At the present time, there are no delinquent taxes due (including, but not limited to, all payroll taxes, personal property taxes, real estate taxes or income taxes) except as follows:

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Lender shall be entitled to rely upon the foregoing in all respects and the undersigned is duly authorized to execute and deliver this Information Certificate on behalf of each Loan Party.

Very truly yours,

~~**[BORROWER, INC.]**~~
Natural American Foods, Inc.

By:_____
Name:
Title:

~~**Error! Unknown document property name.**~~**4846-2529-5095.2**

Schedule 5.1(b)

TO INFORMATION CERTIFICATE[7]

Capitalization of Borrower

Organization Chart

Items (i), (iv): Capital Stock, Organization Chart

See attached.

Item (ii):

See attached.

Item (iii):

[7] Foley to update

Schedule 5.1(c)

TO INFORMATION CERTIFICATE

Subsidiaries; Affiliates; Investments

Part 1 – Subsidiaries of Borrower (50% or more owned by Borrower)

Name	Jurisdiction of Organization	Percentage Owned

Part 2 – Affiliates of Borrower (Less than 50% Owned by Borrower)

Name	Jurisdiction of Organization	Percentage Owned

Part 3 – Affiliates of Borrower (Subject to common ownership with Borrower)

Name	Jurisdiction of Organization	Owner	Percentage Owned

Part 4 – Owners of Borrower

Name	Jurisdiction of Organization	Percentage Owned

Schedule 5.6(a)

TO INFORMATION CERTIFICATE

Exact Legal Names and Jurisdiction of Organization of Borrower

Exact Legal Name	Jurisdiction of Organization
~~[Borrower~~**Natural American Foods**, Inc.~~]~~	Delaware

Schedule 5.6(b)

TO INFORMATION CERTIFICATE

Locations

Part 1 - Chief Executive Office

Borrower:

Part 2 - Location of Books and Records

Borrower:

Schedule 5.6(c)

TO INFORMATION CERTIFICATE

Federal Employer Identification Number
Organizational Identification Number
for Borrower

(*Please Use Form Attached For Tax Identification Number*)

Name	**Organizational Identification Number**	**Federal Identification Number**
~~[Borrower~~**Natural American Foods**, Inc.~~]~~	[_____]	[_____]

Schedule 5.6(d)

TO INFORMATION CERTIFICATE

Commercial Tort Claims

Schedule 5.7(b)

TO INFORMATION CERTIFICATE

Judgments/ Pending Litigation

Borrower:

Schedule 5.11(d)

TO INFORMATION CERTIFICATE

Pension Plans

Borrower:

Schedule 5.12

TO INFORMATION CERTIFICATE

Environmental Compliance

Schedule 5.15

TO INFORMATION CERTIFICATE

Deposit Accounts; Investment Accounts

Part 1 - Deposit Accounts

Borrower:

Name and Address of Bank	Account No.	Purpose

Part 2 - Investment and Other Accounts

Borrower:

Schedule 5.17

TO INFORMATION CERTIFICATE

Material Contracts

Schedule 5.19

TO INFORMATION CERTIFICATE

Existing Indebtedness

Part 1 - Direct Debt

Borrower:

Name/Address of Payee	Principal Balance as of Closing Date	Nature of Debt	Term

Part 2 – Guarantees

Borrower:

Name/Address of Payee	Principal Balance as of the Closing Date	Nature of Debt	Term

Schedule 5.24

TO INFORMATION CERTIFICATE

Collective Bargaining or Similar Agreements

Schedule 5.26(a)

TO INFORMATION CERTIFICATE

Owned Real Estate

Schedule 5.25(b)

TO INFORMATION CERTIFICATE

Intellectual Property

Part 1 – Trademarks Owned

Borrower:

TRADEMARK	REGISTRATION NUMBER	REGISTRATION DATE

Trademark Application	Application/Serial Number	Application Date

Part 2 – Trademarks Licensed

Borrower:

Trademark	Registration Number	Registration Date	Expiration Date	Licensor

Trademark Application	Application/Serial Number	Application Date

Part 3 – Patents Owned

Borrower:

U.S. Patent No.	Title	File Date	Issue Date

U.S. Application No.	Title	Priority Date

Part 4 – Patents Licensed

Borrower:

Patent Description	Registration Number	Registration Date	Expiration Date	Licensor

Patent Application	Application / Serial Number	Application Date

Part 5 – Copyrights Owned

Borrower:

Copyright	Registration Number	Registration Date

Part 6 – Copyrights Licensed

Borrower:

Copyright	Registration Number	Registration Date	Licensor

Part 7 – Other License Agreements

Borrower:

Name of Document	Date of Document	Licensor	Term	Licensed Intellectual Property

Schedule 5.29

TO INFORMATION CERTIFICATE

Locations of Inventory and Equipment

Locations of Inventory, Equipment and Other Assets

Borrower:

Address	Owned/Leased/Third Party	Name/Address of Lessor or Third Party, as Applicable

Schedule 5.31

TO INFORMATION CERTIFICATE

Material Licenses

Schedule 5.32

TO INFORMATION CERTIFICATE

Existing Liens on Farm Products

Schedule 5.33

TO INFORMATION CERTIFICATE

Eligible Equipment

Schedule 7.15

TO INFORMATION CERTIFICATE

Consignment, Bill and Hold, Sale or Return, Sale on Approval or Conditional Sale Arrangements

Schedule 7.16

TO INFORMATION CERTIFICATE

Inventory With Bailee, Warehouseman, Processor, etc.

Address	Type of Bailee	Name/Address of Bailee

Schedule A-1[8]

TO CREDIT AND SECURITY AGREEMENT

Collection Account

[8] ~~TO BE UPDATED BY BORROWER/FOLEY.~~

Schedule A-2

TO CREDIT AND SECURITY AGREEMENT[9]

Authorized Persons

[9] ~~TO BE UPDATED BY BORROWER/FOLEY~~

Schedule D-1

TO CREDIT AND SECURITY AGREEMENT[10]

Designated Account

[10] TO BE UPDATED BY BORROWER/FOLEY

Schedule P-1

TO CREDIT AND SECURITY AGREEMENT[11]

Permitted Investments

[11] TO BE UPDATED BY BORROWER/FOLEY

Schedule P-2

TO CREDIT AND SECURITY AGREEMENT[12]

Permitted Liens

Debtor Searched [Debtor Found]	**Jurisdiction**	**Secured Party**	**Filing No.**	**Filing Date**	**Lien Description**

[12] TO BE UPDATED BY BORROWER/FOLEY

EXHIBIT F

FORM OF BORROWING REQUEST

BORROWING REQUEST

_____, 201__

HC CAPITAL HOLDINGS 0909A, LLC
c/o Peak Rock Capital
13413 Galleria Circle, Suite Q-300
Austin, TX 78738
Attention: Robert M. Strauss
Fax: (512) 765-6530
Email: Strauss@peakrockcapital.com

Re: [~~**BORROWER, INC.**~~]**Natural American Foods, Inc.**, a Delaware corporation ("Borrower")

Reference is made to the Credit and Security Agreement dated as of [~~_____~~], ~~201[__]~~ **December 31, 2013**(as amended, amended and restated, modified, refinanced and/or restated, or otherwise modified from time to time, the "**Credit Agreement**") among Borrower and **HC CAPITAL HOLDINGS 0909A, LLC**, as Lender. Capitalized terms used herein without definition are used as defined in the Credit Agreement.

Pursuant to Section 2.3(a) of the Credit Agreement, Borrower hereby gives you irrevocable notice of its request for a Borrowing (the "**Proposed Borrowing**") under the Credit Agreement upon the following terms:

A. Date of the Proposed Borrowing: _____, ____ (the "Funding Date").

B. Amount of the Advance: $_____.

Pursuant to Section 4.2 of the Credit Agreement, the undersigned hereby certifies that the following statements are true and correct on the date hereof, both before and after giving effect to the Proposed Borrowing:

A. The representations and warranties of each Loan Party and its Subsidiaries contained in the Credit Agreement and in the other Loan Documents are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) on and as of the Funding Date, as though made on and as of such date (except to the extent that such representations and warranties relate solely to an earlier date, in which case such representations and warranties shall continue to be true and correct as of such earlier date); and

B. No Default or Event of Default shall have occurred and be continuing on the Funding Date, nor shall result from the making thereof.

The undersigned certifies that he is the _____ of Borrower, as such he is authorized to execute this certificate on behalf of Borrower.

[~~BORROWER, INC.~~]**Natural American Foods, Inc.**, as Borrower

By: _____
Name:

Exhibit G-1

TO CREDIT AND SECURITY AGREEMENT

REVOLVING FACILITY PRICING GRID

Level	Fixed Charge Coverage Ratio	Average Excess Availability for preceding 90 days	Revolving Facility Interest Rate Margin
I	Less than ~~[___]~~**1.00**:1.00	**Less than $9,000,000**	**6.00%**
		Greater than or equal to $9,000,000	**5.00%**
II	Greater than or equal to ~~[___]1~~**1.00**:~~00~~**1.00 and less than 1.50:1.00**	**Less than $9,000,000**	**5.00%**
		Greater than or equal to $9,000,000	**4.00%**
III	**Greater than or equal to 1.50:1.00**	**Less than $9,000,000**	**4.00%**
		Greater than or equal to $9,000,000	3.00%

"Level I Status" exists if, as of the date of determination, ~~(i)~~ the Fixed Charge Coverage Ratio was less than ~~[___] to 1.00 and (ii) the Average Excess Availability for preceding the 90 days was at least [_____]~~ **1.00 to 1.00.**

"Level II Status" exists if, as of the date of determination, (i) the Fixed Charge Coverage Ratio was greater than or equal to ~~[___]~~**1.00** to 1.00 and ~~(ii) the Average Excess Availability for the preceding 90 days was at least [_____]~~ **less than 1.50 to 1.00.**

"Level III Status" exists if, as of the date of determination, the Fixed Charge Coverage Ratio was greater than or equal to 1.50 to 1.00.

Exhibit G-2

TO CREDIT AND SECURITY AGREEMENT

TERM LOAN PRICING GRID

Level	Fixed Charge Coverage Ratio	Average Excess Availability for preceding 90 days	Term Loan Interest Rate Margin
I	Less than 1.00:1.00	Less than $9,000,000	7.50%
		Greater than or equal to $9,000,000	6.50%
II	Greater than or equal to 1.00:1.00 and less than 1.50:1.00	Less than $9,000,000	6.50%
		Greater than or equal to $9,000,000	5.50%
~~III~~III	~~Less than [___]:1.00~~Greater than or equal to ~~[___]1:00~~1.50:1.00	Less than $9,000,000	5.50%
		Greater than or equal to $9,000,000	4.50%

"Level I Status" exists if, as of the date of determination, the Fixed Charge Coverage Ratio was less than ~~[___]~~1.00 to 1.00.

"Level II Status" exists if, as of the date of determination, (i) the Fixed Charge Coverage Ratio was greater than or equal to ~~[___]~~1.00 to 1.00 and less than 1.50 to 1.00.

"Level III Status" exists if, as of the date of determination, the Fixed Charge Coverage Ratio was greater than or equal to 1.50 to 1.00.

LOAN AUTHORIZATION AGREEMENT

DATED: DECEMBER __, 2013

The Company referred to below has applied for, and BMO Harris Bank N.A. (the *"Lender"*) has approved, the establishment of, a loan authorization account (*"Loan Account"*) from which the Company may from time to time request loans and may request letters of credit up to the maximum amount of credit shown below (the *"Maximum Credit"*) provided that the aggregate principal amount of loans and letters of credit hereunder shall not exceed the amount of the Maximum Credit. Interest on such loans is computed at a variable rate which may change daily based upon changes in the Lender's Prime Rate or the LIBOR Quoted Rate (each as hereinafter defined). The Company may make principal payments at any time and in any amount. The request by the Company for, and the making by the Lender of, any loan against the Loan Account or the issuance by the Lender of any letters of credit pursuant hereto shall constitute an agreement between the Company and the Lender as follows:

Name of Company: Natural American Foods, Inc., a Delaware corporation (the *"Company"*)

Address: _____

_____

_____

Attn.: _____

Type of Loan Account:

☒ Revolving, which means as principal is repaid, the Company may reborrow subject to this Loan Authorization Agreement (this *"Agreement"*).

☐ Multiple Advances, which means that the Company may not reborrow any amounts that have been repaid but may still borrow the difference between the Maximum Credit and the principal amounts of prior borrowings.

Amount of Maximum Credit: $19,000,000

Each Loan Requested Shall Be At Least: $100,000

Variable Interest Rate: The interest rate applicable prior to the Maturity Date equals the greater of (i) the rate per annum announced by the Lender from time to time as its prime commercial rate (the *"Prime Rate"*) *plus* the rate of 1.00% per annum (the *"Prime Rate Margin"*) or (ii) the LIBOR Quoted Rate for such day *plus* the rate of 3.75% per annum (the *"LIBOR Margin"*). As used herein, the term "*LIBOR Quoted Rate"* means, for any day, the rate per annum equal to the quotient of (i) the rate per annum (rounded upwards, if necessary, to the next higher one hundred-thousandth of a percentage point) for deposits in U.S. Dollars for a three-month interest period which appears on the LIBOR01 Page as of 11:00 a.m. (London, England time) on such day (or, if such day is not a LIBOR Business Day, on the immediately preceding LIBOR Business Day) divided by (ii) one (1) minus the Reserve Percentage; the term *"LIBOR01 Page"* means the display designated as "LIBOR01 Page" on the Reuters Service (or on any successor or substitute page of such service, or any successor to or substitute for, such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Lender from time to time for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market); the term *"LIBOR Business Day"* means each day on which banks are dealing in U.S. Dollar deposits in the interbank Eurodollar market in London, England; and the term *"Reserve*

Percentage" means, for any day, the maximum reserve percentage, expressed as a decimal, at which reserves (including, without limitation, any emergency, marginal, special, and supplemental reserves) are imposed by the Board of Governors of the Federal Reserve System (or any successor) on "eurocurrency liabilities", as defined in such Board's Regulation D (or any successor thereto), subject to any amendments of such reserve requirement by such Board or its successor, taking into account any transitional adjustments thereto, without benefit or credit for any prorations, exemptions or offsets under Regulation D (and adjusted automatically on and as of the effective date of any change in any such reserve percentage).

Maturity Date: The Loans are payable, ON DEMAND; *provided* that the Company shall have ten (10) Business Days to honor any demand for payment hereunder.

Periodic Statement reflecting accrued interest will be sent and interest will be payable in accordance with Section 2 hereof.

Payments shall be due at the Lender's principal office in Chicago, Illinois, paid to the order of the Lender, and made by: ☐ Debit to BMO Harris Bank N.A. Account #_____;

☐ By Check

☒ By Fed Wire:

Pay to the order of BMO Harris Bank N.A., Chicago, IL
ABA 071000288
To the account of: CCLO BMO Harris Bank N.A.
LN IQ Wire
Account#: 109-535-5
Reference: Natural American Foods, Inc.
Attn.: Clients Services Dept.

If Letters of Credit may be requested, check here: ☒ and attach Letter of Credit Rider following signature page hereof.

1. *Using the Account*. All loans and advances from the Loan Account are referred to in this Agreement as "Loans". Loan requests must be by telephone and confirmed in writing (including by facsimile or by e-mail transmission of an Adobe portable document format file also known as a "PDF" file) and shall be sent to the Company's BMO Harris Bank N.A. Account Officer or Client Services Officer no later than 1:00 p.m. Chicago time on the date of the proposed borrowing in order to be honored the same day. Loan proceeds shall be deposited in the account designated by the Company as set forth in the loan request. The amount of each Loan requested shall be at least the minimum amount shown above, and the Lender shall have the right to refuse to honor any Loan requested by the Company which is less than that minimum amount, even if the Lender has previously honored a Loan request for less than the minimum amount. The Company shall not request any Loan or letter of credit which, when taken together with the Loans and principal amount of letters of credit then outstanding, would exceed the Maximum Credit. If Loans or letters of credit are secured directly or indirectly by securities traded on a national exchange or by other "margin stock" (as defined by the Federal Reserve Board in Regulation U), then the Company promises to furnish the Lender a duly executed and completed Form U-1 statement and agrees that the proceeds of Loans or other extensions of credit from the Loan Account will not be used to purchase or carry margin stock, convertible bonds or warrants unless the Company has obtained the prior written consent of the Lender. In no event shall the proceeds of any Loans be utilized to finance participation in a hostile tender offer or similar transaction or to finance an acquisition of securities in anticipation of such a hostile transaction.

Loans and letters of credit will be made available from the Loan Account subject to the Lender's approval on a case-by-case basis as and when Loans and letters of credit are requested by the Company.

All Loans and letters of credit shall be made against and evidenced by the Company's promissory note payable to the order of the Lender, such note to be in the form of Exhibit A attached hereto (the *"Note"*). The Lender agrees that the Note shall evidence only the actual unpaid principal balance of Loans made under the Loan Account and the stated amount of letters of credit issued pursuant thereto. All Loans and other extensions of credit made against the Note and the status of all amounts evidenced by the Note shall be recorded by the Lender on its books and records or at its option in any instance, endorsed on a schedule to the Note and the unpaid principal balance and status and rates so recorded or endorsed by the Lender shall be *prima facie* evidence in any court or other proceeding brought to enforce the Note of the principal amount remaining unpaid thereon, the status of the Loans and other extensions of credit evidenced thereby and the interest rates applicable thereto; provided that the failure of the Lender to record any of the foregoing shall not limit or otherwise affect the obligation of the Company to repay the principal amount of the Note together with accrued interest thereon. The Lender agrees that if it transfers or assigns the Note in accordance with the terms hereof, the Lender will stamp thereon a statement of the actual principal amount evidenced thereby at the time of transfer. The Company agrees that in any action or proceeding instituted to collect or enforce collection of the Note, the amount shown as owing the Lender on its records shall be *prima facie* evidence of the unpaid balance of principal and interest on the Note, absent manifest error.

2. *Interest*. The Company shall pay the Lender interest on the unpaid principal balance of Loans in accordance with the terms of this Agreement. Accrued interest will be billed monthly, and is due by the last day of each month (each, an *"Interest Payment Date"*). Interest for each billing period is computed by applying a daily periodic rate based on the greater of (i) Lender's Prime Rate *plus* the Prime Rate Margin or (ii) the LIBOR Quoted Rate *plus* the LIBOR Margin to each day's ending Loan balance. Interest shall be computed on the basis of a year of 360 days for the actual number of days elapsed. The Lender's Prime Rate reflects market rates of interest as well as other factors, and it is not necessarily the Lender's best or lowest rate. The daily Loan balance shall be computed by taking the principal balance of Loans at the beginning of each day, adding any Loans posted to the Loan Account that day, and subtracting any principal payments posted to the Loan Account as of that day. Interest begins to accrue on the date a Loan is posted to the Loan Account. The principal balance of Loans which remains unpaid after demand for repayment shall bear interest until paid in full at a post-maturity rate determined by adding the rate of 2.00% per annum to the interest rate otherwise applicable to the Loans (determined as aforesaid). The interest rate payable under this Agreement shall be subject, however, to the limitation that such interest rate shall never exceed the highest rate which the Company may contract to pay under applicable law. Interest on the Loans shall, at the option of the Company and subject to the following terms and conditions, be payable either (i) in immediately available funds on each Interest Payment Date in accordance with this Section 2, or (ii) through a Loan on each Interest Payment Date, or (iii) by any combination of the methods described in the immediately preceding clauses (i) and (ii) selected by the Company which results in such methods being applied in the satisfaction in full of all interest due on the Loans on such Interest Payment Date:

(A) Unless the Company notifies the Lender by 11 a.m. Chicago time on the applicable Interest Payment Date that the Company intends to pay the interest due on the Loans on such Interest Payment Date with funds not borrowed under this Agreement, the Company shall be deemed to have irrevocably requested a Loan on such Interest Payment Date in the amount of the interest then due on the

Loans, in each case subject to the provisions of this Agreement (other than the requirement that a Loan be in a certain minimum amount), which new Loan shall be applied to pay the interest then due on the Loans. In the event the Company has elected to pay the interest due on the Loans with funds not borrowed under this Agreement and the Company fails to make any such payment within twenty (20) days of the applicable Interest Payment Date, the Lender may in its sole discretion deem the Company to have irrevocably requested a Loan in the amount of the interest then due on the Loans, in each case subject to the provisions of this Agreement (other than the requirement that a Loan be in a certain minimum amount) which new Loans shall be applied to pay the interest then due on the Loans.

(B) Each payment of interest by a borrowing of a Loan shall be evidenced by the Note, shall bear interest from the date made at a rate per annum equal at all times to the rate then applicable to the Loans, payable, subject to the provisions of Section 9 herein, on demand.

(C) In no event shall the unpaid principal balance of all Loans and letters of credit, including, without limitation, each borrowing of a Loan to pay interest then due on the Loans, exceed the Maximum Credit.

3. *Fee*. The Company agrees to pay to the Lender a non-refundable closing fee in the amount of $47,500 on the date hereof.

4. *Guaranty*. Each of Peak Rock Capital Fund LP and Peak Rock Capital Fund A LP (together, the *"Guarantors"*) shall at all times, jointly and severally, guarantee all Loans made (both for principal and interest) and letters of credit issued pursuant to this Agreement and the Company's other obligations under this Agreement, the Note and the other Loan Documents under that certain Guaranty of the Guarantors dated as of even date herewith in favor of the Lender (as amended or modified from time to time, the *"Guaranty"*). The Company hereby acknowledges that the Guaranty being provided by the Guarantor is a material inducement to the Lender's extension of credit hereunder and that in determining whether or not to extend additional credit to the Company and whether or not to demand repayment of the Loans or the posting of cash collateral in support of letters of credit, the Lender will be considering issues related to the continued creditworthiness and liquidity position of the Guarantors.

5. *Maturity Date; Payments*. The Company shall pay to the Lender the principal balance of outstanding Loans together with any accrued interest and shall post cash collateral in an amount equal to 105% of the sum of the aggregate undrawn stated amount of the letters of credit and any unreimbursed draws thereunder ON DEMAND; *provided* that the Company shall have ten (10) Business Days to honor any such demand. Payments received by the Lender on the Loans shall be applied first to accrued interest and then to the principal balance of outstanding Loans unless otherwise determined by the Lender. If any payment from the Company under this Agreement becomes due on a Saturday, Sunday, or a day which is a legal holiday for banks or other financial institutions in the State of Illinois (each a *"Business Day"*), such payment shall be made on the next Business Day and any such extension shall be included in computing interest under this Agreement.

6. *Periodic Statements*. The Lender will furnish the Company with a monthly statement for each billing period which has any transaction or balance.

7. *Financial Statements*. The Company agrees to furnish financial information of the Company to the Lender upon reasonable request of the Lender from time to time. Such information shall be furnished as soon as reasonably possible, but in any event within 30 days after request by the Lender.

8. *Representations and Warranties.* In consideration of establishing and maintaining the Loan Account, the Company hereby represents and warrants to the Lender that: (a) the Company is a corporation duly organized, validly existing, and in good standing under the laws of its state of organization; (b) the execution, delivery, and performance by the Company of this Agreement, the Note and all documents executed in connection therewith, and any and all Application and Indemnity Agreements for Irrevocable Standby Letters of Credit delivered in connection with the issuance of letters of credit hereunder (collectively, the *"Loan Documents"*), are within its powers, have been duly authorized by all necessary action, and do not contravene the Company's certificate of incorporation or by-laws, or any law or contractual restriction binding on or affecting the Company; (c) no authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the Company's due execution, delivery, and performance of this Agreement or the other Loan Documents; (d) this Agreement is, and the other Loan Documents when executed and delivered by the Company will be, the Company's legal, valid, and binding obligation enforceable against the Company in accordance with its terms except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar state or federal debtor relief laws from time to time in effect which affect the enforcement of creditors' rights in general and the availability of equitable remedies; (e) the Company is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U issued by the Board of Governors of the Federal Reserve System), and no proceeds of the Loans will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock; (f) there is no pending or threatened action or proceeding affecting the Company before any court, governmental agency or arbitrator, which could materially adversely affect the Company's financial condition or operations or which purports to affect the legality, validity, or enforceability of this Agreement or any other Loan Documents and (g) no credit extended hereunder shall be utilized to finance participation in a hostile tender offer or similar transaction or to finance an acquisition of securities in anticipation of such a hostile transaction.

9. *DEMAND OBLIGATION; ENFORCEMENT*. THE LOANS ARE PAYABLE "ON DEMAND;" *PROVIDED* THAT THE COMPANY SHALL HAVE TEN (10) BUSINESS DAYS TO HONOR ANY DEMAND FOR PAYMENT HEREUNDER. ACCORDINGLY, THE LENDER CAN DEMAND PAYMENT IN FULL OF THE LOANS AND CAN DEMAND THE POSTING OF CASH COLLATERAL WITH RESPECT TO THE LETTERS OF CREDIT IN ACCORDANCE WITH SECTION 5 OF THIS AGREEMENT AT ANY TIME IN ITS SOLE DISCRETION EVEN IF THE COMPANY HAS COMPLIED WITH ALL OF THE TERMS OF THIS AGREEMENT.

No delay by the Lender in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by the Lender of any right or remedy shall preclude any other or further exercise thereof or the exercise of any other right or remedy. The Company agrees to pay to the Lender all reasonable expenses incurred or paid by the Lender in connection with the establishment and maintenance of the Loan Account, and the transactions contemplated hereby including, without limitation, reasonable attorneys' fees. The Lender shall have the right at any time to set-off the balance of any deposit account that the Company may at any time maintain with the Lender or any of its affiliates against any amounts at any time owing under this Agreement, whether or not the balance of Loans or reimbursement or other obligations with respect to letters of credit under this Agreement are then due.

10. *Termination; Renewal*. The availability of additional Loans and letters of credit under this Agreement will automatically terminate ON DEMAND. The Lender reserves the right at any time without notice to terminate the Loan Account, suspend the Company's borrowing privileges or refuse any Loan or letter of credit request even though the Company has complied with all of the terms under this Agreement. The Company may terminate this Agreement at any time effective upon receipt by the Lender of at least 15 days prior written notice. No termination under this Section shall affect the Lender's rights or the Company's obligations regarding payment or default under this Agreement. Such termination shall not affect the Company's obligation to pay all Loans and other obligations and the interest accrued through the date of final payment. The Lender may also elect to honor Loan and letter of credit requests after termination of this Agreement, and the Company agrees that any of such shall constitute a Loan to the Company or a letter of credit issued at the request of the Company under this Agreement.

11. *Notices*. The Lender may rely on instructions from the Company with respect to any matters relating to this Agreement or the Loan Account, including telephone loan requests and requests by facsimile or e-mail, which are made by persons whom the Lender reasonably believes to be persons authorized by the Company to make such loan requests. All notices and statements to be furnished by the Lender shall be sufficient if delivered to any such person at the billing address for the Loan Account shown on the records of the Lender. All notices from the Company shall be sent to the Lender at 111 West Monroe Street, Chicago, Illinois 60603, Attention: Client Services, Department 17 West. The Company waives presentment and notice of dishonor. This Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof and any prior agreements, whether written or oral, with respect thereto are superseded hereby. No amendment or waiver of any provision of this Agreement or the Note or any other Loan Document, nor consent to any departure by the Company therefrom, shall in any event be effective unless the same shall be in writing and signed by the Lender. If any part of this Agreement is unenforceable, that will not make any other part unenforceable. This Agreement shall be governed by the internal laws of the State of Illinois.

12. *Consent to Jurisdiction*. THE COMPANY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS AND OF ANY ILLINOIS STATE COURT SITTING IN COOK COUNTY, ILLINOIS, FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

13. *Jury Trial Waiver*. EACH OF THE COMPANY AND THE LENDER WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

14. *Counterparts*. This Agreement may be executed in any number of counterparts, and by the different parties on different counterpart signature pages, all of which taken together shall constitute one and the same agreement. Any of the parties hereto may execute this Agreement by signing any such counterpart and each of such counterparts shall for all purposes be deemed to be an original. Delivery of executed counterparts of this Agreement and the other Loan Documents by telecopy or by e-mail transmission of an Adobe portable document format file (also known as a "PDF" file) shall be effective as originals.

15. *Costs and Expenses*. The Company agrees to pay all reasonable and documented out-of-pocket expenses, legal and/or otherwise (including court costs and reasonable attorneys' fees) paid or incurred by the Lender in the preparation, negotiation or amendment of the Loan Documents or in endeavoring to collect obligations of the Company in protecting, defending or enforcing this Agreement or any of the other Loan

Documents in any litigation, bankruptcy or insolvency proceedings or otherwise, or incurred in connection with any litigation or governmental proceeding relating to the Company or the transactions contemplated hereby.

16. *USA Patriot Act*. The Lender hereby notifies the Company that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the *"Act"*), it is required to obtain, verify, and record information that identifies the Company, which information includes the name and address of the Company and other information that will allow the Lender to identify the Company in accordance with the Act.

* * * * *

The Company agrees to the terms set forth above.

This Agreement is dated as of the date first written above.

NATURAL AMERICAN FOODS, INC.

By: _____
Name: _____
Title: _____

[SIGNATURE PAGE TO LOAN AUTHORIZATION AGREEMENT - NATURAL AMERICAN FOODS]

Accepted and agreed as of the date first written above.

BMO HARRIS BANK N.A.

By: _____
Name: _____
Title: _____

LETTER OF CREDIT RIDER

This Letter of Credit Rider is hereby made an integral part of and deemed by the parties hereto to be incorporated within the foregoing Loan Authorization Agreement, dated as of December __, 2013 (the *"Agreement"*), between BMO Harris Bank N.A. (the *"Lender"*) and Natural American Foods, Inc., a Delaware corporation (the *"Company"*). All capitalized terms used herein without definition shall have the same meanings assigned thereto as in the Agreement.

In consideration of the agreement by the Lender to consider issuing letters of credit applied for by the Company pursuant to the Agreement, the parties hereto agree as follows:

1. The Company may, in addition to requesting that the Lender make Loans under the Agreement, also request that the Lender issue letters of credit (the *"Letters of Credit"*) for the account of the Company under the Agreement in a stated amount not to exceed the Maximum Amount at any one time. The Maximum Credit under the Agreement shall be deemed utilized by Letters of Credit by an amount equal to the sum of (a) the aggregate undrawn stated amount of the Letters of Credit *plus* (b) any unreimbursed draws thereunder (such sum, the *"L/C Obligations"*).

2. The issuance of the Letters of Credit under the Agreement shall be at the Lender's sole discretion and shall be subject to such terms and conditions as the Company and the Lender shall mutually agree upon at the issuance thereof. The Company shall request a Letter of Credit by completing an application and indemnity agreement therefor (an *"Application"*) on the standard form of the Lender's then in use for such type of Letters of Credit.

3. No Letters of Credit will be issued by the Lender under the Agreement with a termination date later than the earlier of (i) one year from its date of issuance and (ii) the Expiry Date, if any, under the Application.

4. The Company shall pay to the Lender a fee for the Letters of Credit at a commission rate equal to the LIBOR Margin (computed on the basis of a 360 day year for the actual number of days elapsed). In addition, the Company shall pay to the Lender its standard issuance, drawing, negotiation, amendment, and other administrative fees relating to the Letters of Credit at the rates in effect from time to time.

5. Letter of Credit fees or L/C Obligations shall, at the option of the Company and subject to the following terms and conditions, be payable either (a) in immediately available funds on the date a Letter of Credit is drawn upon (the *"L/C Payment Date"*), or (b) by adding such Letter of Credit fees or L/C Obligations to the unpaid principal balance of the Loans on each L/C Payment Date, in which event such fees and reimbursement obligations shall become a like amount of the principal of the Note (a borrowing of a Loan of like amount) which the Company hereby promises to pay in accordance with the Agreement, or (c) by any combination of the methods described in the immediately preceding clauses (a) and (b) selected by the Company which results in such methods being applied in the satisfaction in full of all Letter of Credit fees or L/C Obligations due on such L/C Payment Date:

   (i) Unless the Company notifies the Lender that the Company intends to pay the Letter of Credit fees or L/C Obligations due on each L/C Payment Date with funds not borrowed under the Agreement, the Company shall be deemed to have irrevocably requested a Loan on such L/C Payment Date in the amount of the fees and reimbursement obligations then due on the Letters of Credit, in each case

subject to the provisions of the Agreement (other than the requirement that a Loan be in a certain minimum amount), which new Loan shall be applied to pay the fees and reimbursement obligations then due on the Letters of Credit. In the event the Company has elected to pay the Letter of Credit fees and L/C Obligations with funds not borrowed under the Agreement and the Company fails to make any such payment within twenty (20) days of the applicable L/C Payment Date, the Lender may in its sole discretion deem the Company to have irrevocably requested a Loan on each L/C Payment Date in the amount of the fees and reimbursement obligations then due on the Letters of Credit, in each case subject to the provisions of the Agreement (other than the requirement that a Loan be in a certain minimum amount), which new Loan shall be applied to pay the fees and reimbursement obligations then due on the Letters of Credit.

(ii) Each payment of Letter of Credit fees or L/C Obligations by a borrowing of a Loan shall be evidenced by the Note, shall bear interest from the date made at a rate per annum equal at all times to the rate then applicable to the Loans, payable subject to the provisions of Section 9 of the Agreement, on demand.

(iii) In no event shall the unpaid principal balance of all Loans and the stated face amount of all Letters of Credit then outstanding, including, without limitation, each borrowing of a Loan to pay interest then due on the Loans or to pay Letter of Credit fees or L/C Obligations, exceed the Maximum Credit.

6. The representations and warranties of the Company in the Agreement shall be deemed to be made by the Company on each day an Application is executed by the Company, and shall be deemed to refer to each Application in the same manner and to the same extent as they refer to the Agreement and the Note.

7. At any time during the term of the Agreement, the Lender may require that the Company deliver to the Lender, and the Company hereby agrees to deliver to the Lender within ten (10) Business Days of the Lender's request therefor, cash collateral to secure the Company's obligations under the Applications in an amount not less than 105% of the amount of L/C Obligations outstanding at such time if requested by the Lender. At any time when the availability of additional Loans under the Agreement terminates pursuant to the terms thereof, the Company will no longer be permitted to request the issuance of Letters of Credit thereunder.

8. The Lender may, at its option, elect to issue Letters of Credit at such of its branches or offices as the Lender may from time to time elect.

[SIGNATURE PAGE FOLLOWS]

THIS LETTER OF CREDIT RIDER IS ENTERED INTO AS OF THE DATE FIRST WRITTEN ABOVE.

NATURAL AMERICAN FOODS, INC.

By: _____
Name: _____
Title: _____

BMO HARRIS BANK N.A.

By _____
Printed Name: _____
Title: _____

[SIGNATURE PAGE TO LETTER OF CREDIT RIDER - NATURAL AMERICAN FOODS]

EXHIBIT A

DEMAND NOTE

December __, 2013

ON DEMAND, for value received, the undersigned, NATURAL AMERICAN FOODS, INC., a Delaware corporation, promises to pay to the order of BMO HARRIS BANK N.A. (the *"Lender"*) at its offices at 111 West Monroe Street, Chicago, Illinois 60603 the principal amount of Loans and reimbursement obligations with respect to letters of credit (as and to the extent required pursuant to application and indemnity agreements therefor) outstanding under the Loan Authorization Agreement referred to below together with interest payable at the times and at the rates and in the manner set forth in the Loan Authorization Agreement referred to below.

This Demand Note (this *"Note"*) evidences borrowings by and other extensions of credit for the account of the undersigned under the Loan Authorization Agreement dated as of December __, 2013, between the undersigned and the Lender and the Letter of Credit Rider attached thereto (as each may be amended or modified from time to time, the *"Loan Authorization Agreement"*); and this Note and the holder hereof are entitled to all the benefits provided for under the Loan Authorization Agreement, to which reference is hereby made for a statement thereof. The undersigned hereby waives presentment and notice of dishonor. The undersigned agrees to pay to the holder hereof all court costs and other reasonable expenses, legal or otherwise, incurred or paid by such holder in connection with the collection of this Note. Delivery of an executed counterpart of this Note by telecopy or by e-mail transmission of an Adobe portable document format file (also known as "PDF" file) shall be effective as an original. It is agreed that this Note and the rights and remedies of the holder hereof shall be construed in accordance with and governed by the internal laws of the State of Illinois.

NATURAL AMERICAN FOODS, INC.

By: _____
Name: _____
Title: _____

EXHIBIT 3

Creditor / Contract Party	Address 1	Address 2	Address 3	City	State	Zip	Country	Contract Type	Cure Amount
ACOSTA, INC.	2130 Northwest Parkway			ATLANTA	GA	30384-1996	USA	Broker / Purchasing Group Agreement	10,431.65
AFLAC	1932 WYNNTON ROAD			Columbus	GA	31999	USA	Voluntary LT/ST Disability Insurance programs	-
Airgas Great Lakes, Inc.	44350 N Groesbeck Highway			Clinton TWP	MI	48036	USA	Lease - Air Cylinder	590.18
AMERICAN PACKAGING CAPITAL, INC.	391 Diablo Rd	Suite C		Danville	CA	94526	USA	Lease - Metal Detector	1,041.83
BAKEMARK USA	3125 Great Southwest Pkwy			Grand Prairie	TX	75050	USA	Broker / Purchasing Group Agreement	4,998.55
Blue Cross Blue Shield of Michigan	P.O. BOX 674416			Detroit	MI	48267	USA	Health Insurance	-
BOMATIC INC.	1841 E ACACIA ST.			ONTARIO	CA	91761-7704	USA	Packaging / Mold Agreement	17,531.21
CINTAS FIRST AID & SAFETY	P.O. Box 636525			CINNCINATTI	OH	45263	USA	Service Agreement	87.84
Comfort 1	200 5th Street			Michigan Center	MI	49254	USA	Maintenance Agreement	-
Commercial Exchange Inc.	2301 East Michigan Avenue			Jackson	MI	49202	USA	Corporate record storage	-
DADANT	1913 E 17TH ST SUITE 200			SANTA ANA	CA	92705-8627	USA	Broker / Purchasing Group Agreement	32,137.34
DOT Foods	1 Dot Way			Mt. Sterling	IL	62353	USA	Broker / Purchasing Group Agreement	-
Ernest L Groeb, Jr. Trust B	United Bank & Trust, Successor Trustee	603 N Evans St	PO Box 248	Tecumseh	MI	49286	USA	MI Facility Lease	-
F.A.B. INC	1225 OLD ALPHARETTA RD.,	SUITE #235		ALPHARETTA	GA	30023	USA	Broker / Purchasing Group Agreement	9,775.68
Federated Foodservice	3025 W. Salt Creek Lane			Arlington Heights	IL	60005	USA	Broker / Purchasing Group Agreement	11,122.25
Ford Motor Credit Company, LLC	P.O. Box 6275			Dearborn	MI	48121	USA	Vehicle Lease	818.38
GE TF Trust	300 E John Carpenter Freeway	Suite 400		Irving	TX	75063	USA	Truck Lease	3,049.42
GT94LP	9171 WILSHIRE BLVD. SUITE 400			Beverly Hills	CA	90210	USA	CA Facility Lease	-
Independent Marketing Alliance	16000 MEMORIAL DR	SUITE 200		HOUSTON	TX	77079	USA	Broker / Purchasing Group Agreement	12,804.68
Jetro/Rest. Depot	133-11 20TH AVENUE			COLLEGE POINT	NY	11356	USA	Broker / Purchasing Group Agreement	33,006.85
John Wolf	7331 MACKENZIE LANE			PORTAGE	MI	49024	USA	Employment Agreement	-
KANAWHA SCALES & SYSTEMS	26469 NORTHLINE			TAYLOR	MI	48180	USA	Service Agreement	-
Konica Minolta	100 Williams Drive			Ramsey	NJ	07446	USA	Printer Lease	-
Modern Waste Systems, Inc	P.O. Box 275			Napolean	MI	49261	USA	Service Agreement	1,190.00
National Processing Company	5100 Interchange Way			Louisville	KY	40229	USA	Service Agreement	-
OmniSource	7575 West Jefferson Boulevard			Fort Wayne	IN	46804	USA	Scrap Metal Agreement	-
Pinnacle Capital	615 Commerce Street			Tacoma	WA	98402	USA	Cleaning Equipment Lease	281.01
PLEX	900 TOWER DRIVE SUITE 1400			TROY	MI	48098-2822	USA	ERP / GL Software	891.26
Raymond Handling Solutions	9939 Norwalk Blvd			Santa Fe	CA	90670	USA	Forklift Lease	455.33
Rolf Richter	10671 BURMEISTER ROAD			MANCHESTER	MI	48158	USA	Employment Agreement	-
Safety Systems, Inc.	P.O. Box 1079			Jackson	MI	49204	USA	Service Agreement	-
San Bernardino Police Department, Alarm Program	PO Box 140576			Irving	TX	75014-0576	USA	Alarm Permit	-
THE STERITECH GROUP, INC	7600 LITTLE AVENUE			CHARLOTTE	NC	28247-2127	USA	Service Agreement	3,211.54
Toyota Financial Services	PO Box 5457			Terrance	CA	90510	USA	Forklift Lease	648.64
UNIPRO FOODSERVICE, INC.	2500 Cumberland Pkwy SE			ATLANTA	GA	30384-5762	USA	Broker / Purchasing Group Agreement	79,577.17
Unum Life Insurance Co. of America	P.O. BOX 403748			Atlanta	GA	30384	USA	Insurance Contract	-
US Foods	Attn: Accounts Payable PO Box 29283			Phoenix	AZ	85038-9283	USA	Broker / Purchasing Group Agreement	-
USDA Forest	Alburque Service Center (ASC)	ATTN: R&C - OTC	101B Sun Avenue NE	Alburque	NM	87109	USA	Smokey Bear License	1,405.12
Wells Fargo Equipment Finance	PO Box 7777			San Francisco	CA	94120	USA	Forklift Lease	2,064.80
WHITEBOARD COMMUNICATIONS,LLC	9653 MONTGOMERY ROAD	SUITE 200		CINCINNATI	OH	45242	USA	Consulting Agreement	2,297.65
Xerox Corporation	45 Glover Avenue			Norwalk	CT	06856	USA	Printer Lease	-
Ernest L. Groeb	Rebecca Rosenthal, Greenberg Traurig LLP	77 West Wacker Drive, Suite 3100		Chicago	Illinois	60601	USA	Covenant Not To Compete	-
Troy Groeb	Rebecca Rosenthal, Greenberg Traurig LLP	77 West Wacker Drive, Suite 3100		Chicago	Illinois	60601	USA	Covenant Not To Compete	-
E. Jeanne Groeb	Rebecca Rosenthal, Greenberg Traurig LLP	77 West Wacker Drive, Suite 3100		Chicago	Illinois	60601	USA	Covenant Not To Compete	-
Proposed Interim Class Counsel	Adam J. Levitt Grant & Eisenhofer, P.A.	30 North LaSalle Street, Suite 1200		Chicago	Illinois	60602	USA	Restructuring Support Agreement	-
Honey Finance	Jeffery Pawlitz, Kirkland & Ellis LLP	300 North LaSalle Street		Chicago	Illinois	60654	USA	Restructuring Support Agreement	-
HC Capital 0909A	Jeffery Pawlitz, Kirkland & Ellis LLP	300 North LaSalle Street		Chicago	Illinois	60654	USA	Restructuring Support Agreement	-
Marquette	Clinton Cutler, Fredrikson & Byron, P.A.	200 South Sixth Street, Suite 4000		Minneapolis	Minnesota	55402-1425	USA	Restructuring Support Agreement	-
Argosy	Clinton Cutler, Fredrikson & Byron, P.A.	200 South Sixth Street, Suite 4000		Minneapolis	Minnesota	55402-1425	USA	Restructuring Support Agreement	-

EXHIBIT 4

LIQUIDATING TRUST AGREEMENT AND DECLARATION OF TRUST

This liquidating trust agreement and declaration of trust (this "Agreement"), dated as of December 31, 2013, is made by and between Groeb Farms, Inc. (the "Debtor") and SltnTrst LLC (dba Solution Trust) (the "Trustee" and, together with the Debtor, the "Parties").

RECITALS

A. On October 1, 2013, the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of Michigan Southern Division (the "Bankruptcy Court"), and its Chapter 11 Case is being administered as *In re Groeb Farms, Inc.*, Case No. 13-58200 (WS).

B. On October 9, 2013, the Office of the United States Trustee (the "United States Trustee") appointed the official committee of unsecured creditors in the Debtor's Chapter 11 Case (Docket No. 69) (the "Committee").

C. On November 8, 2013, the Debtor filed the Second Amended Plan of Reorganization of Groeb Farms, Inc., Pursuant to Chapter 11 of the Bankruptcy Code (Docket No. 213) (as may be amended and/or supplemented, the "Plan"), a copy of which is attached as Exhibit B hereto.

D. On December 20, 2013, the Bankruptcy Court entered an order (the "Confirmation Order") (Docket No. 375) confirming the Plan, which became effective on the date hereof (the "Effective Date").

E. The Plan and the Confirmation Order provide for the establishment of the liquidating trust as set forth in this Agreement (the "Trust") effective on the Effective Date of the Plan.

F. The Plan, the Confirmation Order and this Agreement, provide for the appointment of the Trustee as the trustee of the Trust and, as necessary, any successor trustee of the Trust.

G. The Trust is established for the benefit of the holders of Allowed Other General Unsecured Claims and Allowed Trade Claims that either do not execute a New Trade Agreement or default under a New Trade Agreement (collectively, "Beneficiaries").

H. The Trust is established for the purpose of pursuing or liquidating the Trust Assets (defined below) for the benefit of the Beneficiaries, distributing the General Unsecured Claims Litigation Trust Distributable Proceeds, if any (the "Distributable Proceeds"), reconciling and objecting to General Unsecured Claims as provided for in the Plan and, if, as and to the extent determined by the Trustee, distributing the Distributable Proceeds to the Beneficiaries in accordance with the terms and conditions of this Agreement, the Plan, the Confirmation Order and Treasury Regulation section 301.7701-4(d), and with no objective to continue or engage in the conduct of a trade or business.

I. Pursuant to the Plan, the Debtor, the Trust, the Trustee and the Beneficiaries are required to treat, for all United States federal income tax purposes, the transfer of the Trust Assets to the Trust as a transfer of the Trust Assets by the Debtor to the Beneficiaries in satisfaction of their General Unsecured Claims, followed by a transfer of the Trust Assets by the Beneficiaries to the Trust in exchange for the beneficial interest herein; provided, however, that the Trust Assets will be subject to any post-Effective Date obligations incurred by the Trust relating to the pursuit of Trust Assets. Accordingly, Beneficiaries shall be treated as the grantors and owners of their respective share of the Trust Assets for United States federal income tax purposes. The foregoing treatment shall also apply, to the extent permitted by applicable law, for state and local income tax purposes.

J. Pursuant to the Plan, the Trust is intended for federal income tax purposes (i) to be treated as a grantor trust pursuant to Treasury Regulation section 1.671-4(a), and also (ii) to qualify as a liquidating trust within the meaning of Treasury Regulation section 301.7701-4(d).

K. In accordance with the Plan, the Trust is further intended to be exempt from the requirements of (i) the Securities Exchange Act of 1933, as amended, and any applicable state and local laws requiring registration of securities, in each case, pursuant to section 1145 of the Bankruptcy Code, and (ii) the Investment Company Act of 1940, as amended, pursuant to sections 7(a) and 7(b) thereof and section 1145 of the Bankruptcy Code.

In accordance with the Plan and the Confirmation Order, and in consideration of the premises, and the mutual covenants and agreements of the Parties contained in the Plan and herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and affirmed, the Parties agree and declare as follows:

DECLARATION OF TRUST

The Debtor and the Trustee enter into this Agreement to effectuate the Distribution of the Trust Assets to the Beneficiaries pursuant to the Plan and the Confirmation Order;

Pursuant to the Plan, the Confirmation Order, and this Agreement, all right, title, and interest in, under, and to the Trust Assets shall be absolutely and irrevocably assigned to the Trust and to its successors in trust and its successors and assigns;

TO HAVE AND TO HOLD unto the Trustee and its successors in trust; and

IT IS HEREBY FURTHER COVENANTED AND DECLARED, that the Trust Assets and any proceeds thereof and earnings thereon are to be held by the Trust and applied on behalf of the Trust by the Trustee on the terms and conditions set forth herein, solely for the benefit of the Beneficiaries and for no other party.

ARTICLE I

RECITALS, PLAN DEFINITIONS, OTHER DEFINITIONS AND INTERPRETATION

1.1 Recitals. The recitals to this Agreement are incorporated into and made a part of the terms of this Agreement.

1.2 Use of Plan Definitions. All terms which are used in this Agreement and not defined herein shall have the same meaning set forth in the Plan.

1.3 Definitions. For purposes of this Agreement:

1.3.1 "Disallowed General Unsecured Claim" means any General Unsecured Claim, or any portion thereof, that: (a) has been disallowed by a Final Order, (b) is Scheduled as zero or as contingent, disputed or unliquidated and as to which no Proof of Claim or Proof of Interest or request for payment of an Administrative Claim has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely filed under applicable law or the Plan, (c) is not Scheduled and as to which no Proof of Claim or Proof of Interest or request for payment of an Administrative Claim has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely filed under applicable law or the Plan, (d) has been withdrawn by agreement of the Debtor and the holder thereof, or (e) has been withdrawn by the holder thereof.

1.3.2 "Disputed General Unsecured Claim" means any General Unsecured Claim, or any portion thereof, that is not yet Allowed and is not a Disallowed General Unsecured Claim.

1.3.3 "Distribution" means any distribution of some or all of the Trust Assets from the Trust to a Beneficiary of the Trust.

1.3.4 "Reorganized Debtor" means the Debtor on and after the Effective Date and/or, if applicable, the Reorganized Parent.

1.3.5 "Reorganized Parent" means (a) Groeb Farms, Inc., (b) any successor thereto, by merger, consolidation, transfer of substantially all of its assets, conversion to another jurisdiction, or otherwise, in each case on or after the Effective Date, or (c) if a Holding Company Restructuring Transaction is implemented, Holdings.

1.3.6 "Trust Assets" means the (i) General Unsecured Claims Litigation Trust Payment, (ii) the General Unsecured Claims Litigation Trust Causes of Action (the "Trust Causes of Action"), and all proceeds of the foregoing, (iii) the D&O Policy, including the Debtor's rights under the D&O Policy and all proceeds under the D&O Policy, subject to all rights of covered parties to the D&O Policy to assert claims against the D&O Policy, (iv) the Trade Claim Remaining Amount, (v) any insurance policies not assumed by the Reorganized Debtor and which relate to the Trust Causes of Action; and (vi) all rights of setoff and other

defenses against General Unsecured Claims held by the Beneficiaries. For the avoidance of doubt, the Trust Assets shall not include any Claim or Cause of Action against a Released Party, including the holder of a Trade Claim that enters into a New Trade Agreement to the extent of Causes of Action released under a New Trade Agreement.

1.3.7 "Trust Expenses" means all reasonable legal and other reasonable professional fees, costs, and expenses incurred by the Trustee on account of administration of the Trust, including any reasonable administrative fees and expenses, reasonable attorney's fees and expenses, reasonable insurance fees, taxes, and reasonable escrow expenses.

1.3.8 "Trust Oversight Committee" shall consist of the three members of the Committee as of the Effective Date or their designees.

1.3.9 "Trust Waterfall" means that the Distributable Proceeds shall be distributed as follows after satisfying Trust Expenses: (i) first, on a Pro Rata basis, to Beneficiaries who are not holders of Trade Claims that entered into a New Trade Agreement until each such holder has recovered an amount equal to 10% of each such holder's Allowed General Unsecured Claim; and (ii) second, on a Pro Rata basis, to Beneficiaries on account of any unpaid Allowed General Unsecured Claim until such Allowed General Unsecured Claims have been paid in full.

1.4 Interpretation; Headings. All references herein to specific provisions of the Plan or Confirmation Order are without exclusion or limitation of other applicable provisions of the Plan or Confirmation Order. Words denoting the singular number shall include the plural number and vice versa, and words denoting one gender shall include the other gender. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the provisions of this Agreement.

1.5 Conflict Among Plan Documents. The Confirmation Order shall govern any conflict or inconsistency between or among the Plan, the Disclosure Statement, the Confirmation Order and this Agreement.

ARTICLE II

ESTABLISHMENT OF TRUST

2.1 Effectiveness of Agreement; Name of Trust. This Agreement shall become effective on the Effective Date. The Trust shall be officially known as the "Groeb General Unsecured Claims Litigation Trust."

2.2 Purpose of Trust. The Debtor and the Trustee, pursuant to the Plan and in accordance with the Bankruptcy Code, hereby create the Trust for the purpose of pursuing or liquidating the Trust Assets for the benefit of the Beneficiaries, distributing the Distributable Proceeds, if any, reconciling and objecting to General Unsecured Claims as provided for in the Plan and, if, as and to the extent determined by the Trustee, distributing the Distributable Proceeds to the Beneficiaries in accordance with the terms and conditions of this Agreement, the

Plan, the Confirmation Order and Treasury Regulation section 301.7701-4(d), and with no objective to continue or engage in the conduct of a trade or business.

2.3 Transfer of Trust Assets.

2.3.1 Conveyance of Trust Assets. The Debtor hereby irrevocably transfers and shall be deemed to have irrevocably transferred to the Trust as of the Effective Date all of its rights, title and interest in and to the Trust Assets, in trust for the benefit of the Beneficiaries, to be administered and applied as specified in this Agreement, the Plan and the Confirmation Order. The Debtor shall, from time to time, as and when reasonably requested by the Trustee, execute and deliver or cause to be executed and delivered all such documents (in recordable form where necessary or appropriate), and the Debtor shall take or cause to be taken such further action, as the Trustee may reasonably deem necessary or appropriate to vest or perfect in the Trust or confirm to the Trustee title to and possession of the Trust Assets

2.3.2 Title to Trust Assets. Pursuant to the Plan, all of the Debtor's rights, title and interest in and to the Trust Assets, including all such assets held or controlled by third parties, if any, are automatically vested in the Trust on the Effective Date, free and clear of all liens, Claims, encumbrances or interests, subject only to (a) General Unsecured Claims Litigation Trust Interests and (b) the expenses of the Trust as provided for in this Agreement, and such transfer is on behalf of the Beneficiaries to establish the Trust. The Trustee shall be authorized to obtain possession or control of, liquidate and collect all of the Trust Assets in the possession or control of third parties and pursue all of the Trust Causes of Action. On the Effective Date, the Trustee shall stand in the shoes of the Debtor for all purposes with respect to the Trust Assets and administration of Trust Causes of Action. To the extent any law or regulation prohibits the transfer of ownership of any of the Trust Assets from the Debtor to the Trust and such law is not superseded by the Bankruptcy Code, the Trust's interest shall be a lien upon and security interest in such Trust Assets, in trust, nevertheless, for the sole use and purposes set forth in Section 2.2, and this Agreement shall be deemed a security agreement granting such interest thereon without need to file financing statements or mortgages. By executing this Agreement, the Trustee on behalf of the Trust hereby accepts all of such property as Trust Assets, to be held in trust for the Beneficiaries, subject to the terms of this Agreement, the Plan and the Confirmation Order.

2.3.3 Transfer of Privilege and Immunity. In connection with the vesting and transfer of the Trust Assets (including any Trust Causes of Action) to the Trust, any attorney-client, work-product protection, or other privilege or immunity attaching to any documents or communications (whether written or oral) expressly transferred to the Trust shall vest in the Trust.

2.4 Capacity of Trust. Notwithstanding any state or federal law to the contrary or anything herein, the Trust shall itself have the capacity, in its own right and name, to act or refrain from acting, including the capacity to sue and be sued and to enter into contracts. The Trust may alone be the named movant, respondent, party plaintiff or defendant, or the like, in all adversary proceedings, contested matters, and other state or federal proceedings brought by or against it, and may settle and compromise all such matters in its own name.

2.5 Cooperation of Debtor and Reorganized Debtor. The Debtor and Reorganized Debtor, upon reasonable notice, shall be required to provide information and access to pertinent documents, to the extent the Debtor or Reorganized Debtor has such information and/or documents, to the Trustee sufficient to enable the Trustee to perform its duties hereunder and under the Plan. The Debtor and Reorganized Debtor shall reasonably cooperate with the Trustee in the administration of the Trust, including in providing documentation, witness testimony and other evidence in support of the prosecution of the Trust Causes of Action, at no cost or expense of the Trust other than out of pocket expenses for copying or similar expenses; provided, however, that such cooperation shall not involve violation of an attorney client privilege, unless agreed to by the Debtor or Reorganized Debtor.

2.6 Acceptance by Trustee. The Trustee accepts its appointment as Trustee of the Trust.

ARTICLE III

ADMINISTRATION OF TRUST

3.1 Rights, Powers and Privileges of Trustee Generally; Duties. Except as otherwise provided in this Agreement, the Plan or the Confirmation Order, as of the date that the Trust Assets are transferred to the Trust, the Trustee on behalf of the Trust may control and exercise authority over the Trust Assets, over the acquisition, management and disposition thereof, and over the management and conduct of the affairs of the Trust. In administering the Trust Assets, the Trustee shall endeavor not to unduly prolong the Trust's duration, with due regard that undue haste in the administration of the Trust Assets may fail to maximize value for the benefit of the Beneficiaries and otherwise be imprudent and not in the best interests of the Beneficiaries. The Trustee shall act in the best interests of the Beneficiaries and with the same fiduciary duties as a Chapter 7 trustee.

3.1.1 Power to Contract. In furtherance of the purpose of the Trust, and except as otherwise specifically restricted in this Agreement, the Plan, or the Confirmation Order, the Trustee shall have the right and power on behalf of the Trust, and also may cause the Trust, to enter into any covenants or agreements binding the Trust, and to execute, acknowledge and deliver any and all instruments that are necessary or deemed by the Trustee to be consistent with and advisable in furthering the purpose of the Trust.

3.1.2 Ultimate Right to Act Based on Advice of Counsel or Other Professionals. Nothing in this Agreement shall be deemed to prevent the Trustee from taking or refraining to take any action on behalf of the Trust that, based upon the advice of counsel or other professionals, the Trustee determines it is obligated to take or to refrain from taking in the performance of any duty that the Trustee may owe the Beneficiaries or any other Person under the Plan, the Confirmation Order or this Agreement.

3.2 Powers of Trustee. Without limiting the generality of the above Section 3.1, in addition to the powers granted in the Plan and Confirmation Order, the Trustee shall have the power to take the following actions on behalf of the Trust and any powers reasonably incidental thereto that the Trustee, in its reasonable discretion, deems necessary or appropriate to fulfill the

purpose of the Trust without application to or approval of the Bankruptcy Court, unless otherwise specifically limited or restricted by the Plan, Confirmation Order or this Agreement:

3.2.1 hold legal title to the Trust Assets and to any and all rights of the Debtor and the Beneficiaries in or arising from the Trust Assets;

3.2.2 receive, manage, invest, supervise, protect and, where appropriate, cause the Trust to abandon the Trust Assets, including causing the Trust to invest any monies held as Trust Assets in accordance with the terms of Section 3.7 hereof;

3.2.3 open and maintain bank accounts on behalf of or in the name of the Trust;

3.2.4 cause the Trust to enter into any agreement or execute any document or instrument required by or consistent with the Plan, the Confirmation Order or this Agreement, and to perform all obligations thereunder;

3.2.5 collect and liquidate all Trust Assets, including the sale of any Trust Assets;

3.2.6 protect and enforce the rights to the Trust Assets (including any Trust Causes of Action) vested in the Trust and Trustee by this Agreement by any method deemed appropriate, including, without limitation, by judicial proceedings or otherwise;

3.2.7 investigate any Trust Assets, including potential Trust Causes of Action, and any objections to General Unsecured Claims, and cause the Trust to seek the examination of any Person pursuant to Federal Rule of Bankruptcy Procedure 2004;

3.2.8 cause the Trust to employ and pay professionals, claims agents, disbursing agents, and other agents and third parties pursuant to this Agreement;

3.2.9 cause the Trust to pay all of its lawful expenses, debts, charges, taxes and other liabilities, and make all other payments relating to the Trust Assets;

3.2.10 cause the Trust to institute, file, prosecute, enforce, abandon, settle, compromise, release or withdraw any Trust Causes of Action;

3.2.11 calculate and make all Distributions on behalf of the Trust to the Beneficiaries provided for in, or contemplated by, the Plan and this Agreement;

3.2.12 establish, adjust and maintain reserves for Disputed General Unsecured Claims required to be administered by the Trust;

3.2.13 cause the Trust to withhold from the amount distributable to any Person the maximum amount needed to pay any tax or other charge that the Trustee has determined, based upon the advice of its agents and/or professionals, may be required to be withheld from such Distribution under the income tax or other laws of the United States or of any state or political subdivision thereof;

3.2.14 in reliance upon the Debtor's schedules and the official claims register maintained in the Debtors' bankruptcy cases, review and, where appropriate, cause the Trust to allow or object to General Unsecured Claims; and supervise and administer the Trust's commencement, prosecution, settlement, compromise, withdrawal or resolution of all objections to Disputed General Unsecured Claims required to be administered by the Trust;

3.2.15 in reliance upon the Debtor's schedules and the official Claims Register maintained in the Chapter 11 Case, maintain a register evidencing the beneficial interest herein held by each Beneficiary, and, in accordance with Section 3.8 of this Agreement, such register may be the official General Unsecured Claims register maintained in the Chapter 11 Cases;

3.2.16 cause the Trust to make all tax withholdings, file tax information returns, file and prosecute tax refund claims, make tax elections by and on behalf of the Trust, and file tax returns for the Trust as a grantor trust under section 671 of the Internal Revenue Code of 1986, as amended, and Treasury Regulation section 1.671-4(a) pursuant to and in accordance with the Plan and Article VII hereof, and pay taxes, if any, payable for and on behalf of the Trust; provided, however, that, notwithstanding any other provision of this Agreement, the Trustee shall have no responsibility for the signing or accuracy of the Debtor's income tax returns that are due to be filed after the Effective Date or for any tax liability related thereto;

3.2.17 cause the Trust to abandon or donate to a not-for-profit corporation, under applicable federal and state laws selected by the Trustee, any Trust Assets that the Trustee determines to be too impractical to distribute to Beneficiaries or of inconsequential value to the Trust and Beneficiaries;

3.2.18 cause the Trust to send annually to Beneficiaries, in accordance with the tax laws, a separate statement stating a Beneficiary's interest in the Trust and its share of the Trust's income, gain, loss, deduction or credit, and to instruct all such Beneficiaries to report such items on their federal tax returns;

3.2.19 cause the Trust to seek a determination of tax liability or refund under section 505 of the Bankruptcy Code;

3.2.20 cause the Trust to establish such reserves for taxes, assessments and other expenses of administration of the Trust as may be necessary and appropriate for the proper operation of matters incident to the Trust to maintain value of the Trust Assets or to satisfy claims and contingent liabilities;

3.2.21 cause the Trust to purchase and carry all insurance policies that the Trustee deems reasonably necessary or advisable and to pay all associated insurance premiums and costs;

3.2.22 if any of the Trust Assets are situated in any state or other jurisdiction in which the Trustee is not qualified to act as trustee, nominate and appoint a Person duly qualified to act as trustee in such state or jurisdiction in accordance with the terms of this Agreement;

3.2.23 undertake all administrative functions of the Trust, including overseeing the winding down and termination of the Trust;

3.2.24 request and obtain extensions of the Claims Objection Deadline with respect to objections to General Unsecured Claims; and

3.2.25 take all other actions consistent with the provisions of the Plan, the Confirmation Order and this Agreement that the Trustee deems reasonably necessary or desirable to administer the Trust.

3.3 Exclusive Authority to Pursue Trust Causes of Action. The Trustee shall have the exclusive right, on behalf of the Trust, to institute, file, prosecute, enforce, abandon, settle, compromise, release or withdraw any and all Trust Causes of Action without any further order of the Bankruptcy Court, except as otherwise provided in the Plan or in this Agreement; provided, however, that such rights shall be subject to the execution of joint interest, common interest, or other similar agreements reasonably acceptable to the Trustee and the Debtor. From and after the Effective Date, the Trustee, in accordance with section 1123(b)(3) of the Bankruptcy Code, and on behalf of the Trust, shall serve as a representative of the Estate and shall retain and possess the right to commence, pursue, settle, compromise or abandon, as appropriate, any and all Causes of Action constituting Trust Causes of Action in any court or other tribunal.

3.4 Abandonment; Donation. If, in the Trustee's reasonable judgment, any Trust Assets cannot be sold or distributed in a commercially reasonable manner or the Trustee believes in good faith that such property has inconsequential value to the Trust or its Beneficiaries or is insufficient to render a further distribution practicable, or exceed the amounts required to be paid under the Plan, the Trustee shall have the right to cause the Trust to abandon or otherwise dispose of such property, including by donation of such remaining funds to a charitable institution qualified as a not-for-profit corporation, under applicable federal and state laws selected by the Trustee.

3.5 Responsibility for Administration of General Unsecured Claims. As of the Effective Date, the Trust shall become responsible for administering and paying Distributions to Beneficiaries of the Trust in accordance with Article III.C of the Plan. The Trust shall have the exclusive right to object to the allowance of any General Unsecured Claim on any ground and shall be entitled to assert all defenses of the Debtor and its Estate. The Trust shall also be entitled to assert all of the Estate's rights under, without limitation, section 558 of the Bankruptcy Code. The Trust may also seek estimation of any Disputed General Unsecured Claims under and subject to section 502(c) of the Bankruptcy Code.

3.6 Agents and Professionals. The Trustee may, but shall not be required to, without further order of the Bankruptcy Court, consult with and retain attorneys, financial advisors, accountants, appraisers, disbursing agents, and other professionals the Trustee believes have qualifications necessary to assist in the administration of the Trust, including professionals previously retained by the Debtor or the Committee. For the avoidance of doubt, and without limitation of applicable law, nothing in this Agreement shall limit the Trustee from engaging counsel or other professionals, including the Trustee itself or the Trustee's firm or their affiliates, to do work for the Trust. Subject to the requirements of Article VIII of this Agreement, the Trustee may pay the reasonable salaries, fees and expenses of such Persons out of the Trust Assets in the ordinary course of business without further order of the Bankruptcy Court.

3.7 Safekeeping and Investment of Trust Assets. All monies and other assets received by the Trustee shall, until distributed or paid over as provided herein and in the Plan, be held in trust for the benefit of the Beneficiaries, but need not be segregated in separate accounts from other Trust Assets, unless and to the extent required by law or the Plan. The Trustee shall not be under any obligation to invest Trust Assets, but any investments shall be subject to the requirements of Article VIII of this Agreement. Neither the Trust nor the Trustee shall have any liability for interest or producing income on any monies received by them and held for Distribution or payment to the Beneficiaries, except as such interest shall actually be received by the Trust or Trustee, which shall be distributed as provided in the Plan. Except as otherwise provided by the Plan, the powers of the Trustee to invest any monies held by the Trust, other than those powers reasonably necessary to maintain the value of the Trust Assets and to further the Trust's liquidating purpose, shall be limited to powers to invest in demand and time deposits, such as short-term certificates of deposit, in banks or other savings institutions, or other temporary liquid investments, such as treasury bills; provided, however, that the scope of permissible investments shall be limited to include only those investments that a liquidating trust, within the meaning of Treasury Regulation section 3.01.7701-4(d), may be permitted to hold pursuant to the Treasury Regulations, or any modification of the IRS guidelines, whether set forth in IRS rulings, IRS pronouncements or otherwise. For the avoidance of doubt, the provisions of Title 12, Section 3302 of the Delaware Code shall not apply to this Agreement. Notwithstanding the foregoing, the Trustee shall not be prohibited from engaging in any trade or business on its own account, provided that such activity does not interfere or conflict with the Trustee's administration of the Trust.

3.8 Maintenance and Disposition of Trust Records. The Trustee shall maintain accurate records of the administration of Trust Assets, including receipts and disbursements and other activity of the Trust. The Trust may engage a claims agent to continue to maintain and update the General Unsecured Claims register maintained in the Chapter 11 Case throughout the administration of the Trust, and such General Unsecured Claims register may serve as the Trustee's register of beneficial interests held by Beneficiaries. The books and records maintained by the Trustee may be disposed of by the Trustee at the later of (i) such time as the Trustee determines that the continued possession or maintenance of such books and records is no longer necessary for the benefit of the Trust or its Beneficiaries or (ii) upon the termination and completion of the winding down of the Trust.

3.9 Trust Oversight Committee. Notwithstanding anything to the contrary in this Agreement, the powers, rights and responsibilities of the Trustee shall be subject to reporting to and oversight by the Trust Oversight Committee.

3.10 Conflicts of Interest. The Trustee will appoint a disinterested Person as a trustee to handle any matter where the Trustee has identified a conflict of interest or the Bankruptcy Court, on motion of a party in interest, determines one exists. In the event the Trustee is unwilling or unable to appoint a disinterested Person to handle any such matter, the Bankruptcy Court, on notice and hearing, may do so.

3.11 No Bond Required; Procurement of Insurance. Notwithstanding any state or other applicable law to the contrary, the Trustee (including any successor Trustee or Supplemental Trustee) shall be exempt from giving any bond or other security in any jurisdiction

and shall serve hereunder without bond. The Trustee is hereby authorized, but not required to obtain all reasonable insurance coverage for itself and its agents, representatives, employees or independent contractors, including, without limitation, coverage with respect to the liabilities, duties and obligations of the Trustee and its agents, representatives, employees or independent contractors under this Agreement. The cost of any such insurance coverage shall be an expense of the Trust and paid out of Trust Assets.

ARTICLE IV

DISTRIBUTIONS

4.1 Distribution and Reserve of Trust Assets. Following the transfer of Trust Assets to the Trust, the Trustee shall make continuing efforts on behalf of the Trust to pursue, liquidate and distribute all Trust Assets, subject to the reserves required under the Plan, the Confirmation Order or this Agreement.

4.1.1 Distributions of Unrestricted Cash. The Trustee shall distribute to the Beneficiaries on account of their interests in the Trust, in its sole discretion, the Trust's net income plus all net proceeds from the disposition of Trust Assets in accordance with the Trust Waterfall, except that the Trust may retain an amount of net proceeds or net income reasonably necessary to maintain the value of the Trust Assets or to satisfy Claims and contingent liabilities or pay anticipated fees and expenses of the Trust and Trustee, and the retention of such amount may preclude Distributions to Beneficiaries.

4.1.2 Distributions to Beneficiaries. The Trustee may, in its discretion, distribute any portion of the General Unsecured Claims Litigation Trust Payment to the Beneficiaries at any time and/or use such funds, provided that such distribution or use is consistent with the Trust Waterfall and is for any purpose permitted under this Agreement, the Plan and applicable law.

4.1.3 Reserves; Pooling of Reserved Funds. Before any Distribution can be made, the Trustee shall, in its reasonable discretion, establish, supplement, and maintain reserves in an amount sufficient to meet any and all expenses and liabilities of the Trust, including attorneys' fees and expenses, the fees and expenses of other professionals, and fees owed the United States Trustee. The Trust shall also maintain as necessary a reserve for Disputed General Unsecured Claims required to be administered by the Trust. For the avoidance of doubt, the Trustee may withhold any Distribution pending determination of whether to object to a General Unsecured Claim. Any such withheld Distribution shall become part of the reserve for Disputed General Unsecured Claims and shall be distributed to the applicable Beneficiary no later than on the first Distribution date after a decision is made to not object to the pertinent General Unsecured Claim or the General Unsecured Claim becomes Allowed. The Trustee need not maintain the Trust's reserves in segregated bank accounts and may pool funds in the reserves with each other and other funds of the Trust; provided, however, that the Trust shall treat all such reserved funds as being held in a segregated manner in its books and records.

4.1.4 Distributions Net of Reserves and Costs. Distributions shall be made net of reserves in accordance with the Plan and also net of the actual and reasonable costs of making the Distributions.

4.1.5 Right to Rely on Professionals. Without limitation of the generality of Section 6.6 of this Agreement, in determining the amount of any Distribution or reserves, the Trustee may rely and shall be fully protected in relying on the advice and opinion of the Trust's financial advisors, accountants or other professionals.

4.2 Method and Timing of Distributions. Distributions to Beneficiaries will be made from the Trust in accordance with the terms of the Plan, the Confirmation Order and this Agreement.

4.3 Withholding from Distributions. The Trustee, in its discretion, may cause the Trust to withhold from amounts distributable from the Trust to any Beneficiary any and all amounts as may be sufficient to pay the maximum amount of any tax or other charge that has been or might be assessed or imposed by any law, regulation, rule, ruling, directive or other governmental requirement on such Beneficiary or the Trust with respect to the amount to be distributed to such Beneficiary. The Trustee shall determine such maximum amount to be withheld by the Trust in its sole, reasonable discretion and shall cause the Trust to distribute to the Beneficiary any excess amount withheld. The Reorganized Debtor and the Trustee reserve the right to allocate all Distributions made under the Plan in compliance with applicable wage garnishments, alimony, child support, and other spousal awards, liens and encumbrances.

4.4 Tax Identification Numbers. The Trustee may require any Beneficiary to furnish its taxpayer identification number as assigned by the Internal Revenue Service and may condition any Distribution to any Beneficiary upon receipt of such identification number. If a Beneficiary does not timely provide the Trustee with its taxpayer identification number in the manner and by the deadline established by the Trustee, then the General Unsecured Claim of such Beneficiary shall be deemed Disallowed and expunged, and the corresponding beneficial interests in the Trust of the Beneficiary holding such Disallowed General Unsecured Claim shall be deemed cancelled.

4.5 Unclaimed and Undeliverable Distributions. If any Distribution to a Beneficiary is returned to the Trustee as undeliverable or is otherwise unclaimed, no further Distributions to such Beneficiary shall be made unless and until the Beneficiary claims the Distributions by timely notifying the Trustee in writing of any information necessary to make the Distribution to the Beneficiary in accordance with this Agreement, the Plan, the Confirmation Order and applicable law, including such Beneficiary's then-current address or taxpayer identification number. If the Beneficiary timely provides the Trustee such missing information, all missed Distributions shall be made to the Beneficiary as soon as is practicable, without interest. Undeliverable or unclaimed Distributions shall be administered in accordance with Article VII.B.2 of the Plan; provided, however, that, notwithstanding anything to the contrary in the Plan, with respect to General Unsecured Claims Litigation Trust Interests, all undeliverable or unclaimed Distributions deemed unclaimed property under Section 347(b) of the Bankruptcy shall not revert to the Reorganized Debtor, but rather shall revert to the Trust to be redistributed Pro Rata (determined as if the Claim underlying such unclaimed Distribution had been

Disallowed) for the benefit of the other Beneficiaries without further order of the Bankruptcy Court.

4.5.1 No Responsibility to Attempt to Locate Beneficiaries. The Trustee may, in its sole discretion, attempt to determine a Beneficiary's current address or otherwise locate a Beneficiary, but nothing in this Agreement or the Plan shall require the Trustee to do so.

4.5.2 Disallowance of General Unsecured Claims; Cancellation of Corresponding Beneficial Interests. All General Unsecured Claims in respect of undeliverable or unclaimed Distributions that pursuant to Article VII.B.2 of the Plan have become unclaimed property under section 347(b) of the Bankruptcy Code, shall be deemed Disallowed and expunged, and the corresponding beneficial interests in the Trust of the Beneficiary holding such Disallowed General Unsecured Claims shall be deemed canceled. The holder of any such Disallowed General Unsecured Claim shall no longer have any right, claim, or interest in or to any Distributions in respect of such Disallowed General Unsecured Claims. The holder of any such Disallowed General Unsecured Claim is forever barred, estopped, and enjoined from receiving any Distributions under the Plan, the Confirmation Order and this Agreement, and from asserting such Disallowed General Unsecured Claim against the Reorganized Debtor, the Trust or the Trustee.

4.5.3 Inapplicability of Unclaimed Property or Escheat Laws. Unclaimed property held by the Trust shall not be subject to the unclaimed property or escheat laws of the United States, any state, or any local governmental unit.

4.6 Voided Checks; Request for Reissuance. Distribution checks issued to Beneficiaries shall be null and void if not negotiated within ninety (90) days after the date of issuance thereof. Requests for reissuance of any check shall be made in writing directly to the Trustee by the Beneficiary that was originally issued such check. All such requests shall be made promptly and in time for the check to be reissued and cashed before the General Unsecured Claim is discharged pursuant to Article VII.B.2 of the Plan. Distributions in respect of voided checks shall be treated as unclaimed Distributions under the Plan and administered under Section 4.5 of this Agreement and Article VII.B.2 of the Plan. The Beneficiary shall bear all the risk that, and shall indemnify and hold the Trust and Trustee harmless against any loss that may arise if, the Trustee does not reissue a check promptly after receiving a request for its reissuance and the applicable General Unsecured Claim is discharged pursuant to Article VII.B.2 of the Plan without the check being reissued or cashed.

4.7 Conflicting Claims. If any conflicting claims or demands are made or asserted with respect to the beneficial interest of a Beneficiary under this Agreement, or if there is any disagreement between the assignees, transferees, heirs, representatives or legatees succeeding to all or a part of such an interest resulting in adverse claims or demands being made in connection with such interest, then, in any of such events, the Trustee shall be entitled, in its sole discretion, to refuse to comply with any such conflicting claims or demands.

4.7.1 The Trustee may elect to cause the Trust to make no payment or Distribution with respect to the beneficial interest subject to the conflicting claims or demand, or any part thereof, and to refer such conflicting claims or demands to the Bankruptcy Court, which

shall have exclusive jurisdiction over resolution of such conflicting claims or demands. Neither the Trust nor the Trustee shall be or become liable to any of such parties for their refusal to comply with any such conflicting claims or demands, nor shall the Trust or Trustee be liable for interest on any funds which may be so withheld.

4.7.2 The Trustee shall be entitled to refuse to act until either (i) the rights of the adverse claimants have been adjudicated by a Final Order of the Bankruptcy Court (or applicable appellate court) or (ii) all differences have been resolved by a valid written agreement among all such parties to the satisfaction of the Trustee, which agreement shall include a complete release of the Trust and Trustee. Until the Trustee receives written notice that one of the conditions of the preceding sentence is met, the Trustee may deem and treat as the absolute owner under this Agreement of the beneficial interest in the Trust the Beneficiary identified as the owner of that interest in the books and records maintained by the Trustee. The Trustee may deem and treat such Beneficiary as the absolute owner for purposes of receiving Distributions and any payments on account thereof for federal and state income tax purposes, and for all other purposes whatsoever.

4.7.3 In acting or refraining from acting under and in accordance with this Section 4.7 of the Agreement, the Trustee shall be fully protected and incur no liability to any purported claimant or any other Person pursuant to Article VI of this Agreement.

4.7.4 De Minimis Amounts. Notwithstanding anything to the contrary in the Plan or Confirmation Order, the Trustee shall not be obligated to make any distributions on account of any Allowed General Unsecured Claim if the aggregate distribution to such holder on account of such Allowed General Unsecured Claim does not exceed $50.

4.8 Priority of Expenses of Trust. The Trust must pay or reserve for payment all of its expenses before making Distributions.

4.9 No Recourse to Reorganized Debtor. For the avoidance of doubt and notwithstanding anything contained herein to the contrary, all (i) Distributions and (ii) fees, costs and expenses incurred in connection with the Trust shall be satisfied solely from the Trust Assets, and none of the Trust, the Trust Oversight Committee, the Trustee or the Beneficiaries shall have recourse to the Reorganized Debtor for any such amounts.

ARTICLE V

BENEFICIARIES

5.1 Interest Beneficial Only. The ownership of a beneficial interest in the Trust shall not entitle any Beneficiary or the Debtor to any title in or to the Trust Assets or to any right to call for a partition or division of such assets or to require an accounting.

5.2 Ownership of Beneficial Interests Hereunder. Each Beneficiary shall own a beneficial interest herein which shall, subject to Article IV of this Agreement, the Plan and the Confirmation Order, be entitled to a Distribution in the amounts, and at the times, set forth in the Plan, the Confirmation Order and this Agreement.

5.3 Evidence of Beneficial Interest. Ownership of a beneficial interest in the Trust Assets shall not be evidenced by any certificate, security or receipt or in any other form or manner whatsoever, except as maintained on the books and records of the Trust by the Trustee.

5.4 No Right to Accounting. None of the Beneficiaries, their successors, assigns or creditors, or any other Person shall have any right to an accounting by the Trustee, and the Trustee shall not be obligated to provide any accounting to any Person. Nothing in this Agreement is intended to require the Trustee at any time or for any purpose to file any accounting or seek approval of any court with respect to the administration of the Trust or as a condition for making any advance, payment or Distribution out of proceeds of Trust Assets.

5.5 No Standing. Except as expressly provided in this Agreement, a Beneficiary shall not have standing to direct or to seek to direct the Trust or Trustee to do or not to do any act or to institute any action or proceeding at law or in equity against any Person upon or with respect to the Trust Assets.

5.6 Requirement of Undertaking. The Trustee may request the Bankruptcy Court to require, in any suit for the enforcement of any right or remedy under this Agreement, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, including reasonable attorneys' fees, against any party litigant in such suit; provided, however, that the provisions of this Section 5.6 shall not apply to any suit by the Trustee.

5.7 Limitation on Transferability. It is understood and agreed that the beneficial interests herein shall be non-transferable and non-assignable during the term of this Agreement except by operation of law. An assignment by operation of law shall not be effective until appropriate notification and proof thereof is submitted to the Trustee, and the Trustee may continue to cause the Trust to pay all amounts to or for the benefit of the assigning Beneficiaries until receipt of proper notification and proof of assignment by operation of law. The Trustee may rely upon such proof without the requirement of any further investigation.

5.8 Exemption from Registration. The rights of the Beneficiaries arising under this Trust Agreement may be deemed "securities" under applicable law. However, such rights have not been defined as "securities" under the Plan because (i) the parties hereto intend that such rights shall not be securities and (ii) if the rights arising under the Trust Agreement in favor of the Beneficiaries are deemed to be "securities," the exemption from registration under section 1145 of the Bankruptcy Code is intended to be applicable to such securities. No party to this Trust Agreement shall make a contrary or different contention.

ARTICLE VI

THIRD-PARTY RIGHTS AND LIMITATION OF LIABILITY

6.1 Parties Dealing with the Trustee. In the absence of actual knowledge to the contrary, any Person dealing with the Trust or the Trustee shall be entitled to rely on the authority of the Trustee or any of the Trustee's agents to act in connection with the Trust Assets.

There is no obligation of any Person dealing with the Trustee to inquire into the validity or expediency or propriety of any transaction by the Trustee or any agent of the Trustee.

6.2 Limitation of Liability. In exercising the rights granted herein, the Trustee shall exercise reasonable diligence and care, to the end that the affairs of the Trust shall be properly managed and the interests of all of the Beneficiaries safeguarded. Notwithstanding anything herein to the contrary and without limitation of Article V.E of the Plan, none of the Trust Oversight Committee, the Trustee, or their respective firms, companies, affiliates, partners, officers, directors, members, employees, professionals, advisors, attorneys, financial advisors, investment bankers, disbursing agents, or agents, or any of such Persons' successors and assigns, shall incur any responsibility or liability by reason of any error of law or fact or of any matter or thing done or suffered or omitted to be done under or in connection with this Agreement, whether sounding in tort, contract, or otherwise, except for fraud, gross negligence or willful misconduct that is found by a Final Order of a court of competent jurisdiction to be the direct and primary cause of loss, liability, damage or expense suffered by the Trust. In no event shall the Trust Oversight Committee or the Trustee be liable for indirect, punitive, special, incidental or consequential damage or loss (including but not limited to lost profits) whatsoever, even if the Trust Oversight Committee or the Trustee has been informed of the likelihood of such loss or damages and regardless of the form of action. Without limiting the foregoing, the Trust Oversight Committee and the Trustee shall be entitled to the benefits of the limitation of liability and exculpation provisions set forth in the Plan and Confirmation Order.

6.3 No Liability for Acts of Other Persons. None of the Persons identified in the immediately preceding Section 6.2 of this Agreement shall be liable for the act or omission of any other Person identified in that Section 6.2.

6.4 No Liability for Acts of Predecessors. No successor Trustee shall be in any way responsible for the acts or omissions of any Trustee in office prior to the date on which such successor becomes the Trustee, unless a successor Trustee expressly assumes such responsibility.

6.5 No Liability for Good Faith Error of Judgment. The Trust Oversight Committee and the Trustee shall not be liable for any error of judgment made in good faith, unless it shall be finally determined by a Final Order of a court of competent jurisdiction that the Trust Oversight Committee or the Trustee was grossly negligent in ascertaining the pertinent facts.

6.6 Reliance by Trustee on Documents and Advice of Counsel or Other Persons. Except as otherwise provided herein, the Trustee may rely and shall be protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee also may engage and consult with its legal counsel and other agents and advisors, and shall not be liable for any action taken, omitted or suffered by it in reliance upon the advice of such counsel, agents or advisors.

6.7 No Liability for Acts Approved by Bankruptcy Court. The Trust Oversight Committee and the Trustee shall have the right at any time to seek instructions from the Bankruptcy Court concerning the administration or disposition of the Trust Assets and Trust

Causes of Action required to be administered by the Trust. The Trust Oversight Committee and the Trustee shall not be liable for any act or omission that has been approved by the Bankruptcy Court, and all such actions or omissions shall conclusively be deemed not to constitute fraud, gross negligence or willful misconduct.

6.8 No Personal Obligation for Trust Liabilities. Persons dealing with the Trustee shall have recourse only to the Trust Assets to satisfy any liability incurred by the Trustee to any such Person in carrying out the terms of this Agreement, and the Trustee shall have no personal, individual obligation to satisfy any such liability.

6.9 Indemnification. The Trust Oversight Committee, the Trustee, and their respective firms, companies, affiliates, partners, officers, directors, members, employees, professionals, advisors, attorneys, financial advisors, investment bankers, disbursing agents and agents, and any of such parties' successors and assigns (collectively, the "Indemnified Parties" and, each, an "Indemnified Party") shall, to the fullest extent permitted by applicable law, be defended, held harmless, and indemnified by the Trust from time to time and receive reimbursement from and against any and all loss, liability, expense (including reasonable counsel fees) or damage of any kind, type or nature, whether sounding in tort, contract or otherwise, that the Indemnified Parties may incur or sustain in connection with the exercise or performance of any of the Trust's or Trustee's powers and duties under this Agreement or in rendering services by the Indemnified Party to the Trust or Trustee (the "Indemnified Conduct"), including, without limitation, the costs of counsel or others in investigating, preparing, defending or settling any action or claim (whether or not litigation has been initiated against the Indemnified Party) or in enforcing this Agreement (including its indemnification provisions), except if such loss, liability, expense or damage is finally determined by a Final Order of a court of competent jurisdiction to result directly and primarily from the fraud, gross negligence, or willful misconduct of the Indemnified Party asserting this provision.

6.9.1 Expense of Trust; Limitation on Source of Payment of Indemnification. All indemnification liabilities of the Trust under this Section 6.9 shall be an expense of the Trust. The amounts necessary for such indemnification and reimbursement shall be paid by the Trust out of the available Trust Assets after reserving for all actual and anticipated expenses and liabilities of the Trust. The Trustee shall not be personally liable for the payment of any Trust expense or claim or other liability of the Trust, and no Person shall look to the Trustee or other Indemnified Parties personally for the payment of any such expense or liability.

6.9.2 Procedure for Current Payment of Indemnified Expenses; Undertaking to Repay. The Trust shall reasonably promptly pay an Indemnified Party all amounts subject to indemnification under this Section 6.9 on submission of invoices for such amounts by the Indemnified Party. All invoices for indemnification shall be subject to the approval of the Trustee. By accepting any indemnification payment, the Indemnified Party undertakes to repay such amount promptly if it is determined that the Indemnified Party is not entitled to be indemnified under this Agreement. The Bankruptcy Court shall hear and finally determine any dispute arising out of this Section 6.9.

6.10 No Implied Obligations. The Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth herein, and no implied covenants or obligations shall be read into this Agreement against the Trustee.

6.11 Confirmation of Survival of Provisions. Without limitation in any way of any provision of this Agreement, the provisions of this Article VI shall survive the death, incapacity, dissolution, liquidation, resignation or removal, as may be applicable, of the Trustee, or the termination of the Trust or this Agreement, and shall inure to the benefit of the Trustee's and the Indemnified Parties' heirs and assigns.

ARTICLE VII

TAX MATTERS

7.1 Tax Treatment of Trust. Pursuant to and in accordance with the Plan, for all United States federal income tax purposes, the Debtor, the Beneficiaries, the Trustee and the Trust shall treat the Trust as a liquidating trust within the meaning of Treasury Regulation section 301.7701-4(d), and the transfer of the Trust Assets to the Trust shall be treated as a transfer of the Trust Assets by the Debtor to the Beneficiaries in satisfaction of their General Unsecured Claims, followed by a transfer of the Trust Assets by the Beneficiaries to the Trust in exchange for the beneficial interests in the Trust; provided, however, that the Trust Assets will be subject to any post-Effective Date obligations incurred by the Trust relating to the pursuit of Trust Assets. Accordingly, the Beneficiaries shall be treated as the grantors and owners of their respective share of the Trust Assets for United States federal income tax purposes. The foregoing treatment shall also apply, to the extent permitted by applicable law, for state and local income tax purposes.

7.2 Annual Reporting and Filing Requirements. Pursuant to and in accordance with the terms of the Plan and this Agreement, the Trustee shall file tax returns for the Trust as a grantor trust pursuant to Treasury Regulation section 1.671-4(a).

7.3 Tax Treatment of Reserves for Disputed General Unsecured Claims. The Trustee may, in the Trustee's sole discretion, determine the best way to report for tax purposes any reserve for Disputed General Unsecured Claims, including (i) filing a tax election to treat any and all reserves for Disputed General Unsecured Claims as a "Disputed Ownership Fund" ("DOF") within the meaning of Treasury Regulation section 1.468B-9 for federal income tax purposes rather than to tax such reserve as a part of the Trust or (ii) electing to report as a separate trust or sub-trust or other entity. If an election is made to report any reserve for disputed claims as a DOF, the Trust shall comply with all federal and state tax reporting and tax compliance requirements of the DOF, including but not limited to the filing of a separate federal tax return for the DOF and the payment of federal and/or state income tax due.

ARTICLE VIII

ADDITIONAL OPERATIONAL PROVISIONS

8.1 Compensation of Professionals. The Trustee shall approve the bills for all of the Trustee's professionals. The Bankruptcy Court shall hear and finally determine any dispute arising out of this Section 8.1.

8.2 Trustee's Conflict of Interest. The Trustee shall disclose to the Bankruptcy Court any conflicts of interest that the Trustee has with respect to any matter arising during administration of the Trust. In the event that the Trustee cannot take any action by reason of an actual or potential conflict of interest, the Bankruptcy Court shall appoint a non-conflicted person or entity to take such action in the Trustee's place and stead, including without limitation the retention of professionals (which may include professionals retained by the Trustee) for the purpose of taking such actions.

8.3 Quarterly Working Capital Reports. Pursuant to Article V.D of the Plan, with respect to the 12-month period starting upon the Effective Date, the Reorganized Debtor shall provide quarterly reports to the Trustee regarding whether the Reorganized Debtor's new working capital falls below $2,000,000 (tested on a quarterly basis, with the first test conducted following the three-month period starting with the first full month after the Effective Date). The Reorganized Debtor shall provide such reporting to the Trustee within 30 days following the conclusion of each quarter.

ARTICLE IX

SELECTION, REMOVAL, REPLACEMENT AND COMPENSATION OF TRUSTEE

9.1 Initial Trustee. The Trustee has been selected by the Committee and is appointed effective as of the Effective Date. The initial trustee shall be the Trustee.

9.2 Term of Service. The Trustee shall serve until (a) the completion of the administration of the Trust Assets and the Trust, including the winding up of the Trust, in accordance with this Agreement and the Plan; (b) termination of the Trust in accordance with the terms of this Agreement and the Plan; or (c) the Trustee's death, incapacity, dissolution, liquidation, resignation or removal. In the event the Trustee's appointment terminates by reason of death, incapacity, dissolution, liquidation, resignation or removal, the Trustee shall be immediately compensated for all reasonable fees and expenses accrued through the effective date of termination, whether or not previously invoiced. The provisions of Article VI of this Agreement shall survive the resignation or removal of any Trustee.

9.3 Removal of Trustee. Any Person serving as Trustee may be removed at any time for cause. Any party in interest, on notice and hearing before the Bankruptcy Court, may seek removal of the Trustee for cause.

9.4 Resignation of Trustee. The Trustee may resign at any time on written notice to the Trust Oversight Committee. The resignation shall be effective on the later of (i) the date

specified in the notice of resignation and (ii) the date that is thirty days (30) after the date such notice is filed with the Bankruptcy Court if the Bankruptcy Case is still open and served on the United States Trustee. In the event of a resignation, the resigning Trustee shall render to the successor Trustee a full and complete accounting of monies and assets received, disbursed and held during the term of office of that Trustee.

9.5 Appointment of Successor Trustee. Upon the death, incapacity, dissolution, liquidation, resignation or removal of a Trustee, a successor Trustee shall be appointed by Trust Oversight Committee. Any successor Trustee so appointed shall consent to and accept its appointment as successor Trustee, which may be done by e-mail or through acquiescence in not objecting to a motion for approval of its appointment as successor Trustee.

9.6 Powers and Duties of Successor Trustee. A successor Trustee shall have all the rights, privileges, powers and duties of its predecessor under this Agreement, the Plan and the Confirmation Order.

9.7 Trust Continuance. The death, incapacity, dissolution, liquidation, resignation or removal of the Trustee shall not terminate the Trust or revoke any existing agency created pursuant to this Agreement or invalidate any action theretofore taken by the Trustee.

9.8 Compensation of Trustee and Costs of Administration. The Trustee shall be entitled to reasonable compensation in an amount consistent with that of similar functionaries in similar types of bankruptcy cases, which shall be a charge against and paid out of the Trust Assets. All reasonable costs, expenses and obligations incurred by the Trustee (or professionals who may be employed by the Trustee in administering the Trust, in carrying out their other responsibilities under this Agreement, or in any manner connected, incidental or related thereto) shall be paid by the Trust from the Trust Assets prior to any Distribution to the Beneficiaries. The terms of the compensation of the Trustee are set forth on Exhibit A hereto.

9.9 Appointment of Supplemental Trustee. If any of the Trust Assets are situated in any state or other jurisdiction in which the Trustee is not qualified to act as trustee, and a Person qualified to act as trustee in such state or other jurisdiction is required, the Trustee shall nominate and appoint a Person duly qualified to act as trustee with respect to such Trust Assets (the "Supplemental Trustee") in such state or jurisdiction and require from each such Supplemental Trustee such security as may be designated by the Trustee in its discretion. The Trustee may confer upon such Supplemental Trustee all of the rights, powers, privileges and duties of the Trustee hereunder, subject to the conditions and limitations of this Agreement, except as modified or limited by the laws of the applicable state or other jurisdiction (in which case, the laws of the state or other jurisdiction in which such Supplemental Trustee is acting shall prevail to the extent necessary). The Trustee shall require such Supplemental Trustee to be answerable to the Trustee for all monies, assets and other property that may be received in connection with the administration of all Trust Assets. Subject to Article VIII of this Agreement, the Trustee may remove such Supplemental Trustee, with or without cause, and appoint a successor Supplemental Trustee at any time by executing a written instrument declaring such Supplemental Trustee removed from office and specifying the effective date and time of removal.

POST-CONSUMMATION TRUST OVERSIGHT COMMITTEE

10.1 Trust Oversight Committee. As of the Effective Date, the Oversight Committee shall be comprised of (i) Bees Brothers, LLC; (ii) Buoye Honey; (iii) Little Bee Impex; (iv) Citrofrut SA de CV; and (v) Delta Food International Inc. (each, a "Member", and, collectively, the "Members"). Should any of the Members resign from or otherwise cease to serve on the Trust Oversight Committee, replacements, if any, may be selected by the remaining Members acting by majority vote.

10.2 Trust Oversight Approval. Except as otherwise expressly provided herein, a majority vote of the Members shall constitute an act or decision of the Trust Oversight Committee. If the event of a tie vote, the Trustee shall be deemed a voting Member for the sole purpose of breaking any such tie vote of the Trust Oversight Committee. The Trustee may make recommendations for the action or inaction of the Trust Oversight Committee via email on seven (7) days' notice (the "Voting Period"), and in the absence of a majority of the Members rejecting the recommendation within the Voting Period, the recommendation shall be deemed to have been approved by a majority of the Members.

10.3 Reports to Trust Oversight Committee. Notwithstanding any other provision of this Agreement, the Trustee shall report to the Oversight Committee as may be requested by the Oversight Committee, not less than quarterly of the first year following the Effective Date, which reports shall include such matters and information as reasonably requested by the Trust Oversight Committee. The Trust Oversight Committee shall keep all such information strictly confidential, except to the extent the Trust Oversight Committee deems it reasonably necessary to disclose such information to the Bankruptcy Court (in which case, a good faith effort shall be made to file such information under seal).

10.4 Actions Requiring Approval of the Trust Oversight Committee. Notwithstanding anything to the contrary in the Plan or herein, the Trustee shall obtain the approval of the Trust Oversight Committee prior to taking any of the following actions, which approval may be by affirmative vote of the Trust Oversight Committee or upon notice pursuant to the procedures set forth in 10.2 above:

10.4.1 The commencement of any Cause of Action against any third parties, not including claim objections;

10.4.2 The settlement, compromise, withdrawal, dismissal or other resolution of any (i) Claims or Objections to Claims by the Trust where the amount set forth in the Claim exceeds $250,000 of the amount set forth in the Trust's books and records as being owed pursuant to such Claim; and (ii) Cause of Action by the Liquidating Trust if the amount sought to be recovered in the complaint or other document initiating such Cause of Action exceeds $100,000;

10.4.3 The sale, transfer, abandonment, assignment, or other disposition of any Trust Assets having a valuation in excess of $50,000;

10.4.4 The borrowing of any funds by the Liquidating Trust or pledge of any portion of the Trust Assets;

10.4.5 The exercise of any right or action set forth in this Agreement that expressly requires approval of the Trust Oversight Committee;

10.4.6 The amount and timing of distributions from the proceeds of Trust Assets;

10.4.7 The establishment or setting of the Disputed Reserves or any other reserves in aid of distribution and opening, maintaining and administering bank accounts as necessary to discharge the duties of the Trustee under the Plan and this Agreement; or

10.4.8 The payment of the Trustee's invoices.

10.5 In the event that the Trustee cannot take any action, including, without limitation, the prosecution of any Causes of Action or the objection to any Claim, by reason of an actual or potential conflict of interest, the Trustee Oversight Committee acting by a majority shall be authorized to take any such action(s) in his place and stead, including without limitation, the retention of professionals (which may include professionals retained by the Trustee) for such purpose of taking such actions.

10.6 Investments. The Trust Oversight Committee may authorize the Trust to invest the Trust Assets in prudent investments other than those described in Section 345 of the Bankruptcy Code.

10.7 Compensation of Oversight Committee. The Trust Oversight Committee Members shall be entitled to reimbursement of reasonable out-of-pocket expenses incurred in such Member's duty on behalf of the Oversight Committee.

ARTICLE XII

DURATION OF TRUST

11.1 Duration. Once the Trust becomes effective upon the Effective Date of the Plan, the Trust and this Agreement shall remain and continue in full force and effect until the Trust is terminated.

11.2 Termination After No Further Pursuit of Causes of Action. At such time as: (a) the Trustee determines that the pursuit of additional Trust Causes of Action is not likely to yield sufficient additional proceeds to justify further pursuit of such claims, and (b) all distributions of Distributable Proceeds required to be made by the Trustee to the Beneficiaries under the Plan have been made, the Trust shall terminate and be dissolved, and the Trustee shall have no further responsibility in connection therewith except as may be required to effectuate such termination and dissolution under relevant law.

11.3 Termination After Five Years. If the Trust has not been previously terminated pursuant to Article 11.2 hereof or extended in accordance with this Section, on the fifth anniversary of the Effective Date, the Trustee shall Distribute all of the Trust Assets to the

Beneficiaries in accordance with the Plan, and immediately thereafter the Trust shall terminate and be dissolved and the Trustee shall have no further responsibility in connection therewith except to the limited extent set forth in Section 11.5 of this Agreement. Notwithstanding the foregoing, the Trust shall not terminate on the fifth anniversary of the Effective Date if the Bankruptcy Court, upon motion made within the six-month period before such fifth anniversary (and, in the event of further extension, upon motion within the six-month period before the end of the preceding extension), determines that a fixed period extension (not to exceed three years, together with any prior extensions, without a favorable letter ruling from the IRS that any further extension would not adversely affect the status of the Trust as a liquidating trust for federal income tax purposes) is necessary to facilitate or complete the recovery on, and liquidation of, the Trust Assets.

11.4 No Termination by Beneficiaries. The Trust may not be terminated at any time by the Beneficiaries.

11.5 Continuance of Trust for Winding Up; Discharge and Release of Trustee. After the termination of the Trust and solely for the purpose of liquidating and winding up the affairs of the Trust, the Trustee shall continue to act as such until its responsibilities have been fully performed. Except as otherwise specifically provided herein, upon the final Distribution of the Trust Assets including all excess reserves, the Trustee shall be deemed discharged and have no further duties or obligations hereunder. Upon a motion by the Trustee, the Bankruptcy Court may enter an order relieving the Trustee and its employees, professionals and agents of any further duties, and discharging and releasing the Trustee from all liability related to the Trust.

ARTICLE XIII

MISCELLANEOUS

12.1 Cumulative Rights and Remedies. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights and remedies under law or in equity.

12.2 Notices. All notices to be given to Beneficiaries may be given by ordinary mail, or may be delivered personally, to the Beneficiaries at the addresses appearing on the books kept by the Trustee. Any notice or other communication which may be or is required to be given, served or sent to the Trustee shall be in writing and shall be sent by registered or certified United States mail, return receipt requested, postage prepaid, or transmitted by hand delivery or facsimile (if receipt is confirmed), addressed as follows:

SltnTrst LLC
Attn: Peter Kravitz
16830 Ventura Blvd., Suite 160
Encino, CA 91436
pkravitz@solutiontrust.net

with a copy to

Pachulski Stang Ziehl & Jones LLP
Attn: Bradford J. Sandler
Attn: Shirley S. Cho
919 North Market Street, 17th Floor
Wilmington, DE 19801
bsandler@pszjlaw.com
scho@pszjlaw.com

or to such other address as may from time to time be provided in written notice by the Trustee.

12.3 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to rules governing the conflict of laws.

12.4 Successors and Assigns. This Agreement shall inure to the benefit of and shall be binding upon the Parties and their respective successors and assigns.

12.5 Particular Words. Reference in this Agreement to any Section or Article is, unless otherwise specified, to such Section or Article under this Agreement. The words "hereof," "herein," and similar terms shall refer to this Agreement and not to any particular Section or Article of this Agreement.

12.6 Execution. All funds in the Trust shall be deemed in custodia legis until such times as the funds have actually been paid to or for the benefit of a Beneficiary, and no Beneficiary or any other Person can execute upon, garnish or attach the Trust Assets or the Trustee in any manner or compel payment from the Trust except by Final Order of the Bankruptcy Court (or applicable appellate court). Payments will be governed solely by the Plan, the Confirmation Order and this Agreement.

12.7 Amendment. This Agreement may be amended only by order of the Bankruptcy Court.

12.8 No Waiver. No failure or delay of any party to exercise any right or remedy pursuant to this Agreement shall affect such right or remedy or constitute a waiver thereof.

12.9 No Relationship Created. Nothing contained herein shall be construed to constitute any relationship created by this Agreement as an association, partnership or joint venture of any kind.

12.10 Severability. If any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or against its regulatory policy, the remainder of the terms, provisions, covenants and restrictions contained in this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

12.11 Further Assurances. Without limitation of the generality of Section 2.4 of this Agreement, the Parties agree to execute and deliver all such documents and notices and to take all such further actions as may reasonably be required from time to time to carry out the intent

and purposes and provide for the full implementation of this Agreement and the pertinent provisions of the Plan, and to consummate the transactions contemplated hereby.

12.12 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

12.13 Jurisdiction. The Bankruptcy Court shall have jurisdiction over the Trust, the Trustee, and the Trust Assets, including, without limitation, the determination of all disputes arising out of or related to administration of the Trust. The Bankruptcy Court shall have exclusive jurisdiction and venue to hear and finally determine all matters among the Parties arising out of or related to this Agreement or the administration of the Trust.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the Parties have or are deemed to have executed this Agreement as of the day and year written above.

GROEB FARMS, INC.

By:_____
Name:
Title:

SLTNTRST LLC

By:_____
Name: Peter Kravitz
Title: Principal

Exhibit A

Terms of Compensation of Trustee

$**7,500** per month plus actual and necessary reasonable expenses, subject to periodic increases by the Trust Oversight Committee

Exhibit B

Plan

See attached

LIQUIDATING TRUST AGREEMENT AND DECLARATION OF TRUST

This liquidating trust agreement and declaration of trust (this "Agreement"), dated as of ~~[_____],~~ **December 31, 2013,** is made by and between Groeb Farms, Inc. (the "Debtor") and SltnTrst LLC (dba Solution Trust) (the "Trustee" and, together with the Debtor, the "Parties").

RECITALS

A. On October 1, 2013, the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of Michigan Southern Division (the "Bankruptcy Court"), and its Chapter 11 Case is being administered as *In re Groeb Farms, Inc.*, Case No. 13-58200 (WS).

B. On October 9, 2013, the Office of the United States Trustee (the "United States Trustee") appointed the official committee of unsecured creditors in the Debtor's Chapter 11 Case (Docket No. 69) (the "Committee").

C. On November 8, 2013, the Debtor filed the Second Amended Plan of Reorganization of Groeb Farms, Inc., Pursuant to Chapter 11 of the Bankruptcy Code (Docket No. 213) (as may be amended and/or supplemented, the "Plan"), a copy of which is attached as Exhibit B hereto.

D. On ~~[_____],~~ **December 20, 2013,** the Bankruptcy Court entered an order (the "Confirmation Order") (Docket No. ~~[___]~~**375**) confirming the Plan, which became effective on the date hereof (the "Effective Date").

E. The Plan and the Confirmation Order provide for the establishment of the liquidating trust as set forth in this Agreement (the "Trust") effective on the Effective Date of the Plan.

F. The Plan, the Confirmation Order and this Agreement, provide for the appointment of the Trustee as the trustee of the Trust and, as necessary, any successor trustee of the Trust.

G. The Trust is established for the benefit of the holders of Allowed Other General Unsecured Claims and Allowed Trade Claims that either do not execute a New Trade Agreement or default under a New Trade Agreement (collectively, "Beneficiaries").

H. The Trust is established for the purpose of pursuing or liquidating the Trust Assets (defined below) for the benefit of the Beneficiaries, distributing the General Unsecured Claims Litigation Trust Distributable Proceeds, if any (the "Distributable Proceeds"), reconciling and objecting to General Unsecured Claims as provided for in the Plan and, if, as and to the extent determined by the Trustee, distributing the Distributable Proceeds to the Beneficiaries in accordance with the terms and conditions of this Agreement, the Plan, the Confirmation Order and Treasury Regulation section 301.7701-4(d), and with no objective to continue or engage in the conduct of a trade or business.

I. Pursuant to the Plan, the Debtor, the Trust, the Trustee and the Beneficiaries are required to treat, for all United States federal income tax purposes, the transfer of the Trust Assets

to the Trust as a transfer of the Trust Assets by the Debtor to the Beneficiaries in satisfaction of their General Unsecured Claims, followed by a transfer of the Trust Assets by the Beneficiaries to the Trust in exchange for the beneficial interest herein; provided, however, that the Trust Assets will be subject to any post-Effective Date obligations incurred by the Trust relating to the pursuit of Trust Assets. Accordingly, Beneficiaries shall be treated as the grantors and owners of their respective share of the Trust Assets for United States federal income tax purposes. The foregoing treatment shall also apply, to the extent permitted by applicable law, for state and local income tax purposes.

J. Pursuant to the Plan, the Trust is intended for federal income tax purposes (i) to be treated as a grantor trust pursuant to Treasury Regulation section 1.671-4(a), and also (ii) to qualify as a liquidating trust within the meaning of Treasury Regulation section 301.7701-4(d).

K. In accordance with the Plan, the Trust is further intended to be exempt from the requirements of (i) the Securities Exchange Act of 1933, as amended, and any applicable state and local laws requiring registration of securities, in each case, pursuant to section 1145 of the Bankruptcy Code, and (ii) the Investment Company Act of 1940, as amended, pursuant to sections 7(a) and 7(b) thereof and section 1145 of the Bankruptcy Code.

In accordance with the Plan and the Confirmation Order, and in consideration of the premises, and the mutual covenants and agreements of the Parties contained in the Plan and herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and affirmed, the Parties agree and declare as follows:

DECLARATION OF TRUST

The Debtor and the Trustee enter into this Agreement to effectuate the Distribution of the Trust Assets to the Beneficiaries pursuant to the Plan and the Confirmation Order;

Pursuant to the Plan, the Confirmation Order, and this Agreement, all right, title, and interest in, under, and to the Trust Assets shall be absolutely and irrevocably assigned to the Trust and to its successors in trust and its successors and assigns;

TO HAVE AND TO HOLD unto the Trustee and its successors in trust; and

IT IS HEREBY FURTHER COVENANTED AND DECLARED, that the Trust Assets and any proceeds thereof and earnings thereon are to be held by the Trust and applied on behalf of the Trust by the Trustee on the terms and conditions set forth herein, solely for the benefit of the Beneficiaries and for no other party.

ARTICLE I

RECITALS, PLAN DEFINITIONS, OTHER DEFINITIONS AND INTERPRETATION

1.1 Recitals. The recitals to this Agreement are incorporated into and made a part of the terms of this Agreement.

1.2 Use of Plan Definitions. All terms which are used in this Agreement and not defined herein shall have the same meaning set forth in the Plan.

1.3 Definitions. For purposes of this Agreement:

1.3.1 "Disallowed General Unsecured Claim" means any General Unsecured Claim, or any portion thereof, that: (a) has been disallowed by a Final Order, (b) is Scheduled as zero or as contingent, disputed or unliquidated and as to which no Proof of Claim or Proof of Interest or request for payment of an Administrative Claim has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely filed under applicable law or the Plan, (c) is not Scheduled and as to which no Proof of Claim or Proof of Interest or request for payment of an Administrative Claim has been timely filed or deemed timely filed with the Bankruptcy Court pursuant to either the Bankruptcy Code or any Final Order of the Bankruptcy Court or otherwise deemed timely filed under applicable law or the Plan, (d) has been withdrawn by agreement of the Debtor and the holder thereof, or (e) has been withdrawn by the holder thereof.

1.3.2 "Disputed General Unsecured Claim" means any General Unsecured Claim, or any portion thereof, that is not yet Allowed and is not a Disallowed General Unsecured Claim.

1.3.3 "Distribution" means any distribution of some or all of the Trust Assets from the Trust to a Beneficiary of the Trust.

1.3.4 "Reorganized Debtor" means the Debtor on and after the Effective Date and/or, if applicable, the Reorganized Parent.

1.3.5 "Reorganized Parent" means (a) Groeb Farms, Inc., (b) any successor thereto, by merger, consolidation, transfer of substantially all of its assets, conversion to another jurisdiction, or otherwise, in each case on or after the Effective Date, or (c) if a Holding Company Restructuring Transaction is implemented, Holdings.

1.3.6 "Trust Assets" means the (i) General Unsecured Claims Litigation Trust Payment, (ii) the General Unsecured Claims Litigation Trust Causes of Action (the "Trust Causes of Action"), and all proceeds of the foregoing, (iii) the D&O Policy, including the Debtor's rights under the D&O Policy and all proceeds under the D&O Policy, subject to all rights of covered parties to the D&O Policy to assert claims against the D&O Policy, (iv) the Trade Claim Remaining Amount, (v) any insurance policies not assumed by the Reorganized Debtor and which relate to the Trust Causes of Action; and (vi) all rights of setoff and other defenses against General Unsecured Claims held by the Beneficiaries. For the avoidance of doubt, the Trust Assets shall not include any Claim or Cause of Action against a Released Party, including the holder of a Trade Claim that enters into a New Trade Agreement to the extent of Causes of Action released under a New Trade Agreement.

1.3.7 "Trust Expenses" means all reasonable legal and other reasonable professional fees, costs, and expenses incurred by the Trustee on account of administration of the Trust, including any reasonable administrative fees and expenses, reasonable attorney's fees and expenses, reasonable insurance fees, taxes, and reasonable escrow expenses.

1.3.8 "Trust Oversight Committee" shall consist of the three members of the Committee as of the Effective Date or their designees.

1.3.9 "Trust Waterfall" means that the Distributable Proceeds shall be distributed as follows after satisfying Trust Expenses: (i) first, on a Pro Rata basis, to Beneficiaries who are not holders of Trade Claims that entered into a New Trade Agreement until each such holder has recovered an amount equal to 10% of each such holder's Allowed General Unsecured Claim; and (ii) second, on a Pro Rata basis, to Beneficiaries on account of any unpaid Allowed General Unsecured Claim until such Allowed General Unsecured Claims have been paid in full.

1.4 Interpretation; Headings. All references herein to specific provisions of the Plan or Confirmation Order are without exclusion or limitation of other applicable provisions of the Plan or Confirmation Order. Words denoting the singular number shall include the plural number and vice versa, and words denoting one gender shall include the other gender. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the provisions of this Agreement.

1.5 Conflict Among Plan Documents. The Confirmation Order shall govern any conflict or inconsistency between or among the Plan, the Disclosure Statement, the Confirmation Order and this Agreement.

ARTICLE II

ESTABLISHMENT OF TRUST

2.1 Effectiveness of Agreement; Name of Trust. This Agreement shall become effective on the Effective Date. The Trust shall be officially known as the "Groeb General Unsecured Claims Litigation Trust."

2.2 Purpose of Trust. The Debtor and the Trustee, pursuant to the Plan and in accordance with the Bankruptcy Code, hereby create the Trust for the purpose of pursuing or liquidating the Trust Assets for the benefit of the Beneficiaries, distributing the Distributable Proceeds, if any, reconciling and objecting to General Unsecured Claims as provided for in the Plan and, if, as and to the extent determined by the Trustee, distributing the Distributable Proceeds to the Beneficiaries in accordance with the terms and conditions of this Agreement, the Plan, the Confirmation Order and Treasury Regulation section 301.7701-4(d), and with no objective to continue or engage in the conduct of a trade or business.

2.3 Transfer of Trust Assets.

2.3.1 Conveyance of Trust Assets. The Debtor hereby irrevocably transfers and shall be deemed to have irrevocably transferred to the Trust as of the Effective Date all of its rights, title and interest in and to the Trust Assets, in trust for the benefit of the Beneficiaries, to be administered and applied as specified in this Agreement, the Plan and the Confirmation Order. The Debtor shall, from time to time, as and when reasonably requested by the Trustee, execute and deliver or cause to be executed and delivered all such documents (in recordable form where necessary or appropriate), and the Debtor shall take or cause to be taken such further action, as the

Trustee may reasonably deem necessary or appropriate to vest or perfect in the Trust or confirm to the Trustee title to and possession of the Trust Assets

2.3.2 Title to Trust Assets. Pursuant to the Plan, all of the Debtor's rights, title and interest in and to the Trust Assets, including all such assets held or controlled by third parties, if any, are automatically vested in the Trust on the Effective Date, free and clear of all liens, Claims, encumbrances or interests, subject only to (a) General Unsecured Claims Litigation Trust Interests and (b) the expenses of the Trust as provided for in this Agreement, and such transfer is on behalf of the Beneficiaries to establish the Trust. The Trustee shall be authorized to obtain possession or control of, liquidate and collect all of the Trust Assets in the possession or control of third parties and pursue all of the Trust Causes of Action. On the Effective Date, the Trustee shall stand in the shoes of the Debtor for all purposes with respect to the Trust Assets and administration of Trust Causes of Action. To the extent any law or regulation prohibits the transfer of ownership of any of the Trust Assets from the Debtor to the Trust and such law is not superseded by the Bankruptcy Code, the Trust's interest shall be a lien upon and security interest in such Trust Assets, in trust, nevertheless, for the sole use and purposes set forth in Section 2.2, and this Agreement shall be deemed a security agreement granting such interest thereon without need to file financing statements or mortgages. By executing this Agreement, the Trustee on behalf of the Trust hereby accepts all of such property as Trust Assets, to be held in trust for the Beneficiaries, subject to the terms of this Agreement, the Plan and the Confirmation Order.

2.3.3 Transfer of Privilege and Immunity. In connection with the vesting and transfer of the Trust Assets (including any Trust Causes of Action) to the Trust, any attorney-client, work-product protection, or other privilege or immunity attaching to any documents or communications (whether written or oral) expressly transferred to the Trust shall vest in the Trust.

2.4 Capacity of Trust. Notwithstanding any state or federal law to the contrary or anything herein, the Trust shall itself have the capacity, in its own right and name, to act or refrain from acting, including the capacity to sue and be sued and to enter into contracts. The Trust may alone be the named movant, respondent, party plaintiff or defendant, or the like, in all adversary proceedings, contested matters, and other state or federal proceedings brought by or against it, and may settle and compromise all such matters in its own name.

2.5 Cooperation of Debtor and Reorganized Debtor. The Debtor and Reorganized Debtor, upon reasonable notice, shall be required to provide information and access to pertinent documents, to the extent the Debtor or Reorganized Debtor has such information and/or documents, to the Trustee sufficient to enable the Trustee to perform its duties hereunder and under the Plan. The Debtor and Reorganized Debtor shall reasonably cooperate with the Trustee in the administration of the Trust, including in providing documentation, witness testimony and other evidence in support of the prosecution of the Trust Causes of Action, at no cost or expense of the Trust other than out of pocket expenses for copying or similar expenses; provided, however, that such cooperation shall not involve violation of an attorney client privilege, unless agreed to by the Debtor or Reorganized Debtor.

2.6 Acceptance by Trustee. The Trustee accepts its appointment as Trustee of the Trust.

ARTICLE III

ADMINISTRATION OF TRUST

3.1 Rights, Powers and Privileges of Trustee Generally; Duties. Except as otherwise provided in this Agreement, the Plan or the Confirmation Order, as of the date that the Trust Assets are transferred to the Trust, the Trustee on behalf of the Trust may control and exercise authority over the Trust Assets, over the acquisition, management and disposition thereof, and over the management and conduct of the affairs of the Trust. In administering the Trust Assets, the Trustee shall endeavor not to unduly prolong the Trust's duration, with due regard that undue haste in the administration of the Trust Assets may fail to maximize value for the benefit of the Beneficiaries and otherwise be imprudent and not in the best interests of the Beneficiaries. The Trustee shall act in the best interests of the Beneficiaries and with the same fiduciary duties as a Chapter 7 trustee.

3.1.1 Power to Contract. In furtherance of the purpose of the Trust, and except as otherwise specifically restricted in this Agreement, the Plan, or the Confirmation Order, the Trustee shall have the right and power on behalf of the Trust, and also may cause the Trust, to enter into any covenants or agreements binding the Trust, and to execute, acknowledge and deliver any and all instruments that are necessary or deemed by the Trustee to be consistent with and advisable in furthering the purpose of the Trust.

3.1.2 Ultimate Right to Act Based on Advice of Counsel or Other Professionals. Nothing in this Agreement shall be deemed to prevent the Trustee from taking or refraining to take any action on behalf of the Trust that, based upon the advice of counsel or other professionals, the Trustee determines it is obligated to take or to refrain from taking in the performance of any duty that the Trustee may owe the Beneficiaries or any other Person under the Plan, the Confirmation Order or this Agreement.

3.2 Powers of Trustee. Without limiting the generality of the above Section 3.1, in addition to the powers granted in the Plan and Confirmation Order, the Trustee shall have the power to take the following actions on behalf of the Trust and any powers reasonably incidental thereto that the Trustee, in its reasonable discretion, deems necessary or appropriate to fulfill the purpose of the Trust without application to or approval of the Bankruptcy Court, unless otherwise specifically limited or restricted by the Plan, Confirmation Order or this Agreement:

3.2.1 hold legal title to the Trust Assets and to any and all rights of the Debtor and the Beneficiaries in or arising from the Trust Assets;

3.2.2 receive, manage, invest, supervise, protect and, where appropriate, cause the Trust to abandon the Trust Assets, including causing the Trust to invest any monies held as Trust Assets in accordance with the terms of Section 3.7 hereof;

3.2.3 open and maintain bank accounts on behalf of or in the name of the Trust;

3.2.4 cause the Trust to enter into any agreement or execute any document or instrument required by or consistent with the Plan, the Confirmation Order or this Agreement, and to perform all obligations thereunder;

3.2.5 collect and liquidate all Trust Assets, including the sale of any Trust Assets;

3.2.6 protect and enforce the rights to the Trust Assets (including any Trust Causes of Action) vested in the Trust and Trustee by this Agreement by any method deemed appropriate, including, without limitation, by judicial proceedings or otherwise;

3.2.7 investigate any Trust Assets, including potential Trust Causes of Action, and any objections to General Unsecured Claims, and cause the Trust to seek the examination of any Person pursuant to Federal Rule of Bankruptcy Procedure 2004;

3.2.8 cause the Trust to employ and pay professionals, claims agents, disbursing agents, and other agents and third parties pursuant to this Agreement;

3.2.9 cause the Trust to pay all of its lawful expenses, debts, charges, taxes and other liabilities, and make all other payments relating to the Trust Assets;

3.2.10 cause the Trust to institute, file, prosecute, enforce, abandon, settle, compromise, release or withdraw any Trust Causes of Action;

3.2.11 calculate and make all Distributions on behalf of the Trust to the Beneficiaries provided for in, or contemplated by, the Plan and this Agreement;

3.2.12 establish, adjust and maintain reserves for Disputed General Unsecured Claims required to be administered by the Trust;

3.2.13 cause the Trust to withhold from the amount distributable to any Person the maximum amount needed to pay any tax or other charge that the Trustee has determined, based upon the advice of its agents and/or professionals, may be required to be withheld from such Distribution under the income tax or other laws of the United States or of any state or political subdivision thereof;

3.2.14 in reliance upon the Debtor's schedules and the official claims register maintained in the Debtors' bankruptcy cases, review and, where appropriate, cause the Trust to allow or object to General Unsecured Claims; and supervise and administer the Trust's commencement, prosecution, settlement, compromise, withdrawal or resolution of all objections to Disputed General Unsecured Claims required to be administered by the Trust;

3.2.15 in reliance upon the Debtor's schedules and the official Claims Register maintained in the Chapter 11 Case, maintain a register evidencing the beneficial interest herein held by each Beneficiary, and, in accordance with Section 3.8 of this Agreement, such register may be the official General Unsecured Claims register maintained in the Chapter 11 Cases;

3.2.16 cause the Trust to make all tax withholdings, file tax information returns, file and prosecute tax refund claims, make tax elections by and on behalf of the Trust, and file tax returns for the Trust as a grantor trust under section 671 of the Internal Revenue Code of 1986, as amended, and Treasury Regulation section 1.671-4(a) pursuant to and in accordance with the Plan and Article VII hereof, and pay taxes, if any, payable for and on behalf of the Trust; provided, however, that, notwithstanding any other provision of this Agreement, the Trustee shall have no

responsibility for the signing or accuracy of the Debtor's income tax returns that are due to be filed after the Effective Date or for any tax liability related thereto;

3.2.17 cause the Trust to abandon or donate to a not-for-profit corporation, under applicable federal and state laws selected by the Trustee, any Trust Assets that the Trustee determines to be too impractical to distribute to Beneficiaries or of inconsequential value to the Trust and Beneficiaries;

3.2.18 cause the Trust to send annually to Beneficiaries, in accordance with the tax laws, a separate statement stating a Beneficiary's interest in the Trust and its share of the Trust's income, gain, loss, deduction or credit, and to instruct all such Beneficiaries to report such items on their federal tax returns;

3.2.19 cause the Trust to seek a determination of tax liability or refund under section 505 of the Bankruptcy Code;

3.2.20 cause the Trust to establish such reserves for taxes, assessments and other expenses of administration of the Trust as may be necessary and appropriate for the proper operation of matters incident to the Trust to maintain value of the Trust Assets or to satisfy claims and contingent liabilities;

3.2.21 cause the Trust to purchase and carry all insurance policies that the Trustee deems reasonably necessary or advisable and to pay all associated insurance premiums and costs;

3.2.22 if any of the Trust Assets are situated in any state or other jurisdiction in which the Trustee is not qualified to act as trustee, nominate and appoint a Person duly qualified to act as trustee in such state or jurisdiction in accordance with the terms of this Agreement;

3.2.23 undertake all administrative functions of the Trust, including overseeing the winding down and termination of the Trust;

3.2.24 request and obtain extensions of the Claims Objection Deadline with respect to objections to General Unsecured Claims; and

3.2.25 take all other actions consistent with the provisions of the Plan, the Confirmation Order and this Agreement that the Trustee deems reasonably necessary or desirable to administer the Trust.

3.3 Exclusive Authority to Pursue Trust Causes of Action. The Trustee shall have the exclusive right, on behalf of the Trust, to institute, file, prosecute, enforce, abandon, settle, compromise, release or withdraw any and all Trust Causes of Action without any further order of the Bankruptcy Court, except as otherwise provided in the Plan or in this Agreement; provided, however, that such rights shall be subject to the execution of joint interest, common interest, or other similar agreements reasonably acceptable to the Trustee and the Debtor. From and after the Effective Date, the Trustee, in accordance with section 1123(b)(3) of the Bankruptcy Code, and on behalf of the Trust, shall serve as a representative of the Estate and shall retain and possess the right to commence, pursue, settle, compromise or abandon, as appropriate, any and all Causes of Action constituting Trust Causes of Action in any court or other tribunal.

3.4 Abandonment; Donation. If, in the Trustee's reasonable judgment, any Trust Assets cannot be sold or distributed in a commercially reasonable manner or the Trustee believes in good faith that such property has inconsequential value to the Trust or its Beneficiaries or is insufficient to render a further distribution practicable, or exceed the amounts required to be paid under the Plan, the Trustee shall have the right to cause the Trust to abandon or otherwise dispose of such property, including by donation of such remaining funds to a charitable institution qualified as a not-for-profit corporation, under applicable federal and state laws selected by the Trustee.

3.5 Responsibility for Administration of General Unsecured Claims. As of the Effective Date, the Trust shall become responsible for administering and paying Distributions to Beneficiaries of the Trust in accordance with Article III.C of the Plan. The Trust shall have the exclusive right to object to the allowance of any General Unsecured Claim on any ground and shall be entitled to assert all defenses of the Debtor and its Estate. The Trust shall also be entitled to assert all of the Estate's rights under, without limitation, section 558 of the Bankruptcy Code. The Trust may also seek estimation of any Disputed General Unsecured Claims under and subject to section 502(c) of the Bankruptcy Code.

3.6 Agents and Professionals. The Trustee may, but shall not be required to, without further order of the Bankruptcy Court, consult with and retain attorneys, financial advisors, accountants, appraisers, disbursing agents, and other professionals the Trustee believes have qualifications necessary to assist in the administration of the Trust, including professionals previously retained by the Debtor or the Committee. For the avoidance of doubt, and without limitation of applicable law, nothing in this Agreement shall limit the Trustee from engaging counsel or other professionals, including the Trustee itself or the Trustee's firm or their affiliates, to do work for the Trust. Subject to the requirements of Article VIII of this Agreement, the Trustee may pay the reasonable salaries, fees and expenses of such Persons out of the Trust Assets in the ordinary course of business without further order of the Bankruptcy Court.

3.7 Safekeeping and Investment of Trust Assets. All monies and other assets received by the Trustee shall, until distributed or paid over as provided herein and in the Plan, be held in trust for the benefit of the Beneficiaries, but need not be segregated in separate accounts from other Trust Assets, unless and to the extent required by law or the Plan. The Trustee shall not be under any obligation to invest Trust Assets, but any investments shall be subject to the requirements of Article VIII of this Agreement. Neither the Trust nor the Trustee shall have any liability for interest or producing income on any monies received by them and held for Distribution or payment to the Beneficiaries, except as such interest shall actually be received by the Trust or Trustee, which shall be distributed as provided in the Plan. Except as otherwise provided by the Plan, the powers of the Trustee to invest any monies held by the Trust, other than those powers reasonably necessary to maintain the value of the Trust Assets and to further the Trust's liquidating purpose, shall be limited to powers to invest in demand and time deposits, such as short-term certificates of deposit, in banks or other savings institutions, or other temporary liquid investments, such as treasury bills; provided, however, that the scope of permissible investments shall be limited to include only those investments that a liquidating trust, within the meaning of Treasury Regulation section 3.01.7701-4(d), may be permitted to hold pursuant to the Treasury Regulations, or any modification of the IRS guidelines, whether set forth in IRS rulings, IRS pronouncements or otherwise. For the avoidance of doubt, the provisions of Title 12, Section 3302

of the Delaware Code shall not apply to this Agreement. Notwithstanding the foregoing, the Trustee shall not be prohibited from engaging in any trade or business on its own account, provided that such activity does not interfere or conflict with the Trustee's administration of the Trust.

3.8 Maintenance and Disposition of Trust Records. The Trustee shall maintain accurate records of the administration of Trust Assets, including receipts and disbursements and other activity of the Trust. The Trust may engage a claims agent to continue to maintain and update the General Unsecured Claims register maintained in the Chapter 11 Case throughout the administration of the Trust, and such General Unsecured Claims register may serve as the Trustee's register of beneficial interests held by Beneficiaries. The books and records maintained by the Trustee may be disposed of by the Trustee at the later of (i) such time as the Trustee determines that the continued possession or maintenance of such books and records is no longer necessary for the benefit of the Trust or its Beneficiaries or (ii) upon the termination and completion of the winding down of the Trust.

3.9 Trust Oversight Committee. Notwithstanding anything to the contrary in this Agreement, the powers, rights and responsibilities of the Trustee shall be subject to reporting to and oversight by the Trust Oversight Committee.

3.10 Conflicts of Interest. The Trustee will appoint a disinterested Person as a trustee to handle any matter where the Trustee has identified a conflict of interest or the Bankruptcy Court, on motion of a party in interest, determines one exists. In the event the Trustee is unwilling or unable to appoint a disinterested Person to handle any such matter, the Bankruptcy Court, on notice and hearing, may do so.

3.11 No Bond Required; Procurement of Insurance. Notwithstanding any state or other applicable law to the contrary, the Trustee (including any successor Trustee or Supplemental Trustee) shall be exempt from giving any bond or other security in any jurisdiction and shall serve hereunder without bond. The Trustee is hereby authorized, but not required to obtain all reasonable insurance coverage for itself and its agents, representatives, employees or independent contractors, including, without limitation, coverage with respect to the liabilities, duties and obligations of the Trustee and its agents, representatives, employees or independent contractors under this Agreement. The cost of any such insurance coverage shall be an expense of the Trust and paid out of Trust Assets.

ARTICLE IV

DISTRIBUTIONS

4.1 Distribution and Reserve of Trust Assets. Following the transfer of Trust Assets to the Trust, the Trustee shall make continuing efforts on behalf of the Trust to pursue, liquidate and distribute all Trust Assets, subject to the reserves required under the Plan, the Confirmation Order or this Agreement.

4.1.1 Distributions of Unrestricted Cash. The Trustee shall distribute to the Beneficiaries on account of their interests in the Trust, in its sole discretion, the Trust's net income

plus all net proceeds from the disposition of Trust Assets in accordance with the Trust Waterfall, except that the Trust may retain an amount of net proceeds or net income reasonably necessary to maintain the value of the Trust Assets or to satisfy Claims and contingent liabilities or pay anticipated fees and expenses of the Trust and Trustee, and the retention of such amount may preclude Distributions to Beneficiaries.

4.1.2 Distributions to Beneficiaries. The Trustee may, in its discretion, distribute any portion of the General Unsecured Claims Litigation Trust Payment to the Beneficiaries at any time and/or use such funds, provided that such distribution or use is consistent with the Trust Waterfall and is for any purpose permitted under this Agreement, the Plan and applicable law.

4.1.3 Reserves; Pooling of Reserved Funds. Before any Distribution can be made, the Trustee shall, in its reasonable discretion, establish, supplement, and maintain reserves in an amount sufficient to meet any and all expenses and liabilities of the Trust, including attorneys' fees and expenses, the fees and expenses of other professionals, and fees owed the United States Trustee. The Trust shall also maintain as necessary a reserve for Disputed General Unsecured Claims required to be administered by the Trust. For the avoidance of doubt, the Trustee may withhold any Distribution pending determination of whether to object to a General Unsecured Claim. Any such withheld Distribution shall become part of the reserve for Disputed General Unsecured Claims and shall be distributed to the applicable Beneficiary no later than on the first Distribution date after a decision is made to not object to the pertinent General Unsecured Claim or the General Unsecured Claim becomes Allowed. The Trustee need not maintain the Trust's reserves in segregated bank accounts and may pool funds in the reserves with each other and other funds of the Trust; provided, however, that the Trust shall treat all such reserved funds as being held in a segregated manner in its books and records.

4.1.4 Distributions Net of Reserves and Costs. Distributions shall be made net of reserves in accordance with the Plan and also net of the actual and reasonable costs of making the Distributions.

4.1.5 Right to Rely on Professionals. Without limitation of the generality of Section 6.6 of this Agreement, in determining the amount of any Distribution or reserves, the Trustee may rely and shall be fully protected in relying on the advice and opinion of the Trust's financial advisors, accountants or other professionals.

4.2 Method and Timing of Distributions. Distributions to Beneficiaries will be made from the Trust in accordance with the terms of the Plan, the Confirmation Order and this Agreement.

4.3 Withholding from Distributions. The Trustee, in its discretion, may cause the Trust to withhold from amounts distributable from the Trust to any Beneficiary any and all amounts as may be sufficient to pay the maximum amount of any tax or other charge that has been or might be assessed or imposed by any law, regulation, rule, ruling, directive or other governmental requirement on such Beneficiary or the Trust with respect to the amount to be distributed to such Beneficiary. The Trustee shall determine such maximum amount to be withheld by the Trust in its sole, reasonable discretion and shall cause the Trust to distribute to the Beneficiary any excess amount withheld. The Reorganized Debtor and the Trustee reserve the

right to allocate all Distributions made under the Plan in compliance with applicable wage garnishments, alimony, child support, and other spousal awards, liens and encumbrances.

4.4 Tax Identification Numbers. The Trustee may require any Beneficiary to furnish its taxpayer identification number as assigned by the Internal Revenue Service and may condition any Distribution to any Beneficiary upon receipt of such identification number. If a Beneficiary does not timely provide the Trustee with its taxpayer identification number in the manner and by the deadline established by the Trustee, then the General Unsecured Claim of such Beneficiary shall be deemed Disallowed and expunged, and the corresponding beneficial interests in the Trust of the Beneficiary holding such Disallowed General Unsecured Claim shall be deemed cancelled.

4.5 Unclaimed and Undeliverable Distributions. If any Distribution to a Beneficiary is returned to the Trustee as undeliverable or is otherwise unclaimed, no further Distributions to such Beneficiary shall be made unless and until the Beneficiary claims the Distributions by timely notifying the Trustee in writing of any information necessary to make the Distribution to the Beneficiary in accordance with this Agreement, the Plan, the Confirmation Order and applicable law, including such Beneficiary's then-current address or taxpayer identification number. If the Beneficiary timely provides the Trustee such missing information, all missed Distributions shall be made to the Beneficiary as soon as is practicable, without interest. Undeliverable or unclaimed Distributions shall be administered in accordance with Article VII.B.2 of the Plan; provided, however, that, notwithstanding anything to the contrary in the Plan, with respect to General Unsecured Claims Litigation Trust Interests, all undeliverable or unclaimed Distributions deemed unclaimed property under Section 347(b) of the Bankruptcy shall not revert to the Reorganized Debtor, but rather shall revert to the Trust to be redistributed Pro Rata (determined as if the Claim underlying such unclaimed Distribution had been Disallowed) for the benefit of the other Beneficiaries without further order of the Bankruptcy Court.

4.5.1 No Responsibility to Attempt to Locate Beneficiaries. The Trustee may, in its sole discretion, attempt to determine a Beneficiary's current address or otherwise locate a Beneficiary, but nothing in this Agreement or the Plan shall require the Trustee to do so.

4.5.2 Disallowance of General Unsecured Claims; Cancellation of Corresponding Beneficial Interests. All General Unsecured Claims in respect of undeliverable or unclaimed Distributions that pursuant to Article VII.B.2 of the Plan have become unclaimed property under section 347(b) of the Bankruptcy Code, shall be deemed Disallowed and expunged, and the corresponding beneficial interests in the Trust of the Beneficiary holding such Disallowed General Unsecured Claims shall be deemed canceled. The holder of any such Disallowed General Unsecured Claim shall no longer have any right, claim, or interest in or to any Distributions in respect of such Disallowed General Unsecured Claims. The holder of any such Disallowed General Unsecured Claim is forever barred, estopped, and enjoined from receiving any Distributions under the Plan, the Confirmation Order and this Agreement, and from asserting such Disallowed General Unsecured Claim against the Reorganized Debtor, the Trust or the Trustee.

4.5.3 Inapplicability of Unclaimed Property or Escheat Laws. Unclaimed property held by the Trust shall not be subject to the unclaimed property or escheat laws of the United States, any state, or any local governmental unit.

4.6 Voided Checks; Request for Reissuance. Distribution checks issued to Beneficiaries shall be null and void if not negotiated within ninety (90) days after the date of issuance thereof. Requests for reissuance of any check shall be made in writing directly to the Trustee by the Beneficiary that was originally issued such check. All such requests shall be made promptly and in time for the check to be reissued and cashed before the General Unsecured Claim is discharged pursuant to Article VII.B.2 of the Plan. Distributions in respect of voided checks shall be treated as unclaimed Distributions under the Plan and administered under Section 4.5 of this Agreement and Article VII.B.2 of the Plan. The Beneficiary shall bear all the risk that, and shall indemnify and hold the Trust and Trustee harmless against any loss that may arise if, the Trustee does not reissue a check promptly after receiving a request for its reissuance and the applicable General Unsecured Claim is discharged pursuant to Article VII.B.2 of the Plan without the check being reissued or cashed.

4.7 Conflicting Claims. If any conflicting claims or demands are made or asserted with respect to the beneficial interest of a Beneficiary under this Agreement, or if there is any disagreement between the assignees, transferees, heirs, representatives or legatees succeeding to all or a part of such an interest resulting in adverse claims or demands being made in connection with such interest, then, in any of such events, the Trustee shall be entitled, in its sole discretion, to refuse to comply with any such conflicting claims or demands.

4.7.1 The Trustee may elect to cause the Trust to make no payment or Distribution with respect to the beneficial interest subject to the conflicting claims or demand, or any part thereof, and to refer such conflicting claims or demands to the Bankruptcy Court, which shall have exclusive jurisdiction over resolution of such conflicting claims or demands. Neither the Trust nor the Trustee shall be or become liable to any of such parties for their refusal to comply with any such conflicting claims or demands, nor shall the Trust or Trustee be liable for interest on any funds which may be so withheld.

4.7.2 The Trustee shall be entitled to refuse to act until either (i) the rights of the adverse claimants have been adjudicated by a Final Order of the Bankruptcy Court (or applicable appellate court) or (ii) all differences have been resolved by a valid written agreement among all such parties to the satisfaction of the Trustee, which agreement shall include a complete release of the Trust and Trustee. Until the Trustee receives written notice that one of the conditions of the preceding sentence is met, the Trustee may deem and treat as the absolute owner under this Agreement of the beneficial interest in the Trust the Beneficiary identified as the owner of that interest in the books and records maintained by the Trustee. The Trustee may deem and treat such Beneficiary as the absolute owner for purposes of receiving Distributions and any payments on account thereof for federal and state income tax purposes, and for all other purposes whatsoever.

4.7.3 In acting or refraining from acting under and in accordance with this Section 4.7 of the Agreement, the Trustee shall be fully protected and incur no liability to any purported claimant or any other Person pursuant to Article VI of this Agreement.

4.7.4 De Minimis Amounts. Notwithstanding anything to the contrary in the Plan or Confirmation Order, the Trustee shall not be obligated to make any distributions on account of any Allowed General Unsecured Claim if the aggregate distribution to such holder on account of such Allowed General Unsecured Claim does not exceed $50.

4.8 Priority of Expenses of Trust. The Trust must pay or reserve for payment all of its expenses before making Distributions.

4.9 No Recourse to Reorganized Debtor. For the avoidance of doubt and notwithstanding anything contained herein to the contrary, all (i) Distributions and (ii) fees, costs and expenses incurred in connection with the Trust shall be satisfied solely from the Trust Assets, and none of the Trust, the Trust Oversight Committee, the Trustee or the Beneficiaries shall have recourse to the Reorganized Debtor for any such amounts.

ARTICLE V

BENEFICIARIES

5.1 Interest Beneficial Only. The ownership of a beneficial interest in the Trust shall not entitle any Beneficiary or the Debtor to any title in or to the Trust Assets or to any right to call for a partition or division of such assets or to require an accounting.

5.2 Ownership of Beneficial Interests Hereunder. Each Beneficiary shall own a beneficial interest herein which shall, subject to Article IV of this Agreement, the Plan and the Confirmation Order, be entitled to a Distribution in the amounts, and at the times, set forth in the Plan, the Confirmation Order and this Agreement.

5.3 Evidence of Beneficial Interest. Ownership of a beneficial interest in the Trust Assets shall not be evidenced by any certificate, security or receipt or in any other form or manner whatsoever, except as maintained on the books and records of the Trust by the Trustee.

5.4 No Right to Accounting. None of the Beneficiaries, their successors, assigns or creditors, or any other Person shall have any right to an accounting by the Trustee, and the Trustee shall not be obligated to provide any accounting to any Person. Nothing in this Agreement is intended to require the Trustee at any time or for any purpose to file any accounting or seek approval of any court with respect to the administration of the Trust or as a condition for making any advance, payment or Distribution out of proceeds of Trust Assets.

5.5 No Standing. Except as expressly provided in this Agreement, a Beneficiary shall not have standing to direct or to seek to direct the Trust or Trustee to do or not to do any act or to institute any action or proceeding at law or in equity against any Person upon or with respect to the Trust Assets.

5.6 Requirement of Undertaking. The Trustee may request the Bankruptcy Court to require, in any suit for the enforcement of any right or remedy under this Agreement, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, including reasonable attorneys' fees, against any party litigant in such suit; provided, however, that the provisions of this Section 5.6 shall not apply to any suit by the Trustee.

5.7 Limitation on Transferability. It is understood and agreed that the beneficial interests herein shall be non-transferable and non-assignable during the term of this Agreement

except by operation of law. An assignment by operation of law shall not be effective until appropriate notification and proof thereof is submitted to the Trustee, and the Trustee may continue to cause the Trust to pay all amounts to or for the benefit of the assigning Beneficiaries until receipt of proper notification and proof of assignment by operation of law. The Trustee may rely upon such proof without the requirement of any further investigation.

5.8 Exemption from Registration. The rights of the Beneficiaries arising under this Trust Agreement may be deemed "securities" under applicable law. However, such rights have not been defined as "securities" under the Plan because (i) the parties hereto intend that such rights shall not be securities and (ii) if the rights arising under the Trust Agreement in favor of the Beneficiaries are deemed to be "securities," the exemption from registration under section 1145 of the Bankruptcy Code is intended to be applicable to such securities. No party to this Trust Agreement shall make a contrary or different contention.

ARTICLE VI

THIRD-PARTY RIGHTS AND LIMITATION OF LIABILITY

6.1 Parties Dealing with the Trustee. In the absence of actual knowledge to the contrary, any Person dealing with the Trust or the Trustee shall be entitled to rely on the authority of the Trustee or any of the Trustee's agents to act in connection with the Trust Assets. There is no obligation of any Person dealing with the Trustee to inquire into the validity or expediency or propriety of any transaction by the Trustee or any agent of the Trustee.

6.2 Limitation of Liability. In exercising the rights granted herein, the Trustee shall exercise reasonable diligence and care, to the end that the affairs of the Trust shall be properly managed and the interests of all of the Beneficiaries safeguarded. Notwithstanding anything herein to the contrary and without limitation of Article V.E of the Plan, none of the Trust Oversight Committee, the Trustee, or their respective firms, companies, affiliates, partners, officers, directors, members, employees, professionals, advisors, attorneys, financial advisors, investment bankers, disbursing agents, or agents, or any of such Persons' successors and assigns, shall incur any responsibility or liability by reason of any error of law or fact or of any matter or thing done or suffered or omitted to be done under or in connection with this Agreement, whether sounding in tort, contract, or otherwise, except for fraud, gross negligence or willful misconduct that is found by a Final Order of a court of competent jurisdiction to be the direct and primary cause of loss, liability, damage or expense suffered by the Trust. In no event shall the Trust Oversight Committee or the Trustee be liable for indirect, punitive, special, incidental or consequential damage or loss (including but not limited to lost profits) whatsoever, even if the Trust Oversight Committee or the Trustee has been informed of the likelihood of such loss or damages and regardless of the form of action. Without limiting the foregoing, the Trust Oversight Committee and the Trustee shall be entitled to the benefits of the limitation of liability and exculpation provisions set forth in the Plan and Confirmation Order.

6.3 No Liability for Acts of Other Persons. None of the Persons identified in the immediately preceding Section 6.2 of this Agreement shall be liable for the act or omission of any other Person identified in that Section 6.2.

6.4 No Liability for Acts of Predecessors. No successor Trustee shall be in any way responsible for the acts or omissions of any Trustee in office prior to the date on which such successor becomes the Trustee, unless a successor Trustee expressly assumes such responsibility.

6.5 No Liability for Good Faith Error of Judgment. The Trust Oversight Committee and the Trustee shall not be liable for any error of judgment made in good faith, unless it shall be finally determined by a Final Order of a court of competent jurisdiction that the Trust Oversight Committee or the Trustee was grossly negligent in ascertaining the pertinent facts.

6.6 Reliance by Trustee on Documents and Advice of Counsel or Other Persons. Except as otherwise provided herein, the Trustee may rely and shall be protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee also may engage and consult with its legal counsel and other agents and advisors, and shall not be liable for any action taken, omitted or suffered by it in reliance upon the advice of such counsel, agents or advisors.

6.7 No Liability for Acts Approved by Bankruptcy Court. The Trust Oversight Committee and the Trustee shall have the right at any time to seek instructions from the Bankruptcy Court concerning the administration or disposition of the Trust Assets and Trust Causes of Action required to be administered by the Trust. The Trust Oversight Committee and the Trustee shall not be liable for any act or omission that has been approved by the Bankruptcy Court, and all such actions or omissions shall conclusively be deemed not to constitute fraud, gross negligence or willful misconduct.

6.8 No Personal Obligation for Trust Liabilities. Persons dealing with the Trustee shall have recourse only to the Trust Assets to satisfy any liability incurred by the Trustee to any such Person in carrying out the terms of this Agreement, and the Trustee shall have no personal, individual obligation to satisfy any such liability.

6.9 Indemnification. The Trust Oversight Committee, the Trustee, and their respective firms, companies, affiliates, partners, officers, directors, members, employees, professionals, advisors, attorneys, financial advisors, investment bankers, disbursing agents and agents, and any of such parties' successors and assigns (collectively, the "Indemnified Parties" and, each, an "Indemnified Party") shall, to the fullest extent permitted by applicable law, be defended, held harmless, and indemnified by the Trust from time to time and receive reimbursement from and against any and all loss, liability, expense (including reasonable counsel fees) or damage of any kind, type or nature, whether sounding in tort, contract or otherwise, that the Indemnified Parties may incur or sustain in connection with the exercise or performance of any of the Trust's or Trustee's powers and duties under this Agreement or in rendering services by the Indemnified Party to the Trust or Trustee (the "Indemnified Conduct"), including, without limitation, the costs of counsel or others in investigating, preparing, defending or settling any action or claim (whether or not litigation has been initiated against the Indemnified Party) or in enforcing this Agreement (including its indemnification provisions), except if such loss, liability, expense or damage is finally determined by a Final Order of a court of competent jurisdiction to result directly and primarily from the fraud, gross negligence, or willful misconduct of the Indemnified Party asserting this provision.

6.9.1 Expense of Trust; Limitation on Source of Payment of Indemnification. All indemnification liabilities of the Trust under this Section 6.9 shall be an expense of the Trust. The amounts necessary for such indemnification and reimbursement shall be paid by the Trust out of the available Trust Assets after reserving for all actual and anticipated expenses and liabilities of the Trust. The Trustee shall not be personally liable for the payment of any Trust expense or claim or other liability of the Trust, and no Person shall look to the Trustee or other Indemnified Parties personally for the payment of any such expense or liability.

6.9.2 Procedure for Current Payment of Indemnified Expenses; Undertaking to Repay. The Trust shall reasonably promptly pay an Indemnified Party all amounts subject to indemnification under this Section 6.9 on submission of invoices for such amounts by the Indemnified Party. All invoices for indemnification shall be subject to the approval of the Trustee. By accepting any indemnification payment, the Indemnified Party undertakes to repay such amount promptly if it is determined that the Indemnified Party is not entitled to be indemnified under this Agreement. The Bankruptcy Court shall hear and finally determine any dispute arising out of this Section 6.9.

6.10 No Implied Obligations. The Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth herein, and no implied covenants or obligations shall be read into this Agreement against the Trustee.

6.11 Confirmation of Survival of Provisions. Without limitation in any way of any provision of this Agreement, the provisions of this Article VI shall survive the death, incapacity, dissolution, liquidation, resignation or removal, as may be applicable, of the Trustee, or the termination of the Trust or this Agreement, and shall inure to the benefit of the Trustee's and the Indemnified Parties' heirs and assigns.

ARTICLE VII

TAX MATTERS

7.1 Tax Treatment of Trust. Pursuant to and in accordance with the Plan, for all United States federal income tax purposes, the Debtor, the Beneficiaries, the Trustee and the Trust shall treat the Trust as a liquidating trust within the meaning of Treasury Regulation section 301.7701-4(d), and the transfer of the Trust Assets to the Trust shall be treated as a transfer of the Trust Assets by the Debtor to the Beneficiaries in satisfaction of their General Unsecured Claims, followed by a transfer of the Trust Assets by the Beneficiaries to the Trust in exchange for the beneficial interests in the Trust; provided, however, that the Trust Assets will be subject to any post-Effective Date obligations incurred by the Trust relating to the pursuit of Trust Assets. Accordingly, the Beneficiaries shall be treated as the grantors and owners of their respective share of the Trust Assets for United States federal income tax purposes. The foregoing treatment shall also apply, to the extent permitted by applicable law, for state and local income tax purposes.

7.2 Annual Reporting and Filing Requirements. Pursuant to and in accordance with the terms of the Plan and this Agreement, the Trustee shall file tax returns for the Trust as a grantor trust pursuant to Treasury Regulation section 1.671-4(a).

7.3 Tax Treatment of Reserves for Disputed General Unsecured Claims. The Trustee may, in the Trustee's sole discretion, determine the best way to report for tax purposes any reserve for Disputed General Unsecured Claims, including (i) filing a tax election to treat any and all reserves for Disputed General Unsecured Claims as a "Disputed Ownership Fund" ("DOF") within the meaning of Treasury Regulation section 1.468B-9 for federal income tax purposes rather than to tax such reserve as a part of the Trust or (ii) electing to report as a separate trust or sub-trust or other entity. If an election is made to report any reserve for disputed claims as a DOF, the Trust shall comply with all federal and state tax reporting and tax compliance requirements of the DOF, including but not limited to the filing of a separate federal tax return for the DOF and the payment of federal and/or state income tax due.

ARTICLE VIII

ADDITIONAL OPERATIONAL PROVISIONS

8.1 Compensation of Professionals. The Trustee shall approve the bills for all of the Trustee's professionals. The Bankruptcy Court shall hear and finally determine any dispute arising out of this Section 8.1.

8.2 Trustee's Conflict of Interest. The Trustee shall disclose to the Bankruptcy Court any conflicts of interest that the Trustee has with respect to any matter arising during administration of the Trust. In the event that the Trustee cannot take any action by reason of an actual or potential conflict of interest, the Bankruptcy Court shall appoint a non-conflicted person or entity to take such action in the Trustee's place and stead, including without limitation the retention of professionals (which may include professionals retained by the Trustee) for the purpose of taking such actions.

8.3 Quarterly Working Capital Reports. Pursuant to Article V.D of the Plan, with respect to the 12-month period starting upon the Effective Date, the Reorganized Debtor shall provide quarterly reports to the Trustee regarding whether the Reorganized Debtor's new working capital falls below $2,000,000 (tested on a quarterly basis, with the first test conducted following the three-month period starting with the first full month after the Effective Date). The Reorganized Debtor shall provide such reporting to the Trustee within 30 days following the conclusion of each quarter.

ARTICLE IX

SELECTION, REMOVAL, REPLACEMENT AND COMPENSATION OF TRUSTEE

9.1 Initial Trustee. The Trustee has been selected by the Committee and is appointed effective as of the Effective Date. The initial trustee shall be the Trustee.

9.2 Term of Service. The Trustee shall serve until (a) the completion of the administration of the Trust Assets and the Trust, including the winding up of the Trust, in accordance with this Agreement and the Plan; (b) termination of the Trust in accordance with the terms of this Agreement and the Plan; or (c) the Trustee's death, incapacity, dissolution, liquidation, resignation or removal. In the event the Trustee's appointment terminates by reason of

death, incapacity, dissolution, liquidation, resignation or removal, the Trustee shall be immediately compensated for all reasonable fees and expenses accrued through the effective date of termination, whether or not previously invoiced. The provisions of Article VI of this Agreement shall survive the resignation or removal of any Trustee.

9.3 Removal of Trustee. Any Person serving as Trustee may be removed at any time for cause. Any party in interest, on notice and hearing before the Bankruptcy Court, may seek removal of the Trustee for cause.

9.4 Resignation of Trustee. The Trustee may resign at any time on written notice to the Trust Oversight Committee. The resignation shall be effective on the later of (i) the date specified in the notice of resignation and (ii) the date that is thirty days (30) after the date such notice is filed with the Bankruptcy Court if the Bankruptcy Case is still open and served on the United States Trustee. In the event of a resignation, the resigning Trustee shall render to the successor Trustee a full and complete accounting of monies and assets received, disbursed and held during the term of office of that Trustee.

9.5 Appointment of Successor Trustee. Upon the death, incapacity, dissolution, liquidation, resignation or removal of a Trustee, a successor Trustee shall be appointed by Trust Oversight Committee. Any successor Trustee so appointed shall consent to and accept its appointment as successor Trustee, which may be done by e-mail or through acquiescence in not objecting to a motion for approval of its appointment as successor Trustee.

9.6 Powers and Duties of Successor Trustee. A successor Trustee shall have all the rights, privileges, powers and duties of its predecessor under this Agreement, the Plan and the Confirmation Order.

9.7 Trust Continuance. The death, incapacity, dissolution, liquidation, resignation or removal of the Trustee shall not terminate the Trust or revoke any existing agency created pursuant to this Agreement or invalidate any action theretofore taken by the Trustee.

9.8 Compensation of Trustee and Costs of Administration. The Trustee shall be entitled to reasonable compensation in an amount consistent with that of similar functionaries in similar types of bankruptcy cases, which shall be a charge against and paid out of the Trust Assets. All reasonable costs, expenses and obligations incurred by the Trustee (or professionals who may be employed by the Trustee in administering the Trust, in carrying out their other responsibilities under this Agreement, or in any manner connected, incidental or related thereto) shall be paid by the Trust from the Trust Assets prior to any Distribution to the Beneficiaries. The terms of the compensation of the Trustee are set forth on Exhibit A hereto.

9.9 Appointment of Supplemental Trustee. If any of the Trust Assets are situated in any state or other jurisdiction in which the Trustee is not qualified to act as trustee, and a Person qualified to act as trustee in such state or other jurisdiction is required, the Trustee shall nominate and appoint a Person duly qualified to act as trustee with respect to such Trust Assets (the "Supplemental Trustee") in such state or jurisdiction and require from each such Supplemental Trustee such security as may be designated by the Trustee in its discretion. The Trustee may confer upon such Supplemental Trustee all of the rights, powers, privileges and duties of the

Trustee hereunder, subject to the conditions and limitations of this Agreement, except as modified or limited by the laws of the applicable state or other jurisdiction (in which case, the laws of the state or other jurisdiction in which such Supplemental Trustee is acting shall prevail to the extent necessary). The Trustee shall require such Supplemental Trustee to be answerable to the Trustee for all monies, assets and other property that may be received in connection with the administration of all Trust Assets. Subject to Article VIII of this Agreement, the Trustee may remove such Supplemental Trustee, with or without cause, and appoint a successor Supplemental Trustee at any time by executing a written instrument declaring such Supplemental Trustee removed from office and specifying the effective date and time of removal.

POST-CONSUMMATION TRUST OVERSIGHT COMMITTEE

10.1 Trust Oversight Committee. As of the Effective Date, the Oversight Committee shall be comprised of (i) Bees Brothers, LLC; (ii) Buoye Honey; (iii) Little Bee Impex; (iv) Citrofrut SA de CV; and (v) Delta Food International Inc. (each, a "Member", and, collectively, the "Members"). Should any of the Members resign from or otherwise cease to serve on the Trust Oversight Committee, replacements, if any, may be selected by the remaining Members acting by majority vote.

10.2 Trust Oversight Approval. Except as otherwise expressly provided herein, a majority vote of the Members shall constitute an act or decision of the Trust Oversight Committee. If the event of a tie vote, the Trustee shall be deemed a voting Member for the sole purpose of breaking any such tie vote of the Trust Oversight Committee. The Trustee may make recommendations for the action or inaction of the Trust Oversight Committee via email on seven (7) days' notice (the "Voting Period"), and in the absence of a majority of the Members rejecting the recommendation within the Voting Period, the recommendation shall be deemed to have been approved by a majority of the Members.

10.3 Reports to Trust Oversight Committee. Notwithstanding any other provision of this Agreement, the Trustee shall report to the Oversight Committee as may be requested by the Oversight Committee, not less than quarterly of the first year following the Effective Date, which reports shall include such matters and information as reasonably requested by the Trust Oversight Committee. The Trust Oversight Committee shall keep all such information strictly confidential, except to the extent the Trust Oversight Committee deems it reasonably necessary to disclose such information to the Bankruptcy Court (in which case, a good faith effort shall be made to file such information under seal).

10.4 Actions Requiring Approval of the Trust Oversight Committee. Notwithstanding anything to the contrary in the Plan or herein, the Trustee shall obtain the approval of the Trust Oversight Committee prior to taking any of the following actions, which approval may be by affirmative vote of the Trust Oversight Committee or upon notice pursuant to the procedures set forth in 10.2 above:

10.4.1 The commencement of any Cause of Action against any third parties, not including claim objections;

10.4.2 The settlement, compromise, withdrawal, dismissal or other resolution of any (i) Claims or Objections to Claims by the Trust where the amount set forth in the Claim exceeds $250,000 of the amount set forth in the Trust's books and records as being owed pursuant to such Claim; and (ii) Cause of Action by the Liquidating Trust if the amount sought to be recovered in the complaint or other document initiating such Cause of Action exceeds $100,000;

10.4.3 The sale, transfer, abandonment, assignment, or other disposition of any Trust Assets having a valuation in excess of $50,000;

10.4.4 The borrowing of any funds by the Liquidating Trust or pledge of any portion of the Trust Assets;

10.4.5 The exercise of any right or action set forth in this Agreement that expressly requires approval of the Trust Oversight Committee;

10.4.6 The amount and timing of distributions from the proceeds of Trust Assets;

10.4.7 The establishment or setting of the Disputed Reserves or any other reserves in aid of distribution and opening, maintaining and administering bank accounts as necessary to discharge the duties of the Trustee under the Plan and this Agreement; or

10.4.8 The payment of the Trustee's invoices.

10.5 In the event that the Trustee cannot take any action, including, without limitation, the prosecution of any Causes of Action or the objection to any Claim, by reason of an actual or potential conflict of interest, the Trustee Oversight Committee acting by a majority shall be authorized to take any such action(s) in his place and stead, including without limitation, the retention of professionals (which may include professionals retained by the Trustee) for such purpose of taking such actions.

10.6 Investments. The Trust Oversight Committee may authorize the Trust to invest the Trust Assets in prudent investments other than those described in Section 345 of the Bankruptcy Code.

10.7 Compensation of Oversight Committee. The Trust Oversight Committee Members shall be entitled to reimbursement of reasonable out-of-pocket expenses incurred in such Member's duty on behalf of the Oversight Committee.

ARTICLE XII

DURATION OF TRUST

11.1 Duration. Once the Trust becomes effective upon the Effective Date of the Plan, the Trust and this Agreement shall remain and continue in full force and effect until the Trust is terminated.

11.2 Termination After No Further Pursuit of Causes of Action. At such time as: (a) the Trustee determines that the pursuit of additional Trust Causes of Action is not likely to yield

sufficient additional proceeds to justify further pursuit of such claims, and (b) all distributions of Distributable Proceeds required to be made by the Trustee to the Beneficiaries under the Plan have been made, the Trust shall terminate and be dissolved, and the Trustee shall have no further responsibility in connection therewith except as may be required to effectuate such termination and dissolution under relevant law.

11.3 Termination After Five Years. If the Trust has not been previously terminated pursuant to Article 11.2 hereof or extended in accordance with this Section, on the fifth anniversary of the Effective Date, the Trustee shall Distribute all of the Trust Assets to the Beneficiaries in accordance with the Plan, and immediately thereafter the Trust shall terminate and be dissolved and the Trustee shall have no further responsibility in connection therewith except to the limited extent set forth in Section 11.5 of this Agreement. Notwithstanding the foregoing, the Trust shall not terminate on the fifth anniversary of the Effective Date if the Bankruptcy Court, upon motion made within the six-month period before such fifth anniversary (and, in the event of further extension, upon motion within the six-month period before the end of the preceding extension), determines that a fixed period extension (not to exceed three years, together with any prior extensions, without a favorable letter ruling from the IRS that any further extension would not adversely affect the status of the Trust as a liquidating trust for federal income tax purposes) is necessary to facilitate or complete the recovery on, and liquidation of, the Trust Assets.

11.4 No Termination by Beneficiaries. The Trust may not be terminated at any time by the Beneficiaries.

11.5 Continuance of Trust for Winding Up; Discharge and Release of Trustee. After the termination of the Trust and solely for the purpose of liquidating and winding up the affairs of the Trust, the Trustee shall continue to act as such until its responsibilities have been fully performed. Except as otherwise specifically provided herein, upon the final Distribution of the Trust Assets including all excess reserves, the Trustee shall be deemed discharged and have no further duties or obligations hereunder. Upon a motion by the Trustee, the Bankruptcy Court may enter an order relieving the Trustee and its employees, professionals and agents of any further duties, and discharging and releasing the Trustee from all liability related to the Trust.

ARTICLE XIII

MISCELLANEOUS

12.1 Cumulative Rights and Remedies. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights and remedies under law or in equity.

12.2 Notices. All notices to be given to Beneficiaries may be given by ordinary mail, or may be delivered personally, to the Beneficiaries at the addresses appearing on the books kept by the Trustee. Any notice or other communication which may be or is required to be given, served or sent to the Trustee shall be in writing and shall be sent by registered or certified United States mail, return receipt requested, postage prepaid, or transmitted by hand delivery or facsimile (if receipt is confirmed), addressed as follows:

SltnTrst LLC
Attn: Peter Kravitz
16830 Ventura Blvd., Suite 160
Encino, CA 91436
pkravitz@solutiontrust.net

with a copy to

Pachulski Stang Ziehl & Jones LLP
Attn: Bradford J. Sandler
Attn: Shirley S. Cho
919 North Market Street, 17th Floor
Wilmington, DE 19801
bsandler@pszjlaw.com
scho@pszjlaw.com

or to such other address as may from time to time be provided in written notice by the Trustee.

12.3 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to rules governing the conflict of laws.

12.4 Successors and Assigns. This Agreement shall inure to the benefit of and shall be binding upon the Parties and their respective successors and assigns.

12.5 Particular Words. Reference in this Agreement to any Section or Article is, unless otherwise specified, to such Section or Article under this Agreement. The words "hereof," "herein," and similar terms shall refer to this Agreement and not to any particular Section or Article of this Agreement.

12.6 Execution. All funds in the Trust shall be deemed in custodia legis until such times as the funds have actually been paid to or for the benefit of a Beneficiary, and no Beneficiary or any other Person can execute upon, garnish or attach the Trust Assets or the Trustee in any manner or compel payment from the Trust except by Final Order of the Bankruptcy Court (or applicable appellate court). Payments will be governed solely by the Plan, the Confirmation Order and this Agreement.

12.7 Amendment. This Agreement may be amended only by order of the Bankruptcy Court.

12.8 No Waiver. No failure or delay of any party to exercise any right or remedy pursuant to this Agreement shall affect such right or remedy or constitute a waiver thereof.

12.9 No Relationship Created. Nothing contained herein shall be construed to constitute any relationship created by this Agreement as an association, partnership or joint venture of any kind.

12.10 Severability. If any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or against its regulatory policy, the remainder of the terms, provisions, covenants and restrictions contained in this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

12.11 Further Assurances. Without limitation of the generality of Section 2.4 of this Agreement, the Parties agree to execute and deliver all such documents and notices and to take all such further actions as may reasonably be required from time to time to carry out the intent and purposes and provide for the full implementation of this Agreement and the pertinent provisions of the Plan, and to consummate the transactions contemplated hereby.

12.12 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

12.13 Jurisdiction. The Bankruptcy Court shall have jurisdiction over the Trust, the Trustee, and the Trust Assets, including, without limitation, the determination of all disputes arising out of or related to administration of the Trust. The Bankruptcy Court shall have exclusive jurisdiction and venue to hear and finally determine all matters among the Parties arising out of or related to this Agreement or the administration of the Trust.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the Parties have or are deemed to have executed this Agreement as of the day and year written above.

GROEB FARMS, INC.

By:
Name:
Title:

SLTNTRST LLC

By:
Name: Peter Kravitz
Title: Principal

Exhibit A

Terms of Compensation of Trustee

$**7,500** per month **plus actual and necessary reasonable expenses**, subject to periodic increases by the Trust Oversight Committee

Exhibit B

Plan

See attached

EXHIBIT 5

NATURAL AMERICAN FOODS HOLDINGS, LLC

MANAGEMENT EQUITY GRANT AGREEMENT

THIS MANAGEMENT EQUITY GRANT AGREEMENT (this "Agreement") is made as of **[_____]**, by and between Natural American Foods Holdings, LLC, a Delaware limited liability company (the "Company"), and **[_____]** ("Executive"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the LLC Agreement (as defined in Section 9 hereof).

The Company and Executive desire to enter into an agreement pursuant to which the Company shall grant to executive, and Executive shall accept and receive from the Company, **[_____]** Class B Units.

In consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Grant of Class B Units.

(a) Grant. Upon execution of this Agreement, the Company shall grant to Executive, and Executive shall accept and receive from the Company, without any consideration paid, or other Capital Contribution made or deemed made, **[_____]** Class B Units. The Class B Units granted hereunder shall have a Participation Threshold of $**[____]**.

(b) Certain Representation and Warranties. In connection with the grant of the Class B Units hereunder, Executive represents and warrants to the Company as follows:

(i) The Class B Units to be acquired by Executive pursuant to this Agreement will be acquired for Executive's own account and not with a view to, or intention of, distribution thereof in violation of the Securities Act, or any applicable state securities laws, and the Class B Units will not be disposed of in contravention of the Securities Act or any applicable state securities laws.

(ii) Executive is an employee of the Company or a Subsidiary or Affiliate thereof or has otherwise been engaged by the Company or a Subsidiary or Affiliate thereof to provide certain services, is sophisticated in financial matters and is able to evaluate the risks and benefits of decisions with respect to the Class B Units.

(iii) Executive understands that the Class B Units have not been registered under the Securities Act or applicable state securities laws and are subject to substantial restrictions on transfer set forth herein and in the LLC Agreement, and, therefore, cannot be sold unless subsequently registered under the Securities Act and applicable state securities laws or an exemption from such registration is available and in compliance with such restrictions on transfer.

(iv) Executive has had an opportunity to ask questions and receive answers concerning the terms and conditions of the offering of the Class B Units and has had full access to such other information concerning the Company and its Subsidiaries and Affiliates as he or she has requested.

(v) Executive has received and carefully read a copy of the LLC Agreement and has, either prior to the date hereof or simultaneously with the execution of this Agreement, executed a signature page to the LLC Agreement or executed a joinder to the LLC agreement in the form of Exhibit A attached hereto. This Agreement and the LLC Agreement constitute the legal, valid and binding obligation of Executive, enforceable in accordance with their terms, and the execution, delivery and performance of this Agreement and the LLC Agreement do not and will not conflict with, violate or cause a breach of any agreement, contract or instrument to which Executive is a party or any judgment, order or decree to which Executive is subject or create any conflict of interest with the Company or any of its Subsidiaries or Affiliates, or any of their present or former customers.

(vi) Executive is a resident of the state of **[_____]**.

(c) Certain Acknowledgments. As an inducement to the Company to grant the Class B Units to Executive, and as a condition thereto, Executive acknowledges and agrees that:

(i) neither the issuance of the Class B Units to Executive nor any provision contained herein shall entitle Executive to remain in the employment or engagement of the Company and its Subsidiaries or affect the right of the Company and its Subsidiaries to terminate Executive's employment or engagement at any time for any reason or no reason or confer upon Executive the right to continue Executive's present (or any other) rate of compensation; and

(ii) neither the Company nor any of its Subsidiaries or Affiliates shall have any duty or obligation to disclose to Executive, and Executive shall have no right to be advised of, any material information regarding any of the foregoing Persons at any time prior to, upon or in connection with, the repurchase of Class B Units upon the termination of Executive's employment or engagement with the Company and its Subsidiaries or as otherwise provided hereunder.

(d) Tax Matters. Within thirty (30) days after the date hereof, Executive will make an effective election with the Internal Revenue Service under Section 83(b) of the Internal Revenue Code and the regulations promulgated thereunder in the form of Exhibit B attached hereto.

(e) Compensatory Arrangements; Rule 701 Exemption. The Company and Executive hereby acknowledge and agree that this Agreement has been executed and delivered, and the Class B Units have been issued hereunder, in connection with and as a part of the compensation and incentive arrangements between the Company and Executive, and pursuant and subject to the provisions of the LLC Agreement. Each of the Class B Units granted

hereunder is intended to qualify for an exemption from the registration requirements under the Securities Act, pursuant to Rule 701 (the "Exemption") and under similar exemptions under applicable state securities laws. In the event that any provision of this Agreement would cause the Class B Units granted hereunder to not qualify for the Exemption, Executive and the Company agree that this Agreement shall be deemed automatically amended to the extent necessary to cause the Class B Units to qualify for the Exemption.

(f) Possession of Certificates. Until the earlier to occur of a Sale of the Company and an IPO, certificates evidencing Class B Units, if any, shall be held by the Company for the benefit of Executive. If and when any such certificates evidencing Class B Units held by Executive or Executive's Permitted Transferee are issued, such certificates shall be deemed to be delivered by Executive to the Company, and Executive shall, concurrently with such issuance, execute in blank one irrevocable unit transfer power in the form of Exhibit C attached hereto (the "Unit Power") with respect to the Class B Units and shall deliver such Unit Power to the Company. The Unit Power shall allow the Company to transfer title to the Class B Units to the appropriate acquirer thereof upon the occurrence of a Sale of the Company, upon a repurchase of Class B Units pursuant to Section 3 of this Agreement or upon a forfeiture of Class B Units pursuant to Section 4 of this Agreement. Upon the occurrence of a Sale of the Company, the Company shall either (i) return to the record holders thereof any certificates representing Vested Units (as defined in Section 2(a) below), together with unit powers previously delivered by Executive, or (ii) deliver to the record holders of the Class B Units all proceeds received by the Company from the transfer of the Vested Units in connection with a Sale of the Company. Upon the occurrence of an IPO (or a Restructuring Transaction related thereto), the Company shall return to the record holders thereof any certificates representing Vested Units, together with unit powers previously delivered by Executive.

2. Vesting of Class B Units.

(a) General. Each of the Class B Units issued hereunder shall be subject to vesting as set forth in this Section 2. Class B Units which have become vested pursuant to this Section 2 are referred to herein as "Vested Units" and Class B Units which have not become Vested Units are referred to herein as "Unvested Units."

(b) Time Vesting.

(i) 50% of the the Class B Units issued hereunder (the "Time Vesting Units") shall become vested in accordance with the following schedule, if as of each date indicated on such schedule Executive is, and since the date hereof has been: (A) employed by the Company or any of its Subsidiaries, (B) serving as a manager or director of the Company or its Subsidiaries (a "Manager") or (C) providing services to the Company or any of its Subsidiaries as an advisor or consultant as contemplated by or described in Rule 701, in each case, except for any absence for vacation or leave in accordance with the Company's or its Subsidiaries' policies (any of the foregoing clauses (A)-(C), "Continuously Employed"):

Date	Cumulative Percentage of Time Vesting Units Vested
First Anniversary of the Issuance Date	20%
Second Anniversary of the Issuance Date	40%
Third Anniversary of the Issuance Date	60%
Fourth Anniversary of the Issuance Date	80%
Fifth Anniversary of the Issuance Date	100%

(ii) For the avoidance of doubt, if Executive ceases to be Continuously Employed prior to the first anniversary of the date hereof, none of the Class B Units shall be deemed vested.

(c) Performance Vesting. The other 50% of the the Class B Units issued hereunder (the "Performance Vesting Units") shall become vested in accordance with the following schedule, if with respect to each year indicated on such schedule (i) EBITDA for such year is equal to at least the target EBITDA amount set forth in the Company's budget for such year (as applicable, the "Target EBITDA") and (ii) Executive has been Continuously Employed from the date hereof until the date of determination of EBITDA for such year:

Twelve-Month Period Ending:	Percentage of Performance Vesting Units Vested
December 31, 2014	20%
December 31, 2015	20%
December 31, 2016	20%
December 31, 2017	20%
December 31, 2018	20%

(d) Acceleration of Vesting on Sale of the Company. Upon the consummation of a Sale of the Company: (i) all Time Vesting Units which have not yet become Vested Units shall immediately vest and become Vested Units, and (ii) all Performance Vesting Units which have not yet become Vested Units shall immediately vest and become Vested Units, but in the case of this clause (ii) if and only if (x) the Company is, at such time, on track to achieve the Target EBITDA for the year in which the Sale of the Company occurs, and (y) in the case of a Sale of the Company occurring after December 31, 2014, the Company achieved the Target EBITDA for the year immediately prior to the year in which the Sale of the Company occurs; provided, however, that each of the foregoing vesting events upon a Sale of the Company shall only occur so long as Executive has either been Continuously Employed from the date hereof until the date of the Sale of the Company, or is Continuously Employed from the date hereof through a date which is not more than ninety (90) days prior to the date of the consummation of the Sale of the Company and was terminated by the Company or its Subsidiaries without Cause. Notwithstanding the foregoing, the Board may determine that all or any portion of the Performance Vested Units that do not vest in accordance with the foregoing sentence become Vested Units upon the consummation of a Sale of the Company.

3. Repurchase of Class B Units.

(a) Repurchase of Vested Units on Termination of Employment or Services. If Executive's employment with the Company and its Subsidiaries or the services that Executive provides (including service as a Manager, advisor or consultant) to the Company or any of its Subsidiaries are terminated by the Company or its Subsidiaries for any reason other than Cause (including as a result of Executive's death or Disability) or are terminated due to Executive's resignation for any reason (a "Termination"), the Company or its designee shall have the right, but not the obligation, to purchase all or any portion of the Vested Units at a price per unit equal to the Fair Market Value of such Class B Unit as of the date of repurchase; provided, however, that, if Class B Units are repurchased at the Fair Market Value thereof pursuant to this Section 3(a) but Executive is subsequently determined to have violated any agreement between Executive and the Company or its Subsidiaries with respect to non-competition, non-solicitation, confidentiality or protection of trade secrets (or similar provision regarding intellectual property), including without limitation the restrictions and covenants contained in Section 5 below or Section 8.14 of the LLC Agreement, then Executive shall immediately remit a cash payment to the Company equal to the amount previously paid by the Company for such Class B Units; provided, further, that any obligation arising under the foregoing proviso may be offset against any other amounts due to Executive by the Company or its Subsidiaries.

(b) Repurchase Procedure for the Company. The Company or its designee may elect to repurchase all or any portion of the Vested Units pursuant to Section 3(a) by delivery of written notice (a "Company Repurchase Notice") to Executive (and any other holder of such Class B Units) at any time during the 180 days following the date of Termination. The Company Repurchase Notice shall set forth the number of Class B Units to be acquired and the time and place for the closing of the transaction.

(c) Restrictions on Repurchases. Notwithstanding anything to the contrary contained in this Agreement, all repurchases of Class B Units by the Company shall be subject to applicable restrictions contained in the Securities Act and in the Company's and its Subsidiaries' debt and equity financing agreements. If any such restrictions prohibit the repurchase of Class B Units hereunder which the Company is otherwise entitled to make, the time periods provided in this Section 3 shall be suspended, and the Company shall make such repurchases at the applicable purchase price therefore following the lapse of such restrictions.

(d) Deemed Repurchase. Upon delivery of the full consideration for the Class B Units at the closing of a repurchase pursuant to this Section 3 (including delivery of any subordinated promissory note pursuant to Section 3(f)), then from and after such time, the holder of such Class B Units from whom such securities are to be purchased shall cease to have any rights as a holder of such securities, and such securities shall be deemed purchased in accordance with the applicable provisions hereof. In connection with any such repurchase, the Company shall be entitled to cancel certificates (or any portion thereof), if any, representing such repurchased Class B Units which were delivered to the Company pursuant to Section 1(f) hereof without any further action on the part of Executive, and the Board is hereby authorized to amend Schedule A attached to the LLC Agreement to reflect any deemed repurchase of the Class B Units effected in accordance with this Section 3(d).

(e) Revocation of Election. Any election by the Company or its designee to purchase Class B Units pursuant to this Section 3 shall be revocable (with respect to all or any

portion of the Class B Units elected to be purchased) at any time prior to the closing of such purchase, without any liability whatsoever to the Company or its designee in respect of the rights and obligations in this Section 3.

(f) Manner of Payment. If the Company or its designee elects to purchase all or any portion of the Vested Units, including those held by one or more of Executive's Transferees, then, within thirty (30) days following the delivery of the Company Repurchase Notice, the Company or such designee shall pay for such Class B Units, at the Company's option, (i) with a subordinated promissory note of the Company, which subordinated promissory note shall (x) bear interest at an interest rate not less than the interest rate then payable by the Company and its Subsidiaries under the Company's senior credit facility (or, if no such credit facility then exists, at the prime rate (as published from time to time in *The Wall Street Journal*, electronic edition)), compounded calendar quarterly, (y) have all principal and interest payments due on a Sale of the Company, and (z) be subordinated on terms and conditions satisfactory to the holders of the Company's or its Subsidiaries' indebtedness for borrowed money, (ii) by certified check or wire transfer of funds, (iii) by delivery of a number of shares of common stock of Intermediate Holdings having a fair market value (as determined by the Company) equal to the aggregate repurchase price for such Class B Units (the "Repurchase Units"), or (iv) any combination of the foregoing; provided that, in the event any Repurchase Units are issued, promptly following the closing of the repurchase transaction, Intermediate Holdings may at its election redeem, and if Intermediate Holdings so elects, the holder of such Repurchase Units shall be required to sell to Intermediate Holdings, all of the Repurchase Units for an aggregate amount in cash equal to the aggregate repurchase price for the Class B Units (or the portion thereof previously assigned to the Repurchase Units).

4. Forfeiture of Class B Units. If Executive's employment with the Company and its Subsidiaries or the services that Executive provides (including service as a Manager, advisor or consultant as contemplated by and described in Rule 701) to the Company or any of its Subsidiaries are terminated by the Company or its Subsidiaries or Executive for any reason, all Unvested Units (whether held by Executive or one or more of Executive's direct or indirect Transferees) will automatically, and without any action from the holder thereof, be forfeited to the Company without any payment therefor. In addition, notwithstanding anything to the contrary set forth in this Agreement or the LLC Agreement, in the event that Executive (a) violates any agreement between Executive and the Company or its Subsidiaries with respect to non-competition, non-solicitation, confidentiality or protection of trade secrets (or similar provision regarding intellectual property), including without limitation the restrictions and covenants contained in Section 5 below or Section 8.14 of the LLC Agreement, or (b) is terminated by the Company or its Subsidiaries for Cause (other than death or Disability), then all of the Vested Units (whether held by Executive or one or more of Executive's direct or indirect Transferees) will automatically, and without any action from the holder thereof, be forfeited to the Company without any payment therefor. In connection with any forfeiture pursuant to this Section 4, the Company shall be entitled to cancel certificates (or any portion thereof), if any, representing such forfeited Class B Units which were delivered to the Company pursuant to Section 1(f) hereof without any further action on the part of Executive, and the Board is hereby authorized to amend Schedule A attached to the LLC Agreement to reflect any forfeiture of the Class B Units effected in accordance with this Section 4.

5. Restrictive Covenants.

(a) Confidentiality. Executive acknowledges and agrees that Executive shall be subject to and bound by the provisions regarding Confidential Information set forth in Section 8.14 of the LLC Agreement.

(b) Intellectual Property, Inventions and Patents. Executive acknowledges that all discoveries, concepts, ideas, inventions, innovations, improvements, developments, methods, designs, analyses, drawings, reports, patent applications, copyrightable work and mask work (whether or not including any Confidential Information) and all registrations or applications related thereto, all other proprietary information and all similar or related information (whether or not patentable) which relate to the Company's or any Company Affiliate's actual or anticipated business, research and development or existing or future products or services and which are conceived, developed or made by Executive (whether alone or jointly with others) while employed by the Company or any Company Affiliate ("Work Product"), belong to the Company and the Company Affiliates. Executive shall promptly disclose such Work Product to the Board and, at the Company's expense, perform all actions reasonably requested by the Board (whether during or after the period of Executive's employment or engagement) to establish and confirm such ownership (including assignments, consents, powers of attorney and other instruments). Executive acknowledges that all Work Product shall be deemed to constitute "works made for hire" under the U.S. Copyright Act of 1976, as amended. The foregoing provisions of this Section 5(b) shall not apply to any invention that Executive developed entirely on his or her own time without using the Company's or any Company Affiliate's equipment, supplies, facilities or trade secret information, except for those inventions that (i) relate to the Company's and the Company Affiliates' business or actual or demonstrably anticipated research or development, or (ii) result from any work performed by Executive for the Company or any Company Affiliate.

(c) Noncompetition. Executive acknowledges that he or she will become familiar with the Company's trade secrets and with other Confidential Information concerning the Company and the Company Affiliates. As a result of the foregoing, Executive agrees that, for so long as Executive (or any of his or her Permitted Transferees) holds any Class B Units and for a period of 12 months thereafter (such period, the "Restricted Period"), Executive shall not directly, or indirectly through another person or entity, as owner, principal, agent, equityholder, director, officer, member, manager, employee, partner, participant, or in any other capacity, engage in any business or entity competing with the business of the Company or any Company Affiliate as conducted or proposed to be conducted during the period in which Executive holds Class B Units in any geographical area in which the Company or any Company Affiliate engages in, conducts or has proposed to conduct business.

(d) Nonsolicitation. In addition, during the Restricted Period, Executive agrees that he or she shall not directly or indirectly through another person or entity, (i) induce or attempt to induce any employee of the Company or any Company Affiliate to leave the employ of the Company or such Company Affiliate, or in any way interfere with the relationship between the Company or any Company Affiliate and any employee thereof, (ii) hire any person who was an employee of the Company or any Company Affiliate at any time during the Restricted Period, except for any employee who has not been employed by the Company or any

Company Affiliate for at least one year prior to such hiring, or (iii) induce or attempt to induce any customer, supplier, licensee, licensor, franchisee or other business relation of the Company or any Company Affiliate to cease or reduce the level of doing business with the Company or such Company Affiliate, or in any way interfere with or otherwise negatively alter the relationship between any such customer, supplier, licensee or business relation and the Company or any Company Affiliate (including, without limitation, making any negative or disparaging statements or communications regarding the Company or the Company Affiliates).

(e) Remedies. If, at the time of enforcement of this Section 5, a court holds that the restrictions stated herein are unreasonable under circumstances then existing, the parties hereto agree that the maximum period, scope or geographical area reasonable under such circumstances shall be substituted for the stated period, scope or area and that the court shall be allowed to revise the restrictions contained herein to cover the maximum period, scope and area permitted by law. Because Executive's services are unique and because Executive has access to Confidential Information and Work Product, the parties hereto agree that the Company and the Company Affiliates would suffer irreparable harm from a breach of this Section 5 by Executive and that money damages would not be an adequate remedy for any such breach of this Section 5. Therefore, in the event of a breach or threatened breach of this Section 5, the Company and the Company Affiliates and their successors or assigns, in addition to other rights and remedies existing in their favor, shall be entitled to specific performance and/or injunctive or other equitable relief from a court of competent jurisdiction in order to enforce, or prevent any violations of, the provisions hereof (without posting a bond or other security). In addition, in the event of a breach or violation by Executive of Section 5(c) or 5(d), the Restricted Period shall be automatically extended by the amount of time between the initial occurrence of the breach or violation and when such breach or violation has been duly cured.

(f) Additional Acknowledgements. In addition, Executive acknowledges that the provisions of this Section 5 are in consideration of the grant of Class B Units to Executive hereunder and additional good and valuable consideration as set forth in this Agreement. Executive also acknowledges that (i) the restrictions contained in this Section 5 do not preclude Executive from earning a livelihood, nor do they unreasonably impose limitations on Executive's ability to earn a living, (ii) the business of the Company and the Company Affiliates is national in scope and (iii) notwithstanding the state of formation or principal office of the Company or residence of any of its executives or employees (including Executive), the Company and the Company Affiliates have business activities and have valuable business relationships within their respective industry throughout the United States. Executive agrees and acknowledges that the potential harm to the Company and the Company Affiliates of the non-enforcement of this Section 5 outweighs any potential harm to Executive of its enforcement by injunction or otherwise. Executive acknowledges that Executive has carefully read this Section 5 and consulted with independent legal counsel of Executive's choosing regarding its contents (or, after carefully reviewing this Agreement, has freely decided not to consult with independent legal counsel), has given careful consideration to the restraints imposed upon Executive by this Section 5 and is in full accord as to their necessity for the reasonable and proper protection of confidential and proprietary information of the Company and the Company Affiliates now existing or to be developed in the future. Executive expressly agrees and acknowledges that each and every restraint imposed by this Section 5 is reasonable with respect to subject matter, time period and geographical area.

6. Restrictions on Transfer. Executive acknowledges and agrees that the Class B Units are subject to the restrictions on Transfer set forth in Article XII of the LLC Agreement. In addition, Executive shall not be entitled to Transfer any Unvested Units in any instance without the prior written consent of the Company.

7. Power of Attorney. The Class B Units are subject to the power of attorney provisions set forth in Section 15.2 of the LLC Agreement.

8. Executive's Representations. Executive hereby represents and warrants to the Company that (i) the execution, delivery and performance of this Agreement by Executive do not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Executive is a party or by which he or she is bound, (ii) Executive is not a party to or bound by any employment agreement, noncompete agreement or confidentiality agreement with any Person other than the Company or any of its Subsidiaries and (iii) upon the execution and delivery of this Agreement by the Company, this Agreement shall be the valid and binding obligation of Executive, enforceable in accordance with its terms. Executive has been given the opportunity to consult with independent legal counsel regarding Executive's rights and obligations under this Agreement and the LLC Agreement and has consulted with such independent legal counsel regarding the foregoing (or, after carefully reviewing this Agreement and the LLC Agreement, has freely decided not to consult with independent legal counsel), fully understands the terms and conditions contained herein and therein and intends for such terms to be binding upon and enforceable against Executive.

9. Definitions. Capitalized terms used but not otherwise defined in this Agreement shall have the meanings set forth for such terms in the LLC Agreement. In addition, for purposes of this Agreement, the following terms shall have the meanings set forth below:

"Cause" shall have the meaning set forth in any employment agreement by and between Executive and the Company or any of its Subsidiaries; provided that, if "Cause" is not defined therein or if Executive is not party to an employment agreement, then "Cause" shall mean one or more of the following: (i) a material breach of any provision of this Agreement or Executive's employment agreement (if any) after notice of such breach and, if curable, an opportunity to permanently cure such breach within 30 days of such notice, (ii) the commission of a felony or other crime involving moral turpitude or the commission of any other act or omission involving dishonesty, disloyalty or fraud with respect to the Company or any of its Subsidiaries or any of their customers or suppliers, (iii) reporting to work under the influence of alcohol or illegal drugs, the use of illegal drugs (whether or not at the workplace) or other repeated conduct causing the Company or any of its Subsidiaries substantial public disgrace or disrepute or substantial economic harm after notice of such conduct and, if curable, an opportunity to permanently cure such conduct within 30 days of such notice, (iv) substantial and willful failure to perform duties as reasonably directed by the Board after notice of such failure and, if curable, an opportunity to permanently cure such failure within 30 days of such notice, (v) any act or omission aiding or abetting a competitor, supplier or customer of the Company or any of its Subsidiaries to the material disadvantage or detriment of the Company and its Subsidiaries, (vi) breach of fiduciary duty, gross negligence or willful misconduct with respect to the Company or any of its Subsidiaries or (vii) any other material breach of any other agreement

between Executive and the Company or any of its Affiliates after notice of such breach and, if curable, an opportunity to permanently cure such breach within 30 days of such notice.

"Class B Units" means (i) the Class B Units issued to Executive pursuant to this Agreement, and (ii) any securities issued directly or indirectly with respect to the foregoing securities by way of a unit split, unit dividend, or other division of securities, or in connection with a combination of securities, recapitalization, merger, consolidation, or other reorganization. For the avoidance of doubt, Class B Units shall continue to be Class B Units in the hands of any holder other than Executive (except for the Company or any of its Affiliate or any assignee of the Company's repurchase rights previously exercised), and except as otherwise provided herein, each such other holder of Class B Units shall succeed to all rights and obligations attributable to such Person as a holder of Class B Units hereunder.

"Company Affiliates" means the Company and any successor holding company or other entity that directly or indirectly wholly owns any of the foregoing, and each direct or indirect Subsidiary of the foregoing.

"Disability" shall have the meaning set forth in any employment agreement by and between Executive and the Company or any of its Subsidiaries; provided that, if "Disability" is not defined therein or if Executive is not party to an employment agreement, then "Disability" shall mean Executive's inability to perform the essential duties, responsibilities and functions of his or her position with the Company and its Subsidiaries as a result of any mental or physical illness, disability or incapacity even with reasonable accommodations for such illness, disability or incapacity provided by the Company and its Subsidiaries or if providing such accommodations would be unreasonable, all as determined by the Board in its reasonable good faith judgment. Executive shall cooperate in all respects with the Company if a question arises as to whether he or she has become disabled (including, without limitation, submitting to a reasonable examinations by one or more medical doctors or other health care specialists selected by the Company and authorizing such medical doctors and such other health care specialists to discuss Executive's condition with the Company).

"EBITDA" shall have the meaning set forth in the Credit and Security Agreement, dated as of December 31, 2013, by and between Natural American Foods, Inc., as borrower, and HC Capital Holdings 0909A, LLC, as lender.

"Fair Market Value" of a Class B Unit means a calculation of the hypothetical cash distributions which would be made in respect of such Class B Unit in accordance with Section 13.2 of the LLC Agreement in connection with a liquidation of the Company, if the Company were deemed to have received the Fair Market Value of the Company in cash and then distributed the same to its unitholders in connection with such liquidation, after payment of all the debts, liabilities, and obligations of the Company, and assuming that all of the convertible debt and other convertible securities were converted and all options or warrants to acquire equity interest of the Company (whether or not currently exercisable) were exercised. For such purpose, the Fair Market Value of the Company shall be an amount which the Company would receive in an all-cash sale of all of its assets and businesses as a going concern in an arm's-length transaction with an unaffiliated third party, as determined in good faith by the Board.

"Intermediate Holdings" means Natural American Foods Topco, Inc., a Delaware corporation and direct Subsidiary of the Company.

"LLC Agreement" means the Limited Liability Company Agreement of the Company, dated as of December 31, 2013, among the Company's members, as amended, modified and waived from time to time.

"Rule 701" means Rule 701 promulgated by the Securities Exchange Commission under the Securities Act.

"Securities Act" shall mean the Securities Act of 1933, as amended, together with all rules and regulations promulgated thereunder or any successor U.S. federal laws then in force.

10. Notices. Any notice provided for in this Agreement shall be in writing and shall be either personally delivered, sent by reputable overnight courier service or mailed by first class mail, return receipt requested, to the recipient at the address below indicated:

Notices to Executive:

[_____]
[_____]
[_____]

Notices to the Company:

Natural American Foods Holdings, LLC
10464 Bryan Highway
Onsted, Michigan 49265
Attention: **[Chief Executive Officer / Chief Financial Officer]**

with copies to:

Peak Rock Capital
13413 Galleria Circle
Suite Q-300
Austin, TX 78738
Attention: Robert Strauss
Facsimile: 512-765-6530

and

Kirkland & Ellis LLP
300 North LaSalle
Chicago, IL 60654
Attention: Michael D. Paley, P.C.
Tana M. Ryan
Facsimile: (312) 862-2200

or such other address or to the attention of such other Person as the recipient party shall have specified by prior written notice to the sending party. Any notice under this Agreement shall be deemed to have been given when so delivered, sent or mailed.

11. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any action in any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

12. Complete Agreement. This Agreement, the documents expressly referred to herein (including, without limitation, the LLC Agreement) and those other documents of even date herewith embody the complete agreement and understanding among the parties with respect to, and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to, the subject matter hereof in any way.

13. No Strict Construction. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party.

14. Counterparts. This Agreement may be executed in separate counterparts (including by means of facsimile), each of which is deemed to be an original and all of which taken together shall constitute one and the same agreement.

15. Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the Company and any successor thereto (and such benefits shall be assignable to a successor without Executive's consent), including without limitation any Persons acquiring directly or indirectly all or substantially all of the business or assets of the Company whether by purchase, merger, consolidation, reorganization or otherwise. Except as otherwise provided herein, this Agreement will be binding upon and inure to the benefit of Executive and Executive's successors and permitted assigns (including subsequent holders of Class B Units); provided that Executive's rights and obligations under this Agreement shall not be assignable without the prior written consent of the Company.

16. Choice of Law. All issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement and the exhibits and schedules hereto shall be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.

17. Amendment and Waiver. The provisions of this Agreement may be amended or waived only with the prior written consent of the Company and Executive, and no course of conduct or course of dealing or failure or delay by any party hereto in enforcing or

exercising any of the provisions of this Agreement shall affect the validity, binding effect or enforceability of this Agreement or be deemed to be an implied waiver of any provision of this Agreement.

18. Further Assurances. Executive shall execute and deliver all documents, provide all information, and take or refrain from taking such actions as may be necessary or appropriate to achieve the purposes of this Agreement.

19. Consent to Jurisdiction. EACH OF THE PARTIES IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS LOCATED IN THE STATE OF DELAWARE, FOR THE PURPOSES OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF THIS AGREEMENT, ANY RELATED AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY OR THEREBY. EACH OF THE PARTIES HERETO FURTHER AGREES THAT SERVICE OF ANY PROCESS, SUMMONS, NOTICE OR DOCUMENT BY U.S. REGISTERED MAIL TO SUCH PARTY'S RESPECTIVE ADDRESS SET FORTH ABOVE SHALL BE EFFECTIVE SERVICE OF PROCESS FOR ANY ACTION, SUIT OR PROCEEDING IN DELAWARE WITH RESPECT TO ANY MATTERS TO WHICH IT HAS SUBMITTED TO JURISDICTION IN THIS SECTION 19. EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY OBJECTION TO THE LAYING OF VENUE OF ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF THIS AGREEMENT, ANY RELATED DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE, AND HEREBY AND THEREBY FURTHER IRREVOCABLY AND UNCONDITIONALLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION, SUIT OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

20. Waiver of Jury Trial. AS A SPECIFICALLY BARGAINED FOR INDUCEMENT FOR EACH OF THE PARTIES HERETO TO ENTER INTO THIS AGREEMENT (AFTER HAVING THE OPPORTUNITY TO CONSULT WITH COUNSEL), EACH PARTY HERETO EXPRESSLY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY LAWSUIT OR PROCEEDING RELATING TO OR ARISING IN ANY WAY FROM THIS AGREEMENT OR THE MATTERS CONTEMPLATED HEREBY.

21. Corporate Opportunity. During Executive's employment or engagement with the Company or any of its Subsidiaries, Executive shall submit to the Board all business, commercial and investment opportunities or offers presented to Executive or of which Executive becomes aware which relate to the businesses of the Company or any of its Subsidiaries as such businesses of the Company or any of its Subsidiaries exist at any time during Executive's employment or engagement with the Company or any of its Subsidiaries ("Corporate Opportunities"). During Executive's employment or engagement with the Company or any of its Subsidiaries, unless approved by the Board, Executive shall not accept or pursue, directly or indirectly, any Corporate Opportunities on Executive's own behalf.

22. Executive's Cooperation. During Executive's employment or engagement with the Company or any of its Subsidiaries and thereafter, Executive shall cooperate with the Company and its Subsidiaries in any internal investigation or administrative, regulatory or judicial proceeding as reasonably requested by the Company or any of its Subsidiaries (including, without limitation, Executive being available to the Company and its Subsidiaries upon reasonable notice for interviews and factual investigations, appearing at the Company's or any Subsidiary's request to give testimony without requiring service of a subpoena or other legal process, volunteering to the Company and its Subsidiaries all pertinent information and turning over to the Company and its Subsidiaries all relevant documents which are or may come into Executive's possession, all at times and on schedules that are reasonably consistent with Executive's other permitted activities and commitments). In the event the Company or any of its Subsidiaries requires Executive's cooperation at any time after termination of Executive's employment or engagement with the Company or any of its Subsidiaries, the Company shall pay Executive a per diem amount calculated on the basis of Executive's base compensation in effect as of immediately prior to the termination of such employment or engagement.

23. Community Property. Executive acknowledges that he or she may reside in a state that grants to his or her spouse certain "community property rights" in equity securities of the Company acquired or otherwise obtained by Executive, and, upon execution of this Agreement and as a condition to the issuance of the Class B Units hereunder, Executive shall deliver an executed spousal consent in the form of Exhibit D attached hereto.

* * * * *

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

NATURAL AMERICAN FOODS HOLDINGS, LLC

By: _____
Name:
Its:

_____
[Executive]

Exhibit A

JOINDER TO LIMITED LIABILITY COMPANY AGREEMENT

This Joinder (this "Agreement") is made as of the date written below by the undersigned (the "Joining Party") in favor of and for the benefit of Natural American Foods Holdings, LLC, a Delaware limited liability company, and the other parties to the Limited Liability Company Agreement, dated as of December 31, 2013 (as may be amended, the "LLC Agreement"). Capitalized terms used but not defined herein shall have the meanings given such terms in the LLC Agreement.

The Joining Party hereby acknowledges, agrees and confirms that, by his or her execution of this Joinder, the Joining Party will be deemed to be a party to the LLC Agreement and shall have all of the obligations under the LLC Agreement as a Member and as a Management Holder as if he or she had executed the LLC Agreement. The Joining Party hereby ratifies, as of the date hereof, and agrees to be bound by, all of the terms, provisions and conditions contained in the LLC Agreement.

The Joining Party acknowledges that all expectations and future projections contained in any presentation or other materials provided to the Joining Party are estimates and for illustrative purposes only. No guarantee can be given that future projections can or will be attained.

IN WITNESS WHEREOF, the undersigned has executed this Joinder as of the date written below.

Date: _____ _____

[Executive]

Exhibit B

[_____], 20**[__]**

PROTECTIVE ELECTION TO INCLUDE MEMBERSHIP INTEREST IN GROSS INCOME PURSUANT TO SECTION 83(B) OF THE INTERNAL REVENUE CODE

The undersigned acquired from Natural American Foods Holdings, LLC, a Delaware limited liability company (the "Company"), **[_____]** Class B Units of the Company (the "Class B Units"). Under certain circumstances, the Class B Units may be forfeited to the Company for no consideration and/or the Company may have the right to repurchase the Class B Units (in each case, whether such Class B Units are held by the undersigned or a subsequent holder of the Class B Units, if different from the undersigned) should the undersigned cease to be employed or engaged by the Company or its subsidiaries, as applicable ("Employer"). Hence, the Class B Units are subject to a substantial risk of forfeiture, are subject to the restrictions set forth in Section 4 below and are nontransferable.

Based on current Treasury Regulation § 1.721-1(b), Proposed Treasury Regulation § 1.721-1(b)(1), and Revenue Procedures 93-27 and 2001-43, the undersigned does not believe that issuance of the Class B Units to the undersigned is subject to the provisions of § 83 of the Internal Revenue Code (the "Code"). In the event that the sale is so treated, however, the undersigned desires to make an election to have the receipt of the Class B Units taxed under the provisions of Code § 83(b) at the time the undersigned acquired the Class B Units.

Therefore, pursuant to Code § 83(b) and Treasury Regulation § 1.83-2 promulgated thereunder, the undersigned hereby makes an election with respect to the Class B Units (as described in Section 2 below), to report as taxable income for calendar year 20**[__]** the excess (if any) of the Class B Unit's fair market value on **[_____]**, 20**[__]** over the purchase price thereof.

The following information is supplied in accordance with Treasury Regulation § 1.83-2(e):

1. The name, address and social security number of the undersigned:

   Name: _____
   Address: _____
   _____
   SS#: _____

2. A description of the property with respect to which the election is being made: **[_____]** Class B Units of the Company.

3. The date on which the property was transferred: **[_____]**, 20**[__]**. The taxable year for which such election is made: calendar year 20**[__]**.

4. The restrictions to which the property is subject: If the undersigned ceases to be employed or engaged by Employer for any reason, the unvested Class B Units will be forfeited for no consideration and the vested Class B Units will be subject to repurchase by the Company (and/or one or more of its assignees) or forfeiture for no consideration. If the Employer terminates the employment or services of the undersigned for cause, each vested Class B Unit will be forfeited for no consideration. If the Employer terminates the employment or services of the undersigned without cause, the undersigned resigns for any reason or the undersigned's employment or services terminates due to death or disability, each vested Class B Unit may be repurchased by the Company at a price equal to its fair market value. In addition, in the event that the undersigned breaches certain provisions relating to non-competition, non-solicitation, confidentiality or protection of trade secrets (or similar provision regarding intellectual property), all Class B Units (whether vested or unvested) shall be forfeited to the Company for no consideration.

5. The fair market value on **[_____]**, 20**[__]** of the property with respect to which the election is being made, determined without regard to any lapse restrictions: $0.00 per unit.

6. The amount paid for such property: $0.00 per unit.

* * * * *

A copy of this election has been furnished to the Company pursuant to Treasury Regulations §1.83-2(d).

_____

[Executive]

Exhibit C

UNIT POWER

FOR VALUE RECEIVED, **[Executive]** does hereby sell, assign and transfer unto _____, a _____, _____ Class B Units of Natural American Foods Holdings, LLC, a Delaware limited liability company (the "Company"), standing in the undersigned's name on the books of the Company represented by Certificate No(s). _____ herewith and does hereby irrevocably constitute and appoint _____ as attorney to transfer the said units on the books of the Company with full power of substitution in the premises pursuant to the terms of the Management Equity Grant Agreement, dated **[_____]** between **[Executive]** and the Company, and the Limited Liability Company Agreement of the Company, dated December 31, 2013, as each may be amended from time to time.

Dated:_____ _____

[Executive]

Exhibit D

SPOUSAL CONSENT

The undersigned spouse hereby acknowledges that I have read the Limited Liability Company Agreement of Natural American Foods Holdings, LLC, a Delaware limited liability company (the "Company"), and the Management Equity Grant Agreement, to which my spouse is a party, and that I understand their contents. I am aware that such agreements provide for certain restrictions on my spouse's units of the Company. I agree that my spouse's interest in any units of the Company is subject to the agreements referred to above and the other agreements referred to therein and any interest I may have in such units shall be irrevocably bound by such agreements and the other agreements referred to therein and further that my community property interest (if any) shall be similarly bound by such agreements.

The undersigned spouse irrevocably constitutes and appoints **[Executive]**, who is the spouse of the undersigned spouse (the "Securityholder"), as the undersigned's true and lawful attorney and proxy in the undersigned's name, place and stead to sign, make, execute, acknowledge, deliver, file and record all documents which may be required, and to manage, vote, act and make all decisions with respect to (whether necessary, incidental, convenient or otherwise) any and all units of the Company in which the undersigned now has or hereafter acquires any interest (including but not limited to the right, without further signature, consent or knowledge of the undersigned spouse, to exercise amendments and modifications of and to terminate the aforementioned agreement and to dispose of any and all such units), with all powers the undersigned spouse would possess if personally present, it being expressly understood and intended by the undersigned that the foregoing power of attorney and proxy is coupled with an interest; and this power of attorney is a durable power of attorney and will not be affected by disability, incapacity or death of the Securityholder, or dissolution of marriage, and this proxy will not terminate without consent of the Securityholder and the Company.

Securityholder:	Spouse of Securityholder:
_____	_____
Signature	Signature
_____	_____
Printed Name	Printed Name

~~[~~**NATURAL AMERICAN FOODS HOLDINGS, LLC**~~]~~

MANAGEMENT EQUITY GRANT AGREEMENT

THIS MANAGEMENT EQUITY **GRANT** AGREEMENT (this "Agreement") is made as of **[_____]**, by and ~~among [~~**between Natural American Foods** Holdings**,** LLC~~]~~, a Delaware limited liability company (the "Company"), and **[_____]** ("Executive"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the LLC Agreement (as defined in Section 9 hereof).

The Company and Executive desire to enter into an agreement pursuant to which the Company shall grant to executive, and Executive shall accept and receive from the Company, **[_____]** Class B Units.

In consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Grant of Class B Units.

(a) Grant. Upon execution of this Agreement, the Company shall grant to Executive, and Executive shall accept and receive from the Company, without any consideration paid, or other Capital Contribution made or deemed made, **[_____]** Class B Units. The Class B Units granted hereunder shall have a Participation Threshold of $**[____]**.

(b) Certain Representation and Warranties. In connection with the grant of the Class B Units hereunder, Executive represents and warrants to the Company as follows:

(i) The Class B Units to be acquired by Executive pursuant to this Agreement will be acquired for Executive's own account and not with a view to, or intention of, distribution thereof in violation of the Securities Act, or any applicable state securities laws, and the Class B Units will not be disposed of in contravention of the Securities Act or any applicable state securities laws.

(ii) Executive is an employee of the Company or a Subsidiary or Affiliate thereof or has otherwise been engaged by the Company or a Subsidiary or Affiliate thereof to provide certain services, is sophisticated in financial matters and is able to evaluate the risks and benefits of decisions with respect to the Class B Units.

(iii) Executive understands that the Class B Units have not been registered under the Securities Act or applicable state securities laws and are subject to substantial restrictions on transfer set forth herein and in the LLC Agreement, and, therefore, cannot be sold unless subsequently registered under the Securities Act and applicable state securities laws or an exemption from such registration is available and in compliance with such restrictions on transfer.

(iv) Executive has had an opportunity to ask questions and receive answers concerning the terms and conditions of the offering of the Class B Units and has had full access to such other information concerning the Company and its Subsidiaries and Affiliates as he or she has requested.

(v) Executive has received and carefully read a copy of the LLC Agreement and has, either prior to the date hereof or simultaneously with the execution of this Agreement, executed a signature page to the LLC Agreement or executed a joinder to the LLC agreement in the form of Exhibit A attached hereto. This Agreement and the LLC Agreement constitute the legal, valid and binding obligation of Executive, enforceable in accordance with their terms, and the execution, delivery and performance of this Agreement and the LLC Agreement do not and will not conflict with, violate or cause a breach of any agreement, contract or instrument to which Executive is a party or any judgment, order or decree to which Executive is subject or create any conflict of interest with the Company or any of its Subsidiaries or Affiliates, or any of their present or former customers.

(vi) Executive is a resident of the state of **[_____]**.

(c) Certain Acknowledgments. As an inducement to the Company to grant the Class B Units to Executive, and as a condition thereto, Executive acknowledges and agrees that:

(i) neither the issuance of the Class B Units to Executive nor any provision contained herein shall entitle Executive to remain in the employment or engagement of the Company and its Subsidiaries or affect the right of the Company and its Subsidiaries to terminate Executive's employment or engagement at any time for any reason or no reason or confer upon Executive the right to continue Executive's present (or any other) rate of compensation; and

(ii) neither the Company nor any of its Subsidiaries or Affiliates shall have any duty or obligation to disclose to Executive, and Executive shall have no right to be advised of, any material information regarding any of the foregoing Persons at any time prior to, upon or in connection with, the repurchase of Class B Units upon the termination of Executive's employment or engagement with the Company and its Subsidiaries or as otherwise provided hereunder.

(d) Tax Matters. Within thirty (30) days after the date hereof, Executive will make an effective election with the Internal Revenue Service under Section 83(b) of the Internal Revenue Code and the regulations promulgated thereunder in the form of Exhibit B attached hereto.

(e) Compensatory Arrangements; Rule 701 Exemption. The Company and Executive hereby acknowledge and agree that this Agreement has been executed and delivered, and the Class B Units have been issued hereunder, in connection with and as a part of the compensation and incentive arrangements between the Company and Executive, and pursuant and subject to the provisions of the LLC Agreement. Each of the Class B Units granted hereunder is intended to qualify for an exemption from the registration requirements under the Securities Act,

pursuant to Rule 701 (the "Exemption") and under similar exemptions under applicable state securities laws. In the event that any provision of this Agreement would cause the Class B Units granted hereunder to not qualify for the Exemption, Executive and the Company agree that this Agreement shall be deemed automatically amended to the extent necessary to cause the Class B Units to qualify for the Exemption.

(f) Possession of Certificates. Until the earlier to occur of a Sale of the Company and an IPO, certificates evidencing Class B Units, if any, shall be held by the Company for the benefit of Executive. If and when any such certificates evidencing Class B Units held by Executive or Executive's Permitted Transferee are issued, such certificates shall be deemed to be delivered by Executive to the Company, and Executive shall, concurrently with such issuance, execute in blank one irrevocable unit transfer power in the form of Exhibit C attached hereto (the "Unit Power") with respect to the Class B Units and shall deliver such Unit Power to the Company. The Unit Power shall allow the Company to transfer title to the Class B Units to the appropriate acquirer thereof upon the occurrence of a Sale of the Company, upon a repurchase of Class B Units pursuant to Section 3 of this Agreement or upon a forfeiture of Class B Units pursuant to Section 4 of this Agreement. Upon the occurrence of a Sale of the Company, the Company shall either (i) return to the record holders thereof any certificates representing Vested Units (as defined in Section 2(a) below), together with unit powers previously delivered by Executive, or (ii) deliver to the record holders of the Class B Units all proceeds received by the Company from the transfer of the Vested Units in connection with a Sale of the Company. Upon the occurrence of an IPO (or a Restructuring Transaction related thereto), the Company shall return to the record holders thereof any certificates representing Vested Units, together with unit powers previously delivered by Executive.

2. Vesting of Class B Units.

(a) General. Each of the Class B Units issued hereunder shall be subject to vesting as set forth in this Section 2. Class B Units which have become vested pursuant to this Section 2 are referred to herein as "Vested Units" and Class B Units which have not become Vested Units are referred to herein as "Unvested Units."

(b) Time Vesting.

(i) 50% of the the Class B Units issued hereunder (the "Time Vesting Units") shall become vested in accordance with the following schedule, if as of each date indicated on such schedule Executive is, and since the date hereof has been: (A) employed by the Company or any of its Subsidiaries, (B) serving as a manager or director of the Company or its Subsidiaries (a "Manager") or (C) providing services to the Company or any of its Subsidiaries as an advisor or consultant as contemplated by or described in Rule 701, in each case, except for any absence for vacation or leave in accordance with the Company's or its Subsidiaries' policies (any of the foregoing clauses (A)-(C), "Continuously Employed"):

Date	Cumulative Percentage of Time Vesting Units Vested
First Anniversary of the Issuance Date	20%
Second Anniversary of the Issuance Date	40%
Third Anniversary of the Issuance Date	60%
Fourth Anniversary of the Issuance Date	80%
Fifth Anniversary of the Issuance Date	100%

(ii) For the avoidance of doubt, if Executive ceases to be Continuously Employed prior to the first anniversary of the date hereof, none of the Class B Units shall be deemed vested.

(c) Performance Vesting. The other 50% of the the Class B Units issued hereunder (the "Performance Vesting Units") shall become vested in accordance with the following schedule, if with respect to each year indicated on such schedule (i) EBITDA for such year is equal to at least the target EBITDA amount set forth in the Company's budget for such year (as applicable, the "Target EBITDA") and (ii) Executive has been Continuously Employed from the date hereof until the date of determination of EBITDA for such year:

Twelve-Month Period Ending:	Percentage of Performance Vesting Units Vested
December 31, 2014	20%
December 31, 2015	20%
December 31, 2016	20%
December 31, 2017	20%
December 31, 2018	20%

(d) Acceleration of Vesting on Sale of the Company. Upon the consummation of a Sale of the Company~~, provided that Executive has *been Continuously Employed from the date hereof until the date of the Sale of the Company,*~~**;** (i) all Time Vesting Units which have not yet become Vested Units shall immediately vest and become Vested Units, and (ii) all Performance Vesting Units which have not yet become Vested Units shall immediately vest and become Vested Units, but in the case of this clause (ii) if and only if (x) the Company is, at such time, on track to achieve the Target EBITDA for the year in which the Sale of the Company occurs, and (y) in the case of a Sale of the Company occurring after December 31, 2014, the Company achieved the Target EBITDA for the year immediately prior to the year in which the Sale of the Company occurs**; provided, however, that each of the foregoing vesting events upon a Sale of the Company shall only occur so long as Executive has either** *been Continuously Employed from the date hereof until the date of the Sale of the Company,* **or is Continuously Employed from the date hereof through a date which is not more than ninety (90) days prior to the date of the consummation of the Sale of the Company and was terminated by the Company or its Subsidiaries without Cause**. Notwithstanding the foregoing, the Board may determine that all or any portion of the Performance Vested Units that do not vest in accordance with the foregoing sentence become Vested Units upon the consummation of a Sale of the Company~~, provided that Executive has been Continuously Employed from the date hereof until the date of the Sale of the Company~~.

3. Repurchase of Class B Units.

(a) Repurchase of Vested Units on Termination of Employment or Services. If Executive's employment with the Company and its Subsidiaries or the services that Executive provides (including service as a Manager, advisor or consultant) to the Company or any of its Subsidiaries are terminated by the Company or its Subsidiaries for any reason other than Cause (including as a result of Executive's death or Disability) or are terminated due to Executive's resignation for any reason (a "Termination"), the Company or its designee shall have the right, but not the obligation, to purchase all or any portion of the Vested Units at a price per unit equal to the Fair Market Value of such Class B Unit as of the date of repurchase; provided, however, that, if Class B Units are repurchased at the Fair Market Value thereof pursuant to this Section 3(a) but Executive is subsequently determined to have violated any agreement between Executive and the Company or its Subsidiaries with respect to non-competition, non-solicitation, confidentiality or protection of trade secrets (or similar provision regarding intellectual property), including without limitation the restrictions and covenants contained in Section 5 below or Section 8.14 of the LLC Agreement, then Executive shall immediately remit a cash payment to the Company equal to the amount previously paid by the Company for such Class B Units; provided, further, that any obligation arising under the foregoing proviso may be offset against any other amounts due to Executive by the Company or its Subsidiaries.

(b) Repurchase Procedure for the Company. The Company or its designee may elect to repurchase all or any portion of the Vested Units pursuant to Section 3(a) by delivery of written notice (a "Company Repurchase Notice") to Executive (and any other holder of such Class B Units) at any time during the 180 days following the date of Termination. The Company Repurchase Notice shall set forth the number of Class B Units to be acquired and the time and place for the closing of the transaction.

(c) Restrictions on Repurchases. Notwithstanding anything to the contrary contained in this Agreement, all repurchases of Class B Units by the Company shall be subject to applicable restrictions contained in the Securities Act and in the Company's and its Subsidiaries' debt and equity financing agreements. If any such restrictions prohibit the repurchase of Class B Units hereunder which the Company is otherwise entitled to make, the time periods provided in this Section 3 shall be suspended, and the Company shall make such repurchases at the applicable purchase price therefore following the lapse of such restrictions.

(d) Deemed Repurchase. Upon delivery of the full consideration for the Class B Units at the closing of a repurchase pursuant to this Section 3 (including delivery of any subordinated promissory note pursuant to Section 3(f)), then from and after such time, the holder of such Class B Units from whom such securities are to be purchased shall cease to have any rights as a holder of such securities, and such securities shall be deemed purchased in accordance with the applicable provisions hereof. In connection with any such repurchase, the Company shall be entitled to cancel certificates (or any portion thereof), if any, representing such repurchased Class B Units which were delivered to the Company pursuant to Section 1(f) hereof without any further action on the part of Executive, and the Board is hereby authorized to amend Schedule A attached to the LLC Agreement to reflect any deemed repurchase of the Class B Units effected in accordance with this Section 3(d).

(e) Revocation of Election. Any election by the Company or its designee to purchase Class B Units pursuant to this Section 3 shall be revocable (with respect to all or any portion of the Class B Units elected to be purchased) at any time prior to the closing of such purchase, without any liability whatsoever to the Company or its designee in respect of the rights and obligations in this Section 3.

(f) Manner of Payment. If the Company or its designee elects to purchase all or any portion of the Vested Units, including those held by one or more of Executive's Transferees, then, within thirty (30) days following the delivery of the Company Repurchase Notice, the Company or such designee shall pay for such Class B Units, at the Company's option, (i) with a subordinated promissory note of the Company, which subordinated promissory note shall (x) bear interest at **an interest rate not less than the interest rate then payable by the Company and its Subsidiaries under the Company's senior credit facility (or, if no such credit facility then exists, at** the prime rate (as published from time to time in *The Wall Street Journal*, electronic edition)**),** ~~(~~compounded calendar quarterly~~)~~, (y) have all principal and interest payments due on a Sale of the Company, and (z) be subordinated on terms and conditions satisfactory to the holders of the Company's or its Subsidiaries' indebtedness for borrowed money, (ii) by certified check or wire transfer of funds, (iii) by delivery of a number of shares of common stock of Intermediate Holdings having a fair market value (as determined by the Company) equal to the aggregate repurchase price for such Class B Units (the "Repurchase Units"), or (iv) any combination of the foregoing; provided that, in the event any Repurchase Units are issued, promptly following the closing of the repurchase transaction, Intermediate Holdings may at its election redeem, and if Intermediate Holdings so elects, the holder of such Repurchase Units shall be required to sell to Intermediate Holdings, all of the Repurchase Units for an aggregate amount in cash equal to the aggregate repurchase price for the Class B Units (or the portion thereof previously assigned to the Repurchase Units).

4. Forfeiture of Class B Units. If Executive's employment with the Company and its Subsidiaries or the services that Executive provides (including service as a Manager, advisor or consultant as contemplated by and described in Rule 701) to the Company or any of its Subsidiaries are terminated by the Company or its Subsidiaries or Executive for any reason, all Unvested Units (whether held by Executive or one or more of Executive's direct or indirect Transferees) will automatically, and without any action from the holder thereof, be forfeited to the Company without any payment therefor. In addition, notwithstanding anything to the contrary set forth in this Agreement or the LLC Agreement, in the event that Executive (a) violates any agreement between Executive and the Company or its Subsidiaries with respect to non-competition, non-solicitation, confidentiality or protection of trade secrets (or similar provision regarding intellectual property), including without limitation the restrictions and covenants contained in Section 5 below or Section 8.14 of the LLC Agreement, or (b) is terminated by the Company or its Subsidiaries for Cause (other than death or Disability), then all of the Vested Units (whether held by Executive or one or more of Executive's direct or indirect Transferees) will automatically, and without any action from the holder thereof, be forfeited to the Company without any payment therefor. In connection with any forfeiture pursuant to this Section 4, the Company shall be entitled to cancel certificates (or any portion thereof), if any, representing such forfeited Class B Units which were delivered to the Company pursuant to Section 1(f) hereof without any further action on the part of Executive, and the Board is hereby authorized to amend

Schedule A attached to the LLC Agreement to reflect any forfeiture of the Class B Units effected in accordance with this Section 4.

5. Restrictive Covenants.

(a) Confidentiality. Executive acknowledges and agrees that Executive shall be subject to and bound by the provisions regarding Confidential Information set forth in Section 8.14 of the LLC Agreement.

(b) Intellectual Property, Inventions and Patents. Executive acknowledges that all discoveries, concepts, ideas, inventions, innovations, improvements, developments, methods, designs, analyses, drawings, reports, patent applications, copyrightable work and mask work (whether or not including any Confidential Information) and all registrations or applications related thereto, all other proprietary information and all similar or related information (whether or not patentable) which relate to the Company's or any Company Affiliate's actual or anticipated business, research and development or existing or future products or services and which are conceived, developed or made by Executive (whether alone or jointly with others) while employed by the Company or any Company Affiliate ("Work Product"), belong to the Company and the Company Affiliates. Executive shall promptly disclose such Work Product to the Board and, at the Company's expense, perform all actions reasonably requested by the Board (whether during or after the period of Executive's employment or engagement) to establish and confirm such ownership (including assignments, consents, powers of attorney and other instruments). Executive acknowledges that all Work Product shall be deemed to constitute "works made for hire" under the U.S. Copyright Act of 1976, as amended. The foregoing provisions of this Section 5(b) shall not apply to any invention that Executive developed entirely on his or her own time without using the Company's or any Company Affiliate's equipment, supplies, facilities or trade secret information, except for those inventions that (i) relate to the Company's and the Company Affiliates' business or actual or demonstrably anticipated research or development, or (ii) result from any work performed by Executive for the Company or any Company Affiliate.

(c) Noncompetition. Executive acknowledges that he or she will become familiar with the Company's trade secrets and with other Confidential Information concerning the Company and the Company Affiliates. As a result of the foregoing, Executive agrees that, for so long as Executive (or any of his or her Permitted Transferees) holds any Class B Units and for a period of 12 months thereafter (such period, the "Restricted Period"), Executive shall not directly, or indirectly through another person or entity, as owner, principal, agent, equityholder, director, officer, member, manager, employee, partner, participant, or in any other capacity, engage in any business or entity competing with the business of the Company or any Company Affiliate as conducted or proposed to be conducted during the period in which Executive holds Class B Units in any geographical area in which the Company or any Company Affiliate engages in, conducts or has proposed to conduct business.

(d) Nonsolicitation. In addition, during the Restricted Period, Executive agrees that he or she shall not directly or indirectly through another person or entity, (i) induce or attempt to induce any employee of the Company or any Company Affiliate to leave the employ of the Company or such Company Affiliate, or in any way interfere with the relationship between the Company or any Company Affiliate and any employee thereof, (ii) hire any person who was an

employee of the Company or any Company Affiliate at any time during the Restricted Period, except for any employee who has not been employed by the Company or any Company Affiliate for at least one year prior to such hiring, or (iii) induce or attempt to induce any customer, supplier, licensee, licensor, franchisee or other business relation of the Company or any Company Affiliate to cease or reduce the level of doing business with the Company or such Company Affiliate, or in any way interfere with or otherwise negatively alter the relationship between any such customer, supplier, licensee or business relation and the Company or any Company Affiliate (including, without limitation, making any negative or disparaging statements or communications regarding the Company or the Company Affiliates).

(e) Remedies. If, at the time of enforcement of this Section 5, a court holds that the restrictions stated herein are unreasonable under circumstances then existing, the parties hereto agree that the maximum period, scope or geographical area reasonable under such circumstances shall be substituted for the stated period, scope or area and that the court shall be allowed to revise the restrictions contained herein to cover the maximum period, scope and area permitted by law. Because Executive's services are unique and because Executive has access to Confidential Information and Work Product, the parties hereto agree that the Company and the Company Affiliates would suffer irreparable harm from a breach of this Section 5 by Executive and that money damages would not be an adequate remedy for any such breach of this Section 5. Therefore, in the event of a breach or threatened breach of this Section 5, the Company and the Company Affiliates and their successors or assigns, in addition to other rights and remedies existing in their favor, shall be entitled to specific performance and/or injunctive or other equitable relief from a court of competent jurisdiction in order to enforce, or prevent any violations of, the provisions hereof (without posting a bond or other security). In addition, in the event of a breach or violation by Executive of Section 5(c) or 5(d), the Restricted Period shall be automatically extended by the amount of time between the initial occurrence of the breach or violation and when such breach or violation has been duly cured.

(f) Additional Acknowledgements. In addition, Executive acknowledges that the provisions of this Section 5 are in consideration of the grant of Class B Units to Executive hereunder and additional good and valuable consideration as set forth in this Agreement. Executive also acknowledges that (i) the restrictions contained in this Section 5 do not preclude Executive from earning a livelihood, nor do they unreasonably impose limitations on Executive's ability to earn a living, (ii) the business of the Company and the Company Affiliates is national in scope and (iii) notwithstanding the state of formation or principal office of the Company or residence of any of its executives or employees (including Executive), the Company and the Company Affiliates have business activities and have valuable business relationships within their respective industry throughout the United States. Executive agrees and acknowledges that the potential harm to the Company and the Company Affiliates of the non-enforcement of this Section 5 outweighs any potential harm to Executive of its enforcement by injunction or otherwise. Executive acknowledges that Executive has carefully read this Section 5 and consulted with independent legal counsel of Executive's choosing regarding its contents (or, after carefully reviewing this Agreement, has freely decided not to consult with independent legal counsel), has given careful consideration to the restraints imposed upon Executive by this Section 5 and is in full accord as to their necessity for the reasonable and proper protection of confidential and proprietary information of the Company and the Company Affiliates now existing or to be developed in the

future. Executive expressly agrees and acknowledges that each and every restraint imposed by this Section 5 is reasonable with respect to subject matter, time period and geographical area.

6. Restrictions on Transfer. Executive acknowledges and agrees that the Class B Units are subject to the restrictions on Transfer set forth in Article XII of the LLC Agreement. In addition, Executive shall not be entitled to Transfer any Unvested Units in any instance without the prior written consent of the Company.

7. Power of Attorney. The Class B Units are subject to the power of attorney provisions set forth in Section 15.2 of the LLC Agreement.

8. Executive's Representations. Executive hereby represents and warrants to the Company that (i) the execution, delivery and performance of this Agreement by Executive do not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Executive is a party or by which he or she is bound, (ii) Executive is not a party to or bound by any employment agreement, noncompete agreement or confidentiality agreement with any Person other than the Company or any of its Subsidiaries and (iii) upon the execution and delivery of this Agreement by the Company, this Agreement shall be the valid and binding obligation of Executive, enforceable in accordance with its terms. Executive has been given the opportunity to consult with independent legal counsel regarding Executive's rights and obligations under this Agreement and the LLC Agreement and has consulted with such independent legal counsel regarding the foregoing (or, after carefully reviewing this Agreement and the LLC Agreement, has freely decided not to consult with independent legal counsel), fully understands the terms and conditions contained herein and therein and intends for such terms to be binding upon and enforceable against Executive.

9. Definitions. Capitalized terms used but not otherwise defined in this Agreement shall have the meanings set forth for such terms in the LLC Agreement. In addition, for purposes of this Agreement, the following terms shall have the meanings set forth below:

"Cause" shall have the meaning set forth in any employment agreement by and between Executive and the Company or any of its Subsidiaries; provided that, if "Cause" is not defined therein or if Executive is not party to an employment agreement, then "Cause" shall mean one or more of the following: (i) a material breach of any provision of this Agreement or Executive's employment agreement (if any) after notice of such breach and, if curable, an opportunity to permanently cure such breach within 30 days of such notice, (ii) the commission of a felony or other crime involving moral turpitude or the commission of any other act or omission involving dishonesty, disloyalty or fraud with respect to the Company or any of its Subsidiaries or any of their customers or suppliers, (iii) reporting to work under the influence of alcohol or illegal drugs, the use of illegal drugs (whether or not at the workplace) or other repeated conduct causing the Company or any of its Subsidiaries substantial public disgrace or disrepute or substantial economic harm after notice of such conduct and, if curable, an opportunity to permanently cure such conduct within 30 days of such notice, (iv) substantial and willful failure to perform duties as reasonably directed by the Board after notice of such failure and, if curable, an opportunity to permanently cure such failure within 30 days of such notice, (v) any act or omission aiding or abetting a competitor, supplier or customer of the Company or any of its Subsidiaries to the material disadvantage or detriment of the Company and its Subsidiaries, (vi) breach of fiduciary

duty, gross negligence or willful misconduct with respect to the Company or any of its Subsidiaries or (vii) any other material breach of any other agreement between Executive and the Company or any of its Affiliates after notice of such breach and, if curable, an opportunity to permanently cure such breach within 30 days of such notice.

"Class B Units" means (i) the Class B Units issued to Executive pursuant to this Agreement, and (ii) any securities issued directly or indirectly with respect to the foregoing securities by way of a unit split, unit dividend, or other division of securities, or in connection with a combination of securities, recapitalization, merger, consolidation, or other reorganization. For the avoidance of doubt, Class B Units shall continue to be Class B Units in the hands of any holder other than Executive (except for the Company or any of its Affiliate or any assignee of the Company's repurchase rights previously exercised), and except as otherwise provided herein, each such other holder of Class B Units shall succeed to all rights and obligations attributable to such Person as a holder of Class B Units hereunder.

"Company Affiliates" means the Company and any successor holding company or other entity that directly or indirectly wholly owns any of the foregoing, and each direct or indirect Subsidiary of the foregoing.

"Disability" shall have the meaning set forth in any employment agreement by and between Executive and the Company or any of its Subsidiaries; provided that, if "Disability" is not defined therein or if Executive is not party to an employment agreement, then "Disability" shall mean Executive's inability to perform the essential duties, responsibilities and functions of his or her position with the Company and its Subsidiaries as a result of any mental or physical illness, disability or incapacity even with reasonable accommodations for such illness, disability or incapacity provided by the Company and its Subsidiaries or if providing such accommodations would be unreasonable, all as determined by the Board in its reasonable good faith judgment. Executive shall cooperate in all respects with the Company if a question arises as to whether he or she has become disabled (including, without limitation, submitting to a reasonable examinations by one or more medical doctors or other health care specialists selected by the Company and authorizing such medical doctors and such other health care specialists to discuss Executive's condition with the Company).

"EBITDA" shall have the meaning set forth in the ~~[name of exit facility credit agreement]~~**Credit and Security Agreement, dated as of December 31, 2013, by and between Natural American Foods, Inc., as borrower, and HC Capital Holdings 0909A, LLC, as lender**.

"Fair Market Value" of a Class B Unit means a calculation of the hypothetical cash distributions which would be made in respect of such Class B Unit in accordance with Section 13.2 of the LLC Agreement in connection with a liquidation of the Company, if the Company were deemed to have received the Fair Market Value of the Company in cash and then distributed the same to its unitholders in connection with such liquidation, after payment of all the debts, liabilities, and obligations of the Company, and assuming that all of the convertible debt and other convertible securities were converted and all options or warrants to acquire equity interest of the Company (whether or not currently exercisable) were exercised. For such purpose, the Fair Market Value of the Company shall be an amount which the Company would receive in an all-cash

sale of all of its assets and businesses as a going concern in an arm's-length transaction with an unaffiliated third party, as determined in good faith by the Board.

"Intermediate Holdings" means ~~[_____]~~**Natural American Foods Topco, Inc.**, a Delaware ~~[~~corporation~~]~~ and direct Subsidiary of the Company.

"LLC Agreement" means the Limited Liability Company Agreement of the Company, dated as of ~~[_____]~~,**December 31, 2013,** among the Company's members, as amended, modified and waived from time to time.

"Rule 701" means Rule 701 promulgated by the Securities Exchange Commission under the Securities Act.

"Securities Act" shall mean the Securities Act of 1933, as amended, together with all rules and regulations promulgated thereunder or any successor U.S. federal laws then in force.

10. Notices. Any notice provided for in this Agreement shall be in writing and shall be either personally delivered, sent by reputable overnight courier service or mailed by first class mail, return receipt requested, to the recipient at the address below indicated:

Notices to Executive:

[_____]
[_____]
[_____]

Notices to the Company:

~~[~~**Natural American Foods** Holdings**,** LLC~~]~~
~~**[Address]**~~
10464 Bryan Highway
Onsted, Michigan 49265
Attention: **[**~~_____]~~
~~Facsimile: [_____~~**Chief Executive Officer / Chief Financial Officer]**

with copies to:

~~c/o [~~Peak Rock~~]~~ **Capital**
13413 Galleria Circle
Suite Q-300
Austin, TX 78738
Attention: ~~[_____]~~ **Robert Strauss**
Facsimile: ~~[_____]~~**512-765-6530**

and

Kirkland & Ellis LLP
300 North LaSalle

Chicago, IL 60654
Attention: Michael D. Paley, P.C.
Tana M. Ryan
Facsimile: (312) 862-2200

or such other address or to the attention of such other Person as the recipient party shall have specified by prior written notice to the sending party. Any notice under this Agreement shall be deemed to have been given when so delivered, sent or mailed.

11. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any action in any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

12. Complete Agreement. This Agreement, the documents expressly referred to herein (including, without limitation, the LLC Agreement) and those other documents of even date herewith embody the complete agreement and understanding among the parties with respect to, and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to, the subject matter hereof in any way.

13. No Strict Construction. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party.

14. Counterparts. This Agreement may be executed in separate counterparts (including by means of facsimile), each of which is deemed to be an original and all of which taken together shall constitute one and the same agreement.

15. Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the Company and any successor thereto (and such benefits shall be assignable to a successor without Executive's consent), including without limitation any Persons acquiring directly or indirectly all or substantially all of the business or assets of the Company whether by purchase, merger, consolidation, reorganization or otherwise. Except as otherwise provided herein, this Agreement will be binding upon and inure to the benefit of Executive and Executive's successors and permitted assigns (including subsequent holders of Class B Units); provided that Executive's rights and obligations under this Agreement shall not be assignable without the prior written consent of the Company.

16. Choice of Law. All issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement and the exhibits and schedules hereto shall be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.

17. Amendment and Waiver. The provisions of this Agreement may be amended or waived only with the prior written consent of the Company and Executive, and no course of conduct or course of dealing or failure or delay by any party hereto in enforcing or exercising any of the provisions of this Agreement shall affect the validity, binding effect or enforceability of this Agreement or be deemed to be an implied waiver of any provision of this Agreement.

18. Further Assurances. Executive shall execute and deliver all documents, provide all information, and take or refrain from taking such actions as may be necessary or appropriate to achieve the purposes of this Agreement.

19. Consent to Jurisdiction. EACH OF THE PARTIES IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS LOCATED IN THE STATE OF DELAWARE, FOR THE PURPOSES OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF THIS AGREEMENT, ANY RELATED AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY OR THEREBY. EACH OF THE PARTIES HERETO FURTHER AGREES THAT SERVICE OF ANY PROCESS, SUMMONS, NOTICE OR DOCUMENT BY U.S. REGISTERED MAIL TO SUCH PARTY'S RESPECTIVE ADDRESS SET FORTH ABOVE SHALL BE EFFECTIVE SERVICE OF PROCESS FOR ANY ACTION, SUIT OR PROCEEDING IN DELAWARE WITH RESPECT TO ANY MATTERS TO WHICH IT HAS SUBMITTED TO JURISDICTION IN THIS SECTION 19. EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY OBJECTION TO THE LAYING OF VENUE OF ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF THIS AGREEMENT, ANY RELATED DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE, AND HEREBY AND THEREBY FURTHER IRREVOCABLY AND UNCONDITIONALLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION, SUIT OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

20. Waiver of Jury Trial. AS A SPECIFICALLY BARGAINED FOR INDUCEMENT FOR EACH OF THE PARTIES HERETO TO ENTER INTO THIS AGREEMENT (AFTER HAVING THE OPPORTUNITY TO CONSULT WITH COUNSEL), EACH PARTY HERETO EXPRESSLY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY LAWSUIT OR PROCEEDING RELATING TO OR ARISING IN ANY WAY FROM THIS AGREEMENT OR THE MATTERS CONTEMPLATED HEREBY.

21. Corporate Opportunity. During Executive's employment or engagement with the Company or any of its Subsidiaries, Executive shall submit to the Board all business, commercial and investment opportunities or offers presented to Executive or of which Executive becomes aware which relate to the businesses of the Company or any of its Subsidiaries as such businesses of the Company or any of its Subsidiaries exist at any time during Executive's employment or engagement with the Company or any of its Subsidiaries ("Corporate Opportunities"). During Executive's employment or engagement with the Company or any of its Subsidiaries, unless approved by the Board, Executive shall not accept or pursue, directly or indirectly, any Corporate Opportunities on Executive's own behalf.

22. Executive's Cooperation. During Executive's employment or engagement with the Company or any of its Subsidiaries and thereafter, Executive shall cooperate with the Company and its Subsidiaries in any internal investigation or administrative, regulatory or judicial proceeding as reasonably requested by the Company or any of its Subsidiaries (including, without limitation, Executive being available to the Company and its Subsidiaries upon reasonable notice for interviews and factual investigations, appearing at the Company's or any Subsidiary's request to give testimony without requiring service of a subpoena or other legal process, volunteering to the Company and its Subsidiaries all pertinent information and turning over to the Company and its Subsidiaries all relevant documents which are or may come into Executive's possession, all at times and on schedules that are reasonably consistent with Executive's other permitted activities and commitments). In the event the Company or any of its Subsidiaries requires Executive's cooperation at any time after termination of Executive's employment or engagement with the Company or any of its Subsidiaries, the Company shall pay Executive a per diem amount calculated on the basis of Executive's base compensation in effect as of immediately prior to the termination of such employment or engagement.

23. Community Property. Executive acknowledges that he or she may reside in a state that grants to his or her spouse certain "community property rights" in equity securities of the Company acquired or otherwise obtained by Executive, and, upon execution of this Agreement and as a condition to the issuance of the Class B Units hereunder, Executive shall deliver an executed spousal consent in the form of Exhibit D attached hereto.

* * * * *

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

[**NATURAL AMERICAN FOODS** HOLDINGS**,** LLC]

By: _____
Name:
Its:

_____
[Executive]

Exhibit A

JOINDER TO LIMITED LIABILITY COMPANY AGREEMENT

This Joinder (this "Agreement") is made as of the date written below by the undersigned (the "Joining Party") in favor of and for the benefit of ~~[~~**Natural American Foods** Holdings**,** LLC~~]~~, a Delaware limited liability company, and the other parties to the Limited Liability Company Agreement, dated as of ~~[_____]~~**December 31, 2013** (as may be amended, the "LLC Agreement"). Capitalized terms used but not defined herein shall have the meanings given such terms in the LLC Agreement.

The Joining Party hereby acknowledges, agrees and confirms that, by his or her execution of this Joinder, the Joining Party will be deemed to be a party to the LLC Agreement and shall have all of the obligations under the LLC Agreement as a Member and as a Management Holder as if he or she had executed the LLC Agreement. The Joining Party hereby ratifies, as of the date hereof, and agrees to be bound by, all of the terms, provisions and conditions contained in the LLC Agreement.

The Joining Party acknowledges that all expectations and future projections contained in any presentation or other materials provided to the Joining Party are estimates and for illustrative purposes only. No guarantee can be given that future projections can or will be attained.

IN WITNESS WHEREOF, the undersigned has executed this Joinder as of the date written below.

Date: _____ _____

[Executive]

Exhibit B

[_____], 20[__]

PROTECTIVE ELECTION TO INCLUDE MEMBERSHIP INTEREST IN GROSS INCOME PURSUANT TO SECTION 83(B) OF THE INTERNAL REVENUE CODE

The undersigned acquired from [**Natural American Foods** Holdings, LLC], a Delaware limited liability company (the "Company"), [_____] Class B Units of the Company (the "Class B Units"). Under certain circumstances, the Class B Units may be forfeited to the Company for no consideration and/or the Company may have the right to repurchase the Class B Units (in each case, whether such Class B Units are held by the undersigned or a subsequent holder of the Class B Units, if different from the undersigned) should the undersigned cease to be employed or engaged by the Company or its subsidiaries, as applicable ("Employer"). Hence, the Class B Units are subject to a substantial risk of forfeiture, are subject to the restrictions set forth in Section 4 below and are nontransferable.

Based on current Treasury Regulation § 1.721-1(b), Proposed Treasury Regulation § 1.721-1(b)(1), and Revenue Procedures 93-27 and 2001-43, the undersigned does not believe that issuance of the Class B Units to the undersigned is subject to the provisions of § 83 of the Internal Revenue Code (the "Code"). In the event that the sale is so treated, however, the undersigned desires to make an election to have the receipt of the Class B Units taxed under the provisions of Code § 83(b) at the time the undersigned acquired the Class B Units.

Therefore, pursuant to Code § 83(b) and Treasury Regulation § 1.83-2 promulgated thereunder, the undersigned hereby makes an election with respect to the Class B Units (as described in Section 2 below), to report as taxable income for calendar year 20[__] the excess (if any) of the Class B Unit's fair market value on [_____], 20[__] over the purchase price thereof.

The following information is supplied in accordance with Treasury Regulation § 1.83-2(e):

1. The name, address and social security number of the undersigned:

Name: _____
Address: _____
_____
SS#: _____

2. A description of the property with respect to which the election is being made: [_____] Class B Units of the Company.

3. The date on which the property was transferred: [_____], 20[__]. The taxable year for which such election is made: calendar year 20[__].

4. The restrictions to which the property is subject: If the undersigned ceases to be employed or engaged by Employer for any reason, the unvested Class B Units will be forfeited for

no consideration and the vested Class B Units will be subject to repurchase by the Company (and/or one or more of its assignees) or forfeiture for no consideration. If the Employer terminates the employment or services of the undersigned for cause, each vested Class B Unit will be forfeited for no consideration. If the Employer terminates the employment or services of the undersigned without cause, the undersigned resigns for any reason or the undersigned's employment or services terminates due to death or disability, each vested Class B Unit may be repurchased by the Company at a price equal to its fair market value. In addition, in the event that the undersigned breaches certain provisions relating to non-competition, non-solicitation, confidentiality or protection of trade secrets (or similar provision regarding intellectual property), all Class B Units (whether vested or unvested) shall be forfeited to the Company for no consideration.

5. The fair market value on **[_____]**, 20**[__]** of the property with respect to which the election is being made, determined without regard to any lapse restrictions: $0.00 per unit.

6. The amount paid for such property: $0.00 per unit.

* * * * *

A copy of this election has been furnished to the Company pursuant to Treasury Regulations §1.83-2(d).

_____

[Executive]

Exhibit C

UNIT POWER

FOR VALUE RECEIVED, **[Executive]** does hereby sell, assign and transfer unto _____, a _____, _____ Class B Units of ~~[~~**Natural American Foods** Holdings**,** LLC~~]~~, a Delaware limited liability company (the "Company"), standing in the undersigned's name on the books of the Company represented by Certificate No(s). _____ herewith and does hereby irrevocably constitute and appoint _____ as attorney to transfer the said units on the books of the Company with full power of substitution in the premises pursuant to the terms of the Management Equity Grant Agreement, dated **[_____]** between **[Executive]** and the Company, and the Limited Liability Company Agreement of the Company, dated ~~[_____]~~,**December 31, 2013,** as each may be amended from time to time.

Dated:_____ _____

[Executive]

Exhibit D

SPOUSAL CONSENT

The undersigned spouse hereby acknowledges that I have read the Limited Liability Company Agreement of ~~[~~**Natural American Foods** Holdings**,** LLC~~]~~, a Delaware limited liability company (the "Company"), and the Management Equity Grant Agreement, to which my spouse is a party, and that I understand their contents. I am aware that such agreements provide for certain restrictions on my spouse's units of the Company. I agree that my spouse's interest in any units of the Company is subject to the agreements referred to above and the other agreements referred to therein and any interest I may have in such units shall be irrevocably bound by such agreements and the other agreements referred to therein and further that my community property interest (if any) shall be similarly bound by such agreements.

The undersigned spouse irrevocably constitutes and appoints **[Executive]**, who is the spouse of the undersigned spouse (the "Securityholder"), as the undersigned's true and lawful attorney and proxy in the undersigned's name, place and stead to sign, make, execute, acknowledge, deliver, file and record all documents which may be required, and to manage, vote, act and make all decisions with respect to (whether necessary, incidental, convenient or otherwise) any and all units of the Company in which the undersigned now has or hereafter acquires any interest (including but not limited to the right, without further signature, consent or knowledge of the undersigned spouse, to exercise amendments and modifications of and to terminate the aforementioned agreement and to dispose of any and all such units), with all powers the undersigned spouse would possess if personally present, it being expressly understood and intended by the undersigned that the foregoing power of attorney and proxy is coupled with an interest; and this power of attorney is a durable power of attorney and will not be affected by disability, incapacity or death of the Securityholder, or dissolution of marriage, and this proxy will not terminate without consent of the Securityholder and the Company.

Securityholder:	Spouse of Securityholder:
_____	_____
Signature	Signature
_____	_____
Printed Name	Printed Name

EXHIBIT 6

INTERCREDITOR AND SUBORDINATION AGREEMENT

This INTERCREDITOR AND SUBORDINATION AGREEMENT (this **"Agreement"**), dated as of December 31, 2013, is entered into by and among HC CAPITAL HOLDINGS 0909A, LLC (**"HC"**) and the undersigned Subordinated Lenders (as defined below).

RECITALS

A. Pursuant to that certain Credit and Security Agreement dated as of the date hereof (as the same may be amended, modified, supplemented or restated from time to time in accordance with the terms of this Agreement, the **"Existing Senior Credit Agreement"**) between Natural American Foods, Inc., a Delaware corporation (the **"Borrower"**) and HC, HC has made, and may in the future make, certain extensions of credit to the Borrower.

B. Pursuant to that certain Securities Purchase Agreement dated as of the date hereof (as the same may be amended, modified, supplemented or restated from time to time, the **"Existing Subordinated Securities Purchase Agreement"**) among the Borrower, Argosy Investment Partners III, L.P., a Delaware limited partnership (**"Argosy"**), Marquette Capital Fund I, L.P., a Delaware limited partnership (**"Marquette"**) and Horizon Capital Partners III, L.P., a Delaware limited partnership (**"Horizon"**) (collectively, Argosy, Marquette and Horizon, and their respective successors and assigns, the **"Subordinated Lenders"** and each a **"Subordinated Lender"**), the Subordinated Lenders have purchased or otherwise been issued certain subordinated indebtedness from the Borrower.

C. As a condition to HC entering into the Existing Senior Credit Agreement and of HC making any loans or extensions of credit to the Borrower under the Existing Senior Credit Agreement, the Subordinated Lenders have agreed to enter into this Agreement.

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

Section 1. **Definitions**. The following defined terms shall have the meanings set forth below:

"Bankruptcy Code" means the provisions of Title 11 of the United States Code, 11 U.S.C. sections 101 et seq., as from time to time amended, and any successor or similar statutes. All references to articles, sections, subsections and clauses of the Bankruptcy Code shall include all amendments, modifications and renumberings thereof from time to time.

"Bankruptcy Law" means the Bankruptcy Code or any similar federal, state or foreign bankruptcy, insolvency, receivership or similar law affecting creditor's rights generally.

"**BMO**" means BMO Harris Bank N.A., as lender under the Closing Date Credit Line.

"**Closing Date Credit Line**" has the meaning provided in the Existing Senior Credit Agreement.

"DIP Financing" means any debtor-in-possession financing or similar financing provided by any Senior Lender to the Borrower or to any other Obligor under Section 364 of the Bankruptcy Code or under any other Bankruptcy Law or otherwise in connection with any Proceeding, in each case provided by such Senior Lender after the date of this Agreement.

"Enforcement Action" means, with respect to the Subordinated Lenders and the Subordinated Debt, any of the following: (a) the acceleration or demand for payment (excluding for the avoidance of doubt, requests for payment with respect to Permitted Unrestricted Payments and Permitted Scheduled Payments) of any or all of the Subordinated Debt, (b) the commencement of a legal action by the Subordinated Lenders against the Borrower or any other Obligor for payment of any or all of the Subordinated Debt by or on behalf of any of the Subordinated Lenders, (c) the obtaining of a judgment in any such legal action permitted by clause (b) above, (d) the exercise of any right of setoff, recoupment or other similar right with respect to the Borrower or any other Obligor or any property or assets of the Borrower or any other Obligor, (e) the taking possession of or control of, or the levy, sale, lease, license, foreclosure or other realization on, or the other disposition or liquidation of, or the restriction or interference with, or the other exercise of any rights or remedies with respect to, any of the property or assets of the Borrower or any other Obligor, (f) the solicitation of bids from third parties to conduct the liquidation or disposition of any of the property or assets of the Borrower or any other Obligor or the engagement or retention of sales brokers, marketing agents or auctioneers for the purpose of selling any of the property or assets of the Borrower or any other Obligor, in each case other than in a transaction or series of transactions permitted under the Senior Loan Documents, (g) any collection, enforcement or other similar action of any kind (other than any legal action described in clause (b) above and other than notices and the like given in connection with requests for payment of Permitted Unrestricted Payments and Permitted Scheduled Payments and notices of non-payment with respect thereto) against the Borrower or any other Obligor or with respect to any of the property or assets of the Borrower or any other Obligor, in each case seeking, directly or indirectly, to enforce any right or remedy, or to enforce any of the obligations of the Borrower or any other Obligor under or in connection with the Subordinated Debt or the Subordinated Loan Documents, (h) the commencement or pursuit of any judicial, arbitration or other proceeding or legal action of any kind seeking injunctive or other equitable relief with respect to the Borrower or any other Obligor or any of the property or assets of the Borrower or any other Obligor, (i) the commencement or pursuit of any judicial, arbitration or other proceeding or legal action to prohibit, limit or impair the commencement or pursuit by the Senior Lenders of any of their rights or remedies under or in connection with the Borrower or any other Obligor or any property or assets of the Borrower or any other Obligor under or in connection with the Senior Debt, the Senior Loan Documents or otherwise, (j) the commencement or pursuit of any judicial, arbitration or other proceeding or legal action to contest, protest or object to the forbearance or other decision by the Senior Lenders not to exercise any of their rights or remedies under or in connection with the Borrower or any other Obligor or any property or assets of the Borrower or any other Obligor under or in connection with the Senior Debt, the Senior Loan Documents or otherwise, (k) the causing of the Borrower or any other Obligor to have any redemption or mandatory prepayment obligation, or the exercise of any put rights, with respect to any of the Subordinated Debt, (l) the causing of the delivery of any notice, claim or demand relating to any of the property or assets of the Borrower or any other Obligor to any Person which is obligated with respect to any of the property or assets of the Borrower or any other Obligor or which is in possession or control of any of the property or assets of the Borrower or any other Obligor or which is acting as bailee, custodian or agent for any Person with respect to any of the property or assets of the Borrower or any other Obligor, (m) the exercise of any other remedy available to the Subordinated Lenders which is not elsewhere expressly identified in this definition of Enforcement Action with respect to the Borrower or any other Obligor or any of the property or assets of the Borrower or any other Obligor (excluding notices of non-payment and requests for payment with respect to Permitted Unrestricted Payments and Permitted Scheduled Payments), or (n) the supporting or assisting of any other Person (other than the Senior Lenders) in pursuit of any of the acts described in clauses (a), (b),

(c), (d), (e), (f), (g), (h), (i), (j), (k), (l), (m) or (n) above. Notwithstanding the foregoing, the following actions shall not be considered to be an "Enforcement Action" (i) subject to the provisions of Section 4 of this Agreement, an action to enforce the provisions of the Subordinated Loan Documents by injunction or other equitable relief, provided, however, that such injunction or equitable relief does not require payment of any Subordinated Debt or Senior Debt or adversely affect the Senior Collateral, the payment of the Senior Debt or the rights of the Senior Lenders with respect to the Senior Collateral, including, without limitation, such rights set forth in Section 4 of this Agreement; (ii) an action to enjoin Borrower from transferring or disposing of Collateral in a manner prohibited under the Subordinated Loan Documents unless such transfer or disposition is pursuant to a foreclosure by the Senior Lenders or the Subordinated Lenders are deemed to have consented thereto pursuant to Section 4(c)(iv) of this Agreement; or (iii) the sending of periodic default notices not accompanied by a demand for payment or any other action that would constitute an Enforcement Action.

"Existing Senior Credit Agreement" has the meaning set forth in the Recitals hereto.

"Existing Subordinated Securities Purchase Agreement" has the meaning set forth in the Recitals hereto.

"Lien" means, with respect to any Person, any security interest, mortgage, deed of trust, lien, encumbrance, charge, hypothecation, pledge, assignment for security or other similar interest of any kind, whether arising by contract, as a matter of law, by judicial process or otherwise granted by such Person in any property or asset or other right owned or being purchased or acquired by such Person.

"Obligors" means, collectively, the Borrower and each other Person that now or hereafter is directly or indirectly liable for all or any portion of the Senior Debt or whose property or assets or any portion thereof are security for all or any portion of the Senior Debt, and the Borrower and each such Person is an **"Obligor"**.

"Owner" means each Person having legal or beneficial title to an ownership interest in the Borrower or a right to acquire such an interest.

"Paid in Full" or **"Payment in Full"** means, when used in connection with the Senior Debt, the full and final payment in cash of all of the Senior Debt (other than indemnification and other contingent obligations, in each case, not then asserted or due), the expiration, cancellation or cash collateralization (in a manner reasonably acceptable to the Senior Lenders, which may include the provision of a standby letter of credit with terms reasonably acceptable to the Senior Lenders from a financial institution acceptable to the Senior Lenders in an amount equal to 105% of the maximum amount of the maximum potential exposure as determined by the Senior Lenders from time to time) of all letter of credit obligations, hedging obligations, interest rate swap obligations, interest rate cap obligations, interest rate collar obligations, treasury management obligations, cash management obligations or other similar obligations under the Senior Loan Documents, and the irrevocable termination of all commitments and obligations of the Senior Lenders to make loans or extend other credit accommodations to the Borrower and/or any other Obligor under the Senior Loan Documents or with respect to the Senior Debt.

"Permitted Enforcement Action" means, with respect to the Subordinated Lenders, any of the following: (a) the acceleration or demand (excluding, for the avoidance of doubt, notices of non-payment and requests for payment with respect to Permitted Unrestricted Payments and

Permitted Scheduled Payments) for payment of any or all of the Subordinated Debt evidenced by the Subordinated Notes by the Subordinated Lenders, (b) the commencement of a legal action by the Subordinated Lenders against the Borrower for payment of any or all of the Subordinated Debt evidenced by the Subordinated Notes, or (c) the obtaining of a judgment in any such legal action contemplated by clause (b) above, but not any execution, levy or enforcement of any such judgment.

"Permitted Scheduled Payments" means Regularly Scheduled Cash Interest Payments payable to the Subordinated Lenders in respect of the Subordinated Debt evidenced by the Subordinated Notes when such Regularly Scheduled Cash Interest Payments become due and payable on a non-accelerated basis.

"Permitted Unrestricted Payments" means (a) PIK Payments in respect of the Subordinated Debt on a non-accelerated basis, (b) the reimbursement of actual out-of-pocket costs and expenses incurred by the Subordinated Lenders in an aggregate amount not to exceed $10,000 in connection with the execution and delivery of this Agreement, and (c) the reimbursement of actual costs and expenses incurred by the Subordinated Creditors and reimbursable by the Borrower to the Subordinated Creditors pursuant to Section 5.21(b) or Section 16.1 of the Existing Subordinated Securities Purchase Agreement in an aggregate amount not to exceed $100,000 per calendar year.

"Person" means any natural person, corporation, partnership, trust, limited liability company, association, governmental authority, or any other entity, whether acting in an individual, fiduciary or other capacity.

"PIK Payments" means any payment-in-kind or in lieu of cash payment in respect of the accrued interest on the Subordinated Debt under the Subordinated Loan Documents which is capitalized (i.e., not paid in cash) and added to the principal balance of the Subordinated Debt as provided in the Subordinated Loan Documents.

"Proceeding" means (a) any insolvency, bankruptcy, receivership, custodianship, trusteeship, liquidation, reorganization, readjustment, composition or other similar proceeding relating to the Borrower or any other Obligor or any of the properties or assets of the Borrower or any other Obligor, whether under any bankruptcy, reorganization or insolvency law or laws, federal or state, or any law, federal or state, relating to relief of debtors, readjustment of indebtedness, reorganization, composition or extension, (b) any proceeding for any liquidation, liquidating distribution, dissolution or other winding up of the Borrower or any other Obligor, voluntary or involuntary, whether or not involving insolvency or bankruptcy proceedings, or (c) any assignment for the benefit of creditors generally of the Borrower or any other Obligor.

"Refinance" means, in respect of any Senior Debt, to refinance, replace, refund or repay, or to issue other indebtedness, in exchange or replacement for, such Senior Debt, in whole or in part, whether with the same or different lenders, agents or arrangers, with terms, conditions, covenants and defaults the same as those then existing in the Senior Loan Documents prior to such refinancing, replacement, refunding, repayment or issuance or which could be included in the Senior Loan Documents pursuant to an amendment, modification, supplement or restatement permitted by Section 12 of this Agreement. **"Refinanced"** and **"Refinancing"** shall have correlative meanings.

"Regularly Scheduled Cash Interest Payment" means a regularly scheduled monthly cash payment of interest required to be made under the terms of a Subordinated Note at an interest rate of not more than the cash interest rate (which shall be exclusive of any default rate or default increment which may be imposed under such Subordinated Note or under the other Subordinated Loan Documents) provided in such Subordinated Note or in the other Subordinated Loan Documents in effect from time to time (which cash interest rate as of the date of this Agreement is 10% per annum).

"Reorganization Subordinated Securities" means (a) any equity securities issued in substitution of (or in exchange or payment of) all or any portion of the Subordinated Debt in any Proceeding provided that no payments or distributions are required to be made on such equity securities prior to the time that the Senior Debt (or any notes or other securities issued in such Proceeding in substitution of all or any portion of the Senior Debt) is Paid in Full without the prior written consent of the Senior Lenders, and (b) any notes or other debt securities issued in substitution of (or in exchange or payment of) all or any portion of the Subordinated Debt in any Proceeding which notes or other debt securities are expressly subordinated to the Senior Debt (or any notes or other securities issued in such Proceeding in substitution of all or any portion of the Senior Debt) and are subject to subordination, turnover and other provisions in favor of Senior Lenders at least as favorable to the Senior Lenders as the subordination, turnover and other provisions in this Agreement.

"Senior Collateral" means all assets and properties of any kind whatsoever, whether real property, fixtures or personal property, whether tangible or intangible, and wherever located, of the Borrower and/or of each other Obligor (including any stock or other equity interest), whether now owned or hereafter acquired, and upon which a Lien is now or hereafter granted or obtained or intended to be obtained or granted or obtained or granted to secure the Subordinated Debt as security for all or any part of the Senior Debt, including, without limitation, the **"Collateral"** as defined in the Senior Credit Agreement and any Lien granted or intended to be obtained or granted or obtained or granted to secure the Subordinated Debt in favor of the lenders under the Closing Date Credit Line after the date hereof, together, in each case, with (i) all substitutions and replacements for and any products of any of the foregoing; (ii) all accessories, attachments, parts, equipment and repairs now or hereafter attached or affixed to or used in connection with any tangible goods; (iii) all warehouse receipts, bills of lading and other documents of title now or hereafter covering such goods; and (iv) all proceeds of any and all of the foregoing.

"Senior Credit Agreement" means (a) the Existing Senior Credit Agreement, (b) the Closing Date Credit Line (as defined in the Existing Senior Credit Agreement) and (c) any other credit agreement, loan agreement, note agreement, promissory note, indenture or other primary debt agreement or instrument evidencing the Senior Debt in connection with a Refinancing thereof, as the same may be amended, modified, supplemented or restated from time to time in accordance with the terms of this Agreement.

"Senior Debt" means each and every debt, liability and obligation of every type and description which the Borrower and/or any other Obligor may now or at any time hereafter owe to the Senior Lenders or to any one or more of the Senior Lenders, whether such debt, liability or obligation now exists or is hereafter created or incurred, and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several, or joint and several, all interest thereon, and all fees, costs and other charges related thereto, in each case arising under the Senior Credit Agreement, the Closing Date Credit Line or the other Senior Loan Documents, all renewals, extensions, amendments,

modifications, supplements and restatements thereof and any notes issued in whole or partial substitution therefor, including, without limitation, the Obligations (as defined in the Senior Credit Agreement), and any Refinancing of any of the foregoing, and including specifically, without limitation, all debts, liabilities and obligations of the Borrower and/or any other Obligor owing to the Senior Lenders or to any one or more of the Senior Lenders arising subsequent to the commencement of a Proceeding, including, without limitation, interest and other debts, liabilities and obligations regardless of whether they are allowed as a claim in such Proceeding, and including, without limitation, all debts, liabilities and obligations pursuant to any DIP Financing provided by the Senior Lenders or any one or more of the Senior Lenders to the Borrower; provided , however, that to the extent that the sum of the aggregate outstanding principal balance of loans included in the foregoing shall exceed $30,000,000, such excess outstanding principal balance of the loans shall not be deemed to be "Senior Debt"; provided, further, however, the aggregate amount in the foregoing proviso shall be $40,000,000 in the aggregate in the event that the Senior Lender or any of the Senior Lenders provide any DIP Financing to the Borrowers in connection with a Proceeding. To the extent any payment with respect to the Senior Debt (whether by or on behalf of the Borrower or any other Obligor, as proceeds of security, enforcement of any right of setoff or otherwise) is declared to be fraudulent or preferential in any respect, set aside or required to be paid to a debtor-in-possession, trustee or similar Person, then the obligation or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as Senior Debt as if such payment had not occurred.

"Senior Event of Default" means an "Event of Default" as defined in the Senior Credit Agreement.

"Senior Financial Covenants" means the "Financial Covenants" as defined in the Senior Credit Agreement.

"Senior Indefinite Blockage Period" has the meaning set forth in Section 3(b) hereof.

"Senior Lender" means any holder of all or part of the Senior Debt, including, without limitation, HC and BMO, and each of their respective successors and assigns, and such Persons shall be referred to collectively as the **"Senior Lenders"**.

"Senior Loan Documents" means each of the Senior Credit Agreement, the Closing Date Credit Line and all respective agreements, documents and instruments executed and delivered in connection therewith, as the same may be amended, modified, supplemented or restated from time to time in accordance with the terms of this Agreement, including, without limitation, any such agreements, documents and instruments executed and delivered in connection with the Senior Debt and/or in connection with a Refinancing of the Senior Debt.

"Senior Non-Specified Default" means any Senior Event of Default other than a Senior Payment Default.

"Senior Non-Specified Default Blockage Period" has the meaning set forth in Section 3(c) hereof.

"Senior Non-Specified Default Notice" has the meaning set forth in Section 3(c) hereof.

"Senior Specified Default" means any Senior Event of Default under the Senior Loan Documents that results from (i) the failure of the Borrower or any other Obligor to timely comply

with any payment obligation with respect to any of the Senior Debt, including, without limitation, the failure to fully repay the Senior Debt upon acceleration or demand for payment by the Senior Lenders pursuant to the terms of any of the Senior Loan Documents, (ii) any bankruptcy or insolvency of the Borrower or (iii) any failure to comply with any financial covenant (for the avoidance of doubt, a financial covenant being a covenant of the type generally consistent with those of Article 8 of the Senior Credit Agreement on the date hereof).

"Senior Specified Default Notice" has the meaning set forth in Section 3(b) hereof.

"Standstill Period" has the meaning set forth in Section 5(b)(i) hereof.

"Subordinated Debt" means each and every debt, liability and obligation of every type and description which the Borrower and/or any other Obligor may now or hereafter owe to the Subordinated Lenders or to one or more of the Subordinated Lenders, whether such debt, liability or obligation now exists or is hereafter created or incurred, and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several or joint and several, all interest thereon, and all fees, costs and other charges related thereto, and all renewals, extensions, amendments, modifications, supplements and restatements thereof and any notes issued in whole or partial substitution therefor, and including specifically, without limitation, all debts, liabilities and obligations of the Borrower and/or any other Obligor owing to the Subordinated Lenders or to any one or more of the Subordinated Lenders arising subsequent to the commencement of any Proceeding; provided , however, "Subordinated Debt" under this Agreement shall not include unsecured fees for services (specifically, excluding, however, all loans, advances or other similar arrangements which are "Subordinated Debt for purposes of this Agreement) received by the Borrower from the Subordinated Creditors and/or one or more of the Subordinated Creditors in the ordinary course of Borrower's business and not prohibited by the Senior Credit Agreement.

"Subordinated Default Notice" has the meaning set forth in Section 5(b)(i) hereof.

"Subordinated Event of Default" means an "Event of Default" as defined in the Subordinated Securities Purchase Agreements.

"Subordinated Lenders" has the meaning set forth in the Recitals hereto.

"Subordinated Loan Documents" means the Subordinated Securities Purchase Agreements, the Subordinated Notes, all warrant purchase agreements, all warrants and all other agreements, documents and instruments executed and delivered in connection therewith, as the same may be amended, modified, supplemented or restated from time to time.

"Subordinated Notes" means, collectively, all debentures and promissory notes pursuant to the Subordinated Securities Purchase Agreements, and any amendments, modifications, supplements or restatements thereof and any other note or notes issued in substitution or replacement thereof, and each is a **"Subordinated Note"**.

"Subordinated Securities Purchase Agreements" means (a) the Existing Subordinated Securities Purchase Agreement and (b) any other securities purchase agreement, note purchase agreement, credit agreement, loan agreement, note agreement, promissory note, indenture or other debt agreement or instrument evidencing the Subordinated Debt, as the same may be amended, modified, supplemented or restated from time to time.

"UCC" shall mean the Uniform Commercial Code (or any similar or equivalent law) as in effect from time to time in any applicable jurisdiction.

Section 2. **Subordination of the Subordinated Debt to the Senior Debt**. Notwithstanding any provision of the Subordinated Loan Documents, the Subordinated Lenders hereby agree that the payment of the Subordinated Debt is hereby expressly subordinated to the Payment in Full of the Senior Debt to the extent and in the manner provided in this Agreement. The Subordinated Debt shall continue to be subordinated to the Senior Debt under the terms of this Agreement even if the Senior Debt is unsecured or any of the Senior Collateral is subordinated, avoided or disallowed in any Proceeding or otherwise under any Bankruptcy Law.

Section 3. General Restrictions on Payments in respect of the Subordinated Debt; Permitted Unrestricted Payments, Permitted Scheduled Payments, Blockage of Permitted Scheduled Payments.

(a) Until all of the Senior Debt has been Paid in Full, none of the Subordinated Lenders shall receive or retain any payment of principal, interest, fees, expenses, reimbursements or other amounts from the Borrower and/or from any other Obligor on or in respect of the Subordinated Debt, or exercise any right of or permit any setoff, recoupment or similar right in respect of the Subordinated Debt; provided , however, subject to the terms and conditions set forth in this Section 3 and elsewhere in this Agreement, (i) the Borrower may make, and the Subordinated Lenders may receive and retain, a Permitted Unrestricted Payment when such Permitted Unrestricted Payment becomes due and payable on a non-accelerated basis and (ii) the Borrower may make, and the Subordinated Lenders may receive and retain, a Permitted Scheduled Payment when such Permitted Scheduled Payment becomes due and payable on a non-accelerated basis.

(b) If any Senior Specified Default exists (including, without limitation, as a result of any demand for payment by the Senior Lenders or other acceleration by the Senior Lenders of any or all of the Senior Debt as a result of the occurrence of any Senior Event of Default), then the right of the Subordinated Lenders to receive and retain any Permitted Scheduled Payment shall be suspended from and after the date that the Senior Lenders or a Senior Lender shall have given the Subordinated Lenders a written notice that the Subordinated Lenders' right to receive and retain Permitted Scheduled Payments has been suspended as a result of such Senior Specified Default (a **"Senior Specified Default Notice"**) until the earliest to occur of: (i) the cure of such Senior Specified Default or the Senior Lenders' written waiver of such Senior Default Payment, (ii) the Payment in Full of the Senior Debt, or (iii) the written termination of the suspension of the Permitted Scheduled Payments by the Senior Lenders as a result of such Senior Specified Default (the period from the date of issuance of such Senior Specified Default Notice by the Senior Lenders or a Senior Lender to the Subordinated Lenders until such earliest event is herein referred to as a **"Senior Indefinite Blockage Period"**); provided, however, that nothing herein shall prevent the accrual of any Permitted Scheduled Payment which is so suspended.

(c) If any Senior Non-Specified Default exists, then the right of the Subordinated Lenders to receive and retain any Permitted Scheduled Payment shall be suspended from and after the date that the Senior Lenders or a Senior Lender shall have given the Subordinated Lenders a written notice that the Subordinated Lenders' right to receive and retain Permitted Scheduled Payments has been suspended as a result of such Senior Non-Specified Default (a **"Senior Non-Specified Default Notice"**) until the earliest to occur of: (i) the cure (if susceptible of cure) of such Senior Non-Specified Default or the Senior Lenders' written waiver of such Senior Non-Specified Default, (ii) the passage of 180 days after the date of issuance of the Senior Non-Specified Default Notice, (iii) the Payment in Full of the Senior Debt, or (iv) the written termination of the suspension of the Permitted Scheduled Payments by the

Senior Lenders as a result of such Senior Non-Specified Default (the period from the date of issuance of such Senior Non-Specified Default Notice by the Senior Lenders to the Subordinated Lenders or a Subordinated Lender until such earliest event is herein referred to as a **"Senior Non-Specified Default Blockage Period"**); provided, however, that nothing herein shall prevent the accrual of any Permitted Scheduled Payment.

(d) Anything contained in Section 3(c) to the contrary notwithstanding, (a) in no event shall the payment of Permitted Scheduled Payments be suspended for more than 180 days in connection with Senior Non-Payment Defaults during any consecutive 365-day period and (b) not more than 5 Senior Non-Payment Default Notices may be given in respect of Senior Non-Payment Defaults during the term of this Agreement. In no event shall the Senior Lenders' continued honoring of requests from the Borrower for loans or extensions of credit of any kind under the Senior Loan Documents in respect of the Senior Debt during the existence of any Senior Event of Default be deemed a waiver by the Senior Lenders of such Senior Event of Default or any Senior Indefinite Blockage Period or any Senior Non-Payment Default Blockage Period..

(e) To the extent that the Borrower may pay, and the Subordinated Lenders may receive and retain, Permitted Scheduled Payments under the terms of this Section 3, the Borrower may also pay, and the Subordinated Lenders may also receive and retain, any Permitted Scheduled Payment previously suspended pursuant to this Section 3 so long as the Borrower has delivered to the Senior Lender a certificate in form and content reasonably acceptable to the Senior Lenders establishing that the Borrower will be in proforma compliance with each of the Senior Financial Covenants after giving effect to any such previously suspended Permitted Scheduled Payment.

(f) The failure of the Borrower to make any Permitted Scheduled Payment by reason of the operation of this Section 3 shall not be construed as preventing the occurrence of a Subordinated Event of Default as a result of such failure.

(g) The provisions of this Section 3 shall not be applicable in circumstances in which Section 10 is applicable.

Section 4. Subordination of Liens in favor of the Senior Lenders to Liens in favor of the Senior Lenders; etc.

(a) Any Liens now or hereafter held by the Subordinated Lenders and/or any Subordinated Lender in any assets or property of the Borrower and/or any other Obligor or in any of the Senior Collateral to secure the Subordinated Debt are hereby subordinated to the Liens of the Senior Lenders and/or any Senior Lender in such assets or property and such Senior Collateral securing the Senior Debt. The Subordinated Lenders hereby agree that none of the Subordinated Lenders will contest the validity, perfection, priority or enforceability of any of the Liens of the Senior Lenders securing or intending to secure or supposed to secure the Senior Debt in any of the assets or property of the Borrower and/or any other Obligor or in any of the Senior Collateral. The Subordinated Lenders further hereby agree that the Liens of the Senior Lenders and/or any Senior Lender securing the Senior Debt shall at all times rank senior in priority to any and all Liens of the Subordinated Lenders and/or any Subordinated Lender notwithstanding (i) the date, manner or order of obtaining, recording, filing or perfection of any such Lien of the Senior Lenders and/or any Senior Lender, (ii) any provision of the UCC of any jurisdiction or any other statute, law or decision governing or affecting the priority of any Lien of the Senior Lenders and/or any Senior Lender, or (iii) any provision of the Senior Credit Agreement or any other Senior Loan Document or any provision of the Subordinated Securities Purchase Agreements or any other Subordinated Loan Documents. The Subordinated Lenders agree that no Subordinated Lender shall

accept or obtain any Lien in any asset or property of the Borrower and/or any other Obligor securing the Subordinated Debt unless the Senior Lenders shall have obtained a prior Lien in such asset or such property or such Senior Collateral which has been duly perfected prior to any Lien of the Subordinated Lenders and/or any Subordinated Lender securing the Subordinated Debt.

(b) Until the Senior Debt is Paid in Full, the Subordinated Lenders shall not accept a guaranty or other credit support with respect to the Subordinated Debt or the Borrower of any kind from any Person who or which has not previously provided a guaranty or such credit support to the Senior Lenders with respect to the Senior Debt, and any such guaranty or other credit support in favor of the Subordinated Lenders shall constitute Subordinated Debt evidenced by a Subordinated Loan Document for all purposes of this Agreement and any such guaranty or credit support in favor of the Senior Lenders shall constitute Senior Debt evidenced by a Senior Loan Document for all purposes of this Agreement.

(c) The Subordinated Lenders agree as follows:

(i) Upon written request of the Senior Lenders, the Subordinated Lenders shall immediately subordinate to the Senior Lenders any Lien in favor of the Subordinated Lenders and/or any Subordinated Lender with respect to the Subordinated Debt in any asset or property of the Borrower and/or any other Obligor or in any Senior Collateral unless the Senior Lenders have a Lien in such asset or property or such Senior Collateral which has been perfected by recording, filing or other perfection prior to the perfection of such subordinate Lien in favor of the Subordinated Lenders and/or such Subordinated Lender.

(ii) Notwithstanding any Lien in any asset or property of the Borrower and/or any other Obligor or in any of the Senior Collateral in favor of the Subordinated Lenders securing the Subordinated Debt, the Senior Lenders shall have the exclusive right to enforce rights and remedies with respect to the Senior Collateral and to make determinations with respect to the release, disposition and/or restrictions with respect to the Senior Collateral without any notice to or consent of the Subordinated Lenders, subject, however, to the right of the Subordinated Lenders in Section 4(c)(iv) of this Agreement. In exercising rights and remedies with respect to the Senior Collateral, the Senior Lenders may enforce the provisions of the Senior Loan Documents and exercise all rights and remedies available thereunder or otherwise available by law or agreement, all in such order and in such manner as the Senior Lenders may determine in their sole discretion. Such exercise and enforcement shall include the rights of an agent or consultant appointed by the Senior Lenders to sell or otherwise dispose of the Senior Collateral, to incur fees and expenses in connection with such sale or disposition, and to exercise all of the rights and remedies of a secured creditor under the UCC or other applicable law and of a secured creditor under the Bankruptcy Laws of any applicable jurisdiction. The Senior Lenders may take possession of, sell, dispose of, and otherwise deal with all or any part of the Senior Collateral, and may take or exercise any right or remedy available to the Senior Lenders with respect to the Senior Collateral, all without notice to or the consent of the Subordinated Lenders, except for any notice required by applicable law.

(iii) The Senior Lenders shall have no duty to preserve, protect, care for, insure, take possession of, collect, dispose of, or otherwise realize upon any of the Senior Collateral, and in no event shall the Senior Lenders be deemed the agent of the Subordinated Lenders with respect to any of the Senior Collateral. All proceeds received by the Senior Lenders with respect to the Senior Collateral may be applied by the Senior Lenders to the Senior Debt in such manner and order of application as the Senior Lenders shall determine in their sole discretion.

(iv) Without limiting the generality of the foregoing, if (i) at any time during the existence of a Senior Event of Default the Borrower and/or any other Obligor intends to sell or otherwise dispose of any of the Senior Collateral or any of its other assets or property, whether in or outside the ordinary course of business, and (ii) the Senior Lenders consent to such sale or disposition, then the Subordinated Lenders shall be deemed to have automatically consented to such sale or disposition, to have automatically released any Lien any of the Subordinated Lenders may have in such Senior Collateral or such other assets or property and to have irrevocably authorized the Senior Lenders and/or the Borrower and/or such other Obligor to prepare and file such releases, terminations, satisfactions and any related documentation which they deem necessary to release or terminate any Liens in favor of any of the Subordinated Lenders covering such Senior Collateral or such other assets or property for the purpose of consummating such sale or disposition; provided that in connection with any such release of such Senior Collateral, the Subordinated Lenders or other Persons, as applicable, shall, to the extent provided by law or as determined by a court of competent jurisdiction, be entitled to any proceeds from such sale or disposition which remain after Payment in Full of all of the Senior Debt. Each of the Subordinated Lenders hereby irrevocably appoints each Senior Lender or any of its officers, employees or agents on behalf of each such Senior Lender as attorney-in-fact for such Subordinated Lender (which appointment is coupled with an interest) with the power, but not any duty, to prepare, execute, file and deliver any such release, termination, satisfaction or related document with respect to any Lien of any of the Subordinated Lenders in any such Senior Collateral or such other assets or property.

(v) Each of the Subordinated Lenders agrees that (i) it will not take any action that would hinder or delay any exercise of any rights or remedies of the Senior Lenders under the Senior Loan Documents or under this Agreement with respect to any of the Senior Collateral, (ii) during a Senior Event of Default, it will not object to or challenge the manner in which the Senior Lenders seek to sell or otherwise dispose of the Senior Collateral, (iii) no covenant, agreement or restriction contained in the Subordinated Loan Documents shall be deemed to restrict in any way the rights or remedies of the Senior Lenders with respect to any of the Senior Collateral or to restrict in any way any sale or other disposition of any of the Senior Collateral by the Senior Lenders, and (vi) during the existence of a Senior Event of Default, no covenant, agreement or restriction contained in the Subordinated Loan Documents shall be deemed to restrict in any way any sale or other disposition of any of the Senior Collateral by the Borrower and/or any other Obligor which is consented to by the Senior Lenders.

Section 5. Permitted Enforcement Actions by the Subordinated Lenders; Standstill Period.

(a) Except as permitted by Section 5(b) below, until the Senior Debt is Paid in Full, no Subordinated Lender shall take any Enforcement Action without the prior written consent of the Senior Lenders.

(b) During the existence of a Subordinated Event of Default, the Subordinated Lenders may undertake any Permitted Enforcement Action upon the earliest to occur of:

(i) the date that is at least 180 days after the date of the Senior Lenders' receipt of a written notice from the Subordinated Lenders of the occurrence of a Subordinated Event of Default (the **"Subordinated Default Notice"**) if the Subordinated Event of Default described therein has not been cured or waived within such 180-day period (the period described above in this Section 5(b)(i) is herein referred to as the **"Standstill Period"**);

(ii) acceleration of the Senior Debt by the Senior Lenders or any exercise of remedies by the Senior Lenders with respect to the Senior Collateral; provided , however, that if following any such acceleration of the Senior Debt or following any such exercise of remedies by the Senior Lenders with respect to the Senior Collateral, such acceleration in respect of the Senior Debt or such exercise of remedies with respect to the Senior Collateral is rescinded, then all Permitted Enforcement Actions taken by the Subordinated Lenders shall likewise be rescinded or terminated if such Permitted Enforcement Actions are based on this Section 5(b)(ii) and the Subordinated Lenders have no right under any other subsection of this Section 5(b) to take any Permitted Enforcement Action;

(iii) the occurrence of a Proceeding involving the Borrower; provided, however, that if such Proceeding is dismissed, the corresponding prohibition against the Subordinated Lenders taking any Permitted Enforcement Action shall automatically be reinstated as of the date of dismissal as if such Proceeding had not been initiated, unless the Subordinated Lenders have the right to take any Permitted Enforcement Action under another subsection of this Section 5(b).

(c) Notwithstanding the foregoing, any Subordinated Lender may (i) file any responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading made by any Person objecting to or otherwise seeking the disallowance of the claims of any Subordinated Lender with respect to the Subordinated Debt, and (ii) make any filing that may be necessary to prevent the expiration of or to toll the running of any applicable statute of limitations related to the Subordinated Debt or related to any Liens in favor of the Subordinated Lenders securing the Subordinated Debt.

(d) Until the Senior Debt is Paid in Full, any payment (whether made in cash, securities or other property) obtained by the Subordinated Lenders as a result of any Enforcement Action shall be held in trust (without commingling with other funds) for the benefit of the Senior Lenders and shall be forthwith turned over to the Senior Lenders for application to the payment of the Senior Debt in such order and manner of application as the Senior Lenders shall determine in their sole discretion.

(e) If any Subordinated Lender initiates any Enforcement Action that is not permitted under this Agreement, the Senior Lenders or any Senior Lender may interpose the agreements of the Subordinated Lenders contained in this Agreement as a defense thereto and shall be entitled to specific performance of the terms of this Agreement.

Section 6. **Receipt and Turnover of Prohibited Payments; Reinstatement**. If any of the Subordinated Lenders receives any payment (whether made in cash, securities or other property) in respect of the Subordinated Debt that the Subordinated Lenders are not entitled to receive under the provisions of this Agreement, such Subordinated Lender will hold the amount so received in trust for the benefit of the Senior Lenders (without commingling with other funds) and will forthwith turn over such payment to the Senior Lenders in the form received (except for the endorsement of such Subordinated Lender where necessary, which endorsement shall be provided by such Subordinated Lender) for application to the then-existing Senior Debt (whether due or not due) in such order and manner of application as the Senior Lenders may deem appropriate in their sole discretion. If any of the Subordinated Lenders exercises any right of setoff, recoupment or similar right which the Subordinated Lenders are not permitted to exercise under the provisions of this Agreement, such Subordinated Lender will promptly pay over to the Senior Lenders, in immediately available funds, an amount equal to the amount of the claims or obligations so setoff, recouped or otherwise obtained. If any of the Subordinated Lenders fails to make any endorsement required under this Agreement, each of the Subordinated Lenders hereby irrevocably appoints each Senior Lender, or any of its officers, employees or agents on behalf of such Senior Lender as the attorney-in-fact (which appointment is coupled with an interest) for each of the

Subordinated Lenders with the power to make such endorsement in each such Subordinated Lender's name. If at any time (including after Payment in Full of the Senior Debt), all or part of any payment with respect to Senior Debt theretofore made by the Borrower or any other Obligor or any other Person is rescinded or must otherwise be returned by the Senior Lenders for any reason whatsoever (including, without limitation, the insolvency, bankruptcy or reorganization of the Borrower or any other Obligor or any such other Person), the provisions of this Agreement shall continue to be effective or be reinstated, as the case may be, all as though such payment had not been made and any amounts received by the Subordinated Lenders (including after the parties believed the Senior Debt has been Paid in Full) shall be subject to the terms of this Agreement, including, without limitation, the obligation of the Subordinated Lenders to turn over such amounts to the Senior Lenders pursuant to this Section 6.

Section 7. **Subrogation**. No payment or distribution of any character in respect of the Subordinated Debt (whether in cash, securities or other property) to which the Subordinated Lenders would have been entitled except for the provisions of this Agreement and that shall have been made to or for the account of Senior Lenders shall, as between the Borrower or any other Obligor and its creditors (other than the Senior Lenders and the Subordinated Lenders), be deemed to be a payment or distribution by the Borrower or such Obligor to or for the account of the Senior Lenders, and from and after the Payment in Full of the Senior Debt, the Subordinated Lenders shall be subrogated to all rights of the Senior Lenders to receive any further payments or distributions applicable to Senior Debt until the Subordinated Debt shall be paid in full, and no such payment or distribution made pursuant to such right of subrogation to the Subordinated Lenders that otherwise would be payable or distributable to or for the account of Senior Lenders shall, as between the Borrower or any other Obligor and its creditors (other than the Senior Lenders and the Subordinated Lenders), be deemed to be a payment or distribution by the Borrower or such Obligor to the Subordinated Lenders or on account of the Subordinated Debt.

Section 8. **No Prejudice or Impairment of Obligations of the Borrower or Any Other Obligor**. The provisions of this Agreement are solely for the purposes of defining the relative rights and obligations of the Senior Lenders, on the one hand, and the Subordinated Lenders, on the other hand. Nothing herein shall impair, as between the Borrower, any other Obligor and the Senior Lenders, the obligation of the Borrower or such Obligor, which is unconditional and absolute, to pay to the Senior Lenders the Senior Debt and nothing herein shall impair or prevent the Senior Lenders from exercising all rights and remedies permitted under the Senior Loan Documents or under applicable law upon default under the Senior Loan Documents. The Senior Lenders shall not be prejudiced in the right to enforce subordination of the Subordinated Debt and any Liens held by any of the Subordinated Lenders by any act or failure to act by the Borrower, any other Obligor, any Subordinated Lender or anyone in custody of the assets or property of the Borrower or any other Obligor. Nothing herein shall impair, as between the Borrower, any other Obligor and the Subordinated Lenders, the obligation of the Borrower or such Obligor, which is unconditional and absolute, to pay to the Subordinated Lenders the Subordinated Debt.

Section 9. Limitations on Claims against Senior Lenders.

(a) Each of the Subordinated Lenders agrees that it will not at any time institute, facilitate or join in as a party in the institution of, or assist in the prosecution of, any action, suit or proceeding (i) contesting or challenging the amount, validity, priority or enforceability of all or any portion of the Senior Debt or otherwise seeking a determination that all or any portion of the Senior Debt is avoidable, or is or should be disallowed or subordinated to the claims of any other Person, (ii) contesting or challenging the validity, perfection, priority or enforceability of the Liens obtained by the Senior Lenders as security for all or any portion of the Senior Debt or otherwise seeking a determination that any such Liens are invalid, unperfected or avoidable, or are or should be subordinated to the interests of any other Person, or (iii) contesting or challenging the validity or enforceability of this Agreement.

Each of the Subordinated Lenders agrees that it will not at any time institute, facilitate or join in as a party in the institution of, or assist in the prosecution of, any action, suit or proceeding contesting or challenging any collection, enforcement, disposition or acceptance of, or other remedial action with respect to, the Senior Collateral by the Senior Lenders.

(b) The Subordinated Lenders hereby agree that, until the Senior Debt has been Paid in Full, the Senior Lenders may, in the enforcement of their respective rights and remedies under the Senior Loan Documents and under applicable law, freely exercise or refrain from exercising any or all rights or remedies available to the Senior Lenders with respect to the Borrower and/or any other Obligor and/or with respect to any or all of the Senior Collateral.

(c) The Subordinated Lenders hereby waive any defense based on the adequacy of a remedy at law or equity which might be asserted as a bar to the remedy of specific performance of the terms of this Agreement in any action brought therefor by any Senior Lender. To the fullest extent permitted by applicable law, and except as expressly set forth herein, each Subordinated Lender hereby further waives any claim it may now or hereafter have against any Senior Lender arising out of: (i) presentment, demand, protest, notice of protest, notice of default or dishonor, notice of payment or nonpayment and, any and all other notices and demands of any kind in connection with the Senior Loan Documents and the Senior Debt, except for any of the foregoing required to be given pursuant to the terms of this Agreement; (ii) any right to require the Senior Lenders to marshall assets or property or enforce any Lien any Senior Lender may now or hereafter have in any Senior Collateral or any other assets or property of the Borrower or any other Obligor, or to pursue any claim any Senior Lender may have against the Borrower or any other Obligor or any other Person; and (iii) notice of any loans or other credit made available by any Senior Lender to the Borrower or any other Obligor or any other action taken in reliance on this Agreement.

(d) The Subordinated Lenders hereby consent and agree that the Senior Lenders may, without in any manner impairing, releasing or otherwise affecting the subordination provided for in this Agreement or any of the Senior Lenders' rights hereunder and without prior notice to or the consent of the Subordinated Lenders: (i) subject to the limitations contained in the definition of Senior Debt in this Agreement, increase the amount of the Senior Debt; (ii) subject to the restriction set forth in Section 12(d) of this Agreement, extend the final maturity date of the Senior Debt, (iii) compromise, forbear or postpone the time of payment of any or all of Senior Debt or any of the other obligations of the Borrower or any other Obligor; (iv) substitute, exchange or release any or all of the Senior Collateral or any guaranties or other credit support for any or all of the Senior Debt; (v) add or release any Obligor or other Person liable for any or all of the Senior Debt or (vi) subject to the restrictions in Section 12 of this Agreement, waive, amend, modify, supplement or restate any provisions of the Senior Loan Documents in any manner whatsoever.

Section 10. Proceedings.

(a) In connection with any Proceeding, the agreements contained in this Agreement shall remain in full force and effect and enforceable pursuant to their terms in accordance with Section 510(a) of the Bankruptcy Code and in accordance with any other applicable provision of any Bankruptcy Law, and all references herein to the Borrower or any other Obligor shall be deemed to apply to the Borrower or such other Obligor as debtor-in-possession and to any trustee or receiver or similar officer for the estate of the Borrower or such other Obligor.

(b) Notwithstanding any provision of this Agreement to the contrary, in any Proceeding involving the Borrower or any other Obligor or any of their respective properties or assets, (i)

all Senior Debt shall be Paid in Full before any payment or distribution (whether made in cash, securities or other property) shall be made in any such Proceeding with respect to or on account of any of the Subordinated Debt (other than Reorganization Subordinated Securities which may be distributed to the Subordinated Lenders), (ii) any payment or distribution (other than Reorganization Subordinated Securities which may be distributed to the Subordinated Lenders) which, but for this Agreement, otherwise would be payable or deliverable in any such Proceeding in respect of the Subordinated Debt, shall be paid or distributed directly to the Senior Lenders to be held and/or applied to the Senior Debt in such manner and order of application as the Senior Lenders shall determine in their sole discretion until all of the Senior Debt has been Paid in Full, (iii) each of the Subordinated Lenders hereby irrevocably authorizes, empowers and directs the Borrower and each other Obligor, all debtors-in-possession, receivers, trustees, liquidators, custodians, distribution agents, plan representatives, conservators or others having authority to make or otherwise effect any such payments or distributions to make such payments and distributions directly to the Senior Lenders, and each of the Subordinated Lenders also hereby irrevocably authorizes and empowers the Senior Lenders to demand, sue for, collect and receive each such payment or distribution, (iv) each of the Subordinated Lenders agrees to execute and deliver to the Senior Lenders, all such further documents or instruments as may be reasonably requested by the Senior Lenders with respect to the authorizations described in this Section 10(b), and (v) each of the Subordinated Lenders hereby irrevocably appoints each Senior Lender, or any of its officers, employees or agents on behalf of such Senior Lender, as the attorney-in-fact (which appointment is coupled with an interest) for such Subordinated Lender with the power to (A) execute, prepare, verify, deliver and file proofs of claim in respect of the Subordinated Debt in connection with any Proceeding upon the failure of the applicable Subordinated Lender to do so prior to thirty (30) days before the expiration of the time to file any such proof of claim and (B) vote such claim in any such Proceeding upon the failure of the applicable Subordinated Lender to do so prior to five (5) days before expiration of time to vote any such claim (it being agreed that such Subordinated Lender may thereafter vote such claim (or change or amend the a Senior Lender's vote of such claim to the extent such change or amendment is permitted in such Proceeding); provided, however, the Senior Lenders shall have no obligation or duty to execute, prepare, verify and/or deliver any such proof of claim and/or to vote such claim and its action or inaction shall not give rise to any claims or liability against any of the Senior Lenders. In the event that, notwithstanding the foregoing, any payment or distribution of assets or securities, or the proceeds of any thereof, shall be collected or received by the Subordinated Lenders in contravention of this provision or any other provisions of this Agreement, such payment or distribution shall be received in trust by the Subordinated Lenders (without commingling with other funds) for the benefit of the Senior Lenders and the Subordinated Lenders shall forthwith deliver such payment or distribution to the Senior Lenders for application to the payment of the Senior Debt in such order and manner of application as the Senior Lenders shall determine in their sole discretion.

(c) The Senior Debt shall continue to be treated as Senior Debt with priority over the Subordinated Debt and the Liens in favor of the Senior Lenders and/or any Senior Lender shall continue to be senior to, and to have priority over, the Liens in favor of the Subordinated Lenders and/or any Subordinated Lender and the provisions of this Agreement shall continue to govern the relative rights and priorities of the Senior Lenders and the Subordinated Lenders even if all or any part of the Senior Debt is subordinated, set aside, avoided or disallowed in connection with any Proceeding or if any interest, fees, expenses or other amounts accruing on the Senior Debt following the commencement of any Proceeding is otherwise disallowed or even if all or any part of the Liens in the Senior Collateral in favor of the Senior Lenders and/or any Senior Lender securing the Senior Debt are subordinated, set aside, avoided or disallowed in connection with any Proceeding. To the extent that any of the Senior Lenders receives any payments on or in respect of the Senior Debt, including, without limitation, from proceeds of the Senior Collateral, which are subsequently invalidated, declared to be fraudulent or preferential, avoided, set aside and/or required to be repaid to the Borrower or any other Obligor, trustee, receiver or any other party in

any Proceeding or otherwise under any Bankruptcy Law, state or federal law, common law, equitable cause, or otherwise, then, to the extent of such payments received, the Senior Debt, or part thereof, which had been repaid with such payments shall be automatically reinstated and shall not be or considered Paid in Full and all Senior Debt and all related Liens in the Senior Collateral shall be reinstated and shall continue in full force and effect as if such payments had not been received by the Senior Lenders. This Agreement shall be reinstated in full force and effect if at any time any payment of any of the Senior Debt is rescinded, invalidated, avoided or must otherwise be returned or set aside (including by settlement of any claim for such avoidance or rescission or similar recovery) by any holder of the Senior Debt or any representative of such holder.

(d) In any Proceeding involving the Borrower or any other Obligor, each of the Subordinated Lenders agrees that it will:

(i) not object to, contest or oppose (or cause or support any other Person in objecting to, contesting or opposing), and hereby waives any right to object to, contest or oppose, any sale, transfer or other disposition of all or any part of the Senior Collateral free and clear of Liens or other claims of the Subordinated Lenders under Section 363 of the Bankruptcy Code or any other law applicable to any Proceeding if the applicable Senior Lenders having Liens in such Senior Collateral have consented to or not otherwise opposed such sale, transfer or disposition;

(ii) (A) at the request of the Senior Lenders, challenge, contest or otherwise object to any use of cash collateral or debtor-in-possession financing under Section 363 or Section 364 of the Bankruptcy Code or otherwise that is challenged, contested or otherwise objected to by the Senior Lenders, (B) not challenge, contest or otherwise object to (or cause or support any other Person in challenging, contesting or otherwise objecting to) in any manner (1) any use of cash collateral or debtor-in-possession financing under Section 363 or Section 364 of the Bankruptcy Code or otherwise that is consented to by the Senior Lenders, except for any such financing that would cause the Senior Debt to exceed the limitations contained in the definition of Senior Debt in this Agreement, (2) any DIP Financing provided by any Senior Lender under Section 364 of the Bankruptcy Code or under any other Bankruptcy Law or otherwise, except for any such financing that would cause the Senior Debt to exceed the limitations contained in the definition of Senior Debt in this Agreement, (3) any request by any Senior Lender for "adequate protection" under Section 361, Section 362, Section 363 or Section 364 of the Bankruptcy Code or under any other Bankruptcy Law, (4) any objection by any Senior Lender to any motion, relief, action or proceeding based on any claim by any of the Senior Lenders of lack of adequate protection, or (5) the filing or confirmation of any plan of reorganization or liquidation or similar dispositive restructuring plan which is supported by the Senior Lenders, (C) subordinate any Liens of the Subordinated Lenders in the assets of the Borrower or any other Obligor to the Liens securing any DIP Financing described in clause (B)(1) or (B)(2) above (and all obligations relating thereto);

(iii) not seek (or cause or support any other Person in seeking) to dismiss any Proceeding or convert any Proceeding into any other Proceeding unless the Senior Lenders are seeking or supporting such dismissal or conversion;

(iv) not assert (or cause or support any other Person in asserting) in any manner any right any of the Subordinated Lenders may have to adequate protection of its interest in any Senior Collateral, absent written consent or direction of the Senior Lenders;

(v) not seek (or cause or support any other Person seeking) to have the automatic stay of Section 362 of the Bankruptcy Code (or any similar stay under any other Bankruptcy Law) lifted, vacated or modified (in whole or in part) with respect to any Senior Collateral without the

prior written consent of the Senior Lenders; provided, that, in the case of this clause (v), if the Senior Lenders seek such aforementioned relief, each of the Subordinated Lenders hereby irrevocably consents thereto and shall join in any such motion or application seeking such relief if requested by the Senior Lenders;

(vi) not assert or enforce (or cause any other Person to seek or support any other Person seeking), at any time when any Senior Debt exists that has not been Paid in Full, any claim under Section 506(c) of the Bankruptcy Code or any similar claim under any other Bankruptcy Law senior to or on a parity with the Senior Debt for costs or expenses of preserving or disposing of any Senior Collateral;

(vii) unless the Senior Lenders consent in writing, not seek (or cause any other Person, including the Borrower or any other Obligor, to seek or support any other Person, including the Borrower or any other Obligor seeking) the filing or confirmation of any plan of reorganization or liquidation or similar dispositive restructuring plan that (A) does not expressly provide for the Payment in Full of the Senior Debt or (B) impairs in any way the rights and remedies of the Senior Lenders under the Senior Loan Documents or under this Agreement;

(viii) not object to, contest or oppose (or cause any other Person to object to, contest or oppose or support any other Person in objecting to, contesting or opposing) in any manner the exercise by the Senior Lenders of the right (or amount) to "credit bid" any or all the Senior Debt pursuant to Section 363(k) of the Bankruptcy Code or under any other Bankruptcy Law in any Proceeding;

(ix) not request (or cause any other Person to request or support any other Person in requesting) judicial relief, in any Proceeding or in any other court, that would in any manner hinder, impair, delay, limit or prohibit the exercise or enforcement of any right or remedy available to any Senior Lender or that would limit, impair, invalidate, avoid, set aside or subordinate any Senior Debt or any Lien of any Senior Lenders or any Senior Loan Document or grant any Liens in favor of any of the Subordinated Lenders equal ranking to the Liens of the Senior Lenders in or to the Senior Collateral; and

(x) not, directly or through an affiliate, seek to provide (and not cause or support any other Person (other than any Senior Lender) in providing or seeking to provide) any debtor-in-possession financing or similar financing to the Borrower under Section 364 of the Bankruptcy Code or under any other Bankruptcy Law or otherwise unless the Senior Lenders (or any Senior Lender) are not proposing to provide DIP Financing, and in the event that the Senior Lenders (or any Senior Lender) are not proposing to provide DIP Financing, any Subordinated Lender or any such affiliate which determines to provide any such debtor-in-possession or similar financing may only provide any such debtor-in-possession or similar financing on a non-priming basis with respect to the Senior Debt without any superpriority claim, administrative expense claim or other claim or security interest which would have priority over the Senior Debt or the Liens of the Senior Lenders in the Senior Collateral.

Section 11. **Restrictions on Amendments and Modifications to the Subordinated Loan Documents**. Until the Senior Debt is Paid in Full and notwithstanding anything contained in the Subordinated Loan Documents to the contrary, no Subordinated Lender shall, without the prior written consent of the Senior Lenders, agree to any amendment, modification, supplement or restatement to the Subordinated Loan Documents, the effect of which is to:

(a) increase the maximum principal amount of the Subordinated Debt by more than $0 (other than resulting from the accrual and compounding of PIK Payments pursuant to the terms of the Subordinated Securities Purchase Agreements and as permitted by this Agreement);

(b) increase the amount of any regularly scheduled principal payment in respect of the Subordinated Debt or move to any earlier date any scheduled payment date for any such regularly scheduled principal payment of the Subordinated Debt;

(c) (i) increase the interest rate on any of the Subordinated Debt; provided, however, that the foregoing increase in the applicable interest rate shall be in addition to the right of the Subordinated Lenders to impose the applicable default increment under the Subordinated Securities Purchase Agreements and the Subordinated Notes (which default increment shall only constitute a PIK Payment) or (ii) increase the default increment with respect to any of the Subordinated Obligations (for purposes of clarification, nothing herein shall be deemed to limit the ability of the Subordinated Lenders to impose the default increment under the Subordinated Securities Purchase Agreements and the Subordinated Notes as provided in clause (i) above);

(d) change in a manner adverse to the Borrower or any other Obligor or add any event of default or add or make more restrictive any covenant with respect to the Subordinated Debt unless such change reflects a corresponding change to the events of default or covenants with respect to the Senior Debt; provided, however, in the event of any change in the covenants under the Senior Credit Agreement any corresponding change in the covenants under the Subordinated Loan Documents shall result in such covenants under the Subordinated Loan Documents continuing to be more lenient than such more restrictive covenants in the Senior Loan Documents by the same relative margin as existed immediately prior to such change in the corresponding covenants under the Subordinated Loan Documents;

(e) change in a manner adverse to the Borrower, any Obligor or the Senior Lenders any redemption, prepayment or put provisions of the Subordinated Debt;

(f) alter the subordination provisions with respect to the Subordinated Debt, including, without limitation, subordinating the Subordinated Debt to any other debts, liabilities or obligations;

(g) shorten the maturity date of any of the Subordinated Debt or otherwise shorten the repayment terms of the Subordinated Debt;

(h) obtain or receive any Lien on any asset of the Borrower or any other Obligor unless the Senior Lenders shall have obtained a prior Lien in such asset, and any such Lien in favor of the Subordinated Lenders shall be subordinate to such Lien in favor of the Senior Lenders pursuant to the subordination provisions and other terms of this Agreement;

(i) obtain any guaranty or credit support from any Person unless the Senior Lenders shall have obtained a guaranty or such credit support from such Person to support the Senior Debt, and any such guaranty or credit support in favor of the Subordinated Lenders shall be subordinate to such guaranty or credit support in favor of the Senior Lenders pursuant to the subordination provisions and other terms of this Agreement; or

(j) include in any of the Subordinated Loan Documents a cross-default to any Senior Event of Default.

Section 12. **Restrictions on Amendments and Modifications to the Senior Loan Documents.** The Senior Lenders may at any time and from time to time without the consent of or notice to any Subordinated Lenders, change the manner or place of payment or extend the time of payment of or

renew any Senior Debt, or alter, amend, modify, supplement or restate in any manner any Senior Loan Document; provided , however, that no such alteration, amendment, modification, supplement or restatement shall:

(a) shorten the final maturity date of the Senior Debt; provided, however, that (i) any demand for payment or acceleration by the Senior Lenders of all or any part of the Senior Debt upon the occurrence of a Senior Event of Default shall not be construed to be a shortening of the final maturity date of the Senior Debt and (ii) any demand for payment by BMO under the Closing Date Credit Line shall not be construed to be a shortening of the final maturity of the Senior Debt;

(b) (i) increase the applicable interest rate margins with respect to any of the Senior Debt in an amount in excess of four percent (4.00%) per annum (per applicable interest rate margin) above the margin in effect as of the date of this Agreement; provided, however, that the foregoing increase in any applicable interest rate margin shall be in addition to the right of the Senior Lenders to impose the applicable default rate under the Senior Credit Agreement or (ii) increase the default rate with respect to any of the Senior Debt (for purposes of clarification, nothing herein shall be deemed to limit the ability of the Senior Lenders to impose the default rate under the Senior Loan Documents);

(c) add express restrictions on the ability of the Borrower to repay the Subordinated Debt other than those restrictions existing in this Agreement or the Senior Credit Agreement as of the date of this Agreement (it being understood that changes to financial covenants adverse to the Borrower do not violate this clause);

(d) [Reserved]; or

(e) increase the amount of the Senior Debt above the applicable limitation contained in the definition of Senior Debt.

Section 13. **Representations and Warranties**. Each of the parties hereto hereby represents and warrants to the others that (a) it has full power, authority and legal right to make and perform this Agreement, and (b) this Agreement is its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer and other laws affecting the enforceability of creditor's rights generally and by equitable principles.

Section 14. Amendment of this Agreement; Waiver; Benefit of Agreement.

(a) This Agreement may only be amended by an instrument in writing signed by the Senior Lenders and those of the Subordinated Lenders whose consent is required to approve an amendment to the Existing Subordinated Securities Purchase Agreement in accordance with the terms thereof. Each Subordinated Lender hereby expressly agrees to be bound by any amendment so signed.

(b) No waiver of any provision of this Agreement shall be deemed to be made by the Senior Lenders of any of their respective rights hereunder unless the same shall be in writing signed by the Senior Lenders. No waiver of any provision of this Agreement shall be deemed to be made by the Subordinated Lenders of any of their respective rights hereunder unless the same shall be in writing signed by the Subordinated Lenders.

(c) No failure to exercise, and no delay in exercising on the part of any party hereto, any right, power or privilege under this Agreement shall operate as a waiver thereof; nor shall any single

or partial exercise of any right, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies provided in this Agreement are cumulative and shall not be exclusive of any rights or remedies provided by law.

(d) This Agreement shall not be deemed to create any rights or priorities in favor of any Person (including, without limitation, the Borrower or any other Obligor or any debtor-in-possession or trustee in bankruptcy) other than the Senior Lenders, on the one hand, and the Subordinated Lenders, on the other hand, and their respective successors and assigns.

(e) The Subordinated Lenders hereby waive and relinquish any duty (fiduciary or otherwise) on the part of the Senior Lenders to disclose any matter, fact or thing relating to the business, operations or condition of the Borrower or any other Obligor now known or hereafter known by the Senior Lenders. The Senior Lenders hereby waive and relinquish any duty (fiduciary or otherwise) on the part of the Subordinated Lenders to disclose any matter, fact or thing relating to the business, operations or condition of the Borrower or any other Obligor now known or hereafter known by the Subordinated Lenders.

Section 15. **Successors and Assigns**. This Agreement shall constitute a continuing offer to all Persons who, in reliance upon such provisions, become a Senior Lender or Subordinated Lender, and such provisions are made for the benefit of each Senior Lender and each Subordinated Lender and each of them may enforce such provisions. This Agreement and the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and assigns; provided , however, no Subordinated Lender shall sell, assign, dispose of, transfer, grant a Lien in all or any portion of the Subordinated Debt or the Subordinated Loan Documents without the prior written consent of the Senior Lenders. The Subordinated Lenders and the Senior Lenders further agree that if the Borrower Refinances the Senior Debt, and if the Borrower or the Senior Lenders being Refinanced make a request of the other parties hereto for a replacement Intercreditor and Subordination Agreement, the other parties hereto shall enter into a replacement Intercreditor and Subordination Agreement with such refinancing lender or lenders; provided, however, that any such replacement Intercreditor and Subordination Agreement shall contain terms and conditions substantially identical to the terms and conditions provided in this Agreement, unless otherwise agreed to by such other parties and such refinancing lender or lenders. Notwithstanding the foregoing, in no event shall any such Refinancing of the Senior Debt be construed to permit the Senior Loan Documents to include any terms, conditions, covenants or defaults other than those which exist in the Senior Loan Documents immediately prior to such Refinancing or which could be included in the Senior Loan Documents pursuant to an amendment, modification, supplement or restatement thereof which is not restricted by Section 12 of this Agreement.

Section 16. **Restrictive Legend**. Any notes or instruments which at any time evidence the Subordinated Debt or any part thereof shall be marked with a legend in substantially the following form:

> "This [Note/Instrument] is subordinated to the prior payment and satisfaction in cash of all Senior Debt, as defined in the Intercreditor and Subordination Agreement dated as of December 31, 2013, as the same may be amended, modified, supplemented or restated from time to time (the "Subordination Agreement"), to the extent, and in the manner provided in the Subordination Agreement."

Section 17. **Notices**. Whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties by another, or whenever any of the parties desires to give or serve upon another any such

communication with respect to this Agreement, each such notice, demand, request, consent, approval, declaration, or other communication shall be in writing (including by reputable overnight courier or telecopier) and shall be deemed to have been duly given and received, for purposes hereof, when (a) delivered by hand or three days after being deposited in the mail, postage prepaid (b) delivered by reputable overnight courier, one business day after being deposited with such courier, and (c) in the case of telecopy notice, when sent to the number set forth below once electronic confirmation of delivery is received, addressed as follows:

Subordinated Lenders:

If to Argosy:

Argosy Investment Partners III, L.P.
950 West Valley Road, Suite 2900
Wayne, Pennsylvania 19087
Attention: Michael R. Bailey
Telecopy No.: (610) 964-9524

If to Marquette:

Marquette Capital Fund I, LP
c/o Marquette Capital Partners LLC
60 South Sixth Street
Suite 3510
Minneapolis, Minnesota 55402
Attention: Thomas H. Jenkins
Telecopy No.: (612) 661-3999

with a copy to:

Fredrikson & Bryon, P.A.
4000 Pillsbury Center
200 S. 6th Street
Minneapolis, Minnesota 55402
Attention: John A. Satorius
Telecopy No.: (612) 492-7077

If to Horizon:

Horizon Capital Partners III, L.P.
c/o Horizon Partners Ltd.
3838 Tamiami Trail N. Suite 408
Naples, Florida 34103
Attention: Robert M. Feerick
Telecopy No.: (239) 261-2085

If to Senior Lender:

HC Capital Holdings 0909A, LLC
c/o Peak Rock Capital

13413 Galleria Circle, Suite Q-300
Austin, TX 78738
Attn: Robert Strauss
Telecopy: (512) 765-6530
Email: Strauss@peakrockcapital.com

with a copy (which shall not constitute notice) to:

Kirkland & Ellis LLP
601 Lexington Avenue
New York, NY 10022
Attn: Leonard Klingbaum
Telecopy (212) 446-6400
Email: Leonard.Klingbaum@kirkland.com

If to Borrower:

Natural American Foods, Inc.
10464 Bryan Highway
Onsted, Michigan 49265
Attention: Jack Irvin
Telecopy No.: (517) 467-2840

with a copy to:

Foley & Lardner LLP
777 East Wisconsin Avenue
Milwaukee Wisconsin 53202
Attention: Patricia J. Lane
Telecopy No.: (414) 297-4900

or at such address as may be substituted by notice given as herein provided. The giving of any notice required hereunder may be waived in writing by the party entitled to receive such notice. Failure or delay in delivering copies of any notice, demand, request, consent, approval, declaration or other communication to the persons designated above to receive copies shall in no way adversely affect the effectiveness of such notice, demand, request, consent, approval, declaration or other communication.

Section 18. **Application of Payments by the Senior Lenders**. All payments and proceeds received by the Senior Lenders in respect of the Senior Debt may be applied to the Senior Debt in such manner and order of application as the Senior Lenders shall determine in their sole discretion.

Section 19. **Further Assurances**. Each of the Subordinated Lenders agrees that it shall take such further action and shall execute and deliver such additional documents and instruments (in recordable form if requested) as the Senior Lenders may reasonably request to effectuate the terms of this Agreement.

Section 20. **Specific Performance**. The Senior Lenders and/or the Subordinated Lenders may demand specific performance of this Agreement. Each of the Senior Lenders and each of the Subordinated Lenders hereby irrevocably waive any defense based on the adequacy of a remedy at law and any other defense which may be asserted to bar the remedy of specific performance in any action

which may be brought by the Senior Lenders or the Subordinated Lenders. Nothing in this Agreement shall be construed as prohibiting any party to this Agreement from commencing an action against any other party to this Agreement with respect to any breach of contract claim available to such party as a result of the other party's violation of its obligations under this Agreement.

[RESERVED].

Section 22. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 23. **Final Agreement**. This Agreement embodies the entire agreement and understanding among the parties hereto and supersedes all prior or contemporaneous agreements and understandings of such Persons, verbal or written, relating to the subject matter hereof and thereof. Nothing in this Agreement shall impair, as between the Obligors and the Senior Lenders, or as between the Obligors and the Subordinated Lenders, the obligations of the Obligors to pay principal, interest, fees and other amounts as provided in the Senior Loan Documents and the Subordinated Loan Documents, respectively.

Section 24. **Conflict**. In the event of any conflict between the provisions of this Agreement and the provisions of the Senior Loan Documents or the Subordinated Loan Documents, the provisions of this Agreement shall govern and control.

Section 25. **Governing Law**. THIS AGREEMENT SHALL BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE, WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES.

Section 26. **References to Sections**. References to sections, subsections and clauses are references to sections, subsections and clauses in this Agreement unless otherwise expressly provided herein.

Section 27. **Jurisdiction and Venue**. EACH SUBORDINATED LENDER AND EACH OBLIGOR HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY UNITED STATES FEDERAL OR NEW YORK STATE COURT SITTING IN NEW YORK COUNTY, NEW YORK, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT AND EACH SUBORDINATED LENDER AND EACH OBLIGOR HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE SENIOR LENDERS TO BRING PROCEEDINGS AGAINST ANY SUBORDINATED LENDER OR ANY OBLIGOR IN THE COURTS OF ANY OTHER JURISDICTION.

Section 28. **Waiver of Right to Jury Trial**. EACH OBLIGOR, EACH SUBORDINATED LENDER AND EACH SENIOR LENDER WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR

THEREBY, IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY OF THE PARTIES AGAINST ANY OTHER PARTY OR PARTIES, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS, OR OTHERWISE. EACH OBLIGOR, EACH SUBORDINATED LENDER AND EACH SENIOR LENDER AGREE THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT TRIAL WITHOUT A JURY. WITHOUT LIMITING THE FOREGOING, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY ARE WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM OR OTHER PROCEEDING WHICH SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT, THE SENIOR LOAN DOCUMENTS OR THE SUBORDINATED LOAN DOCUMENTS OR ANY PROVISION HEREOF OR THEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, MODIFICATIONS, SUPPLEMENTS OR RESTATEMENTS TO THIS AGREEMENT.

Signature pages to follow

IN WITNESS WHEREOF, the parties hereto have caused this Subordination and Intercreditor Agreement to be executed by their duly authorized officers as of the date first above written.

SENIOR LENDER: **HC CAPITAL HOLDINGS 0909A, LLC**

By:_____
Name:
Title:

SUBORDINATED LENDER: **MARQUETTE CAPITAL FUND I, LP**

By: Marquette Capital Partners, LLC,
its general partner

By:_____
Name: Thomas H. Jenkins
Title: Managing Member

SUBORDINATED LENDER: **ARGOSY INVESTMENT PARTNERS III, L.P.**

By: Argosy Associates III, L.P., its general partner

By: Argosy Associates III, Inc., its general partners

By:_____
Name: Michel R. Bailey
Title: Vice President

SUBORDINATED LENDER: **HORIZON CAPITAL PARTNERS III, L.P.**

By: Horizon Venture Associates III, a general partnership

By:_____
Name: Robert M. Feerick
Title: General Partner

ACKNOWLEDGMENT BY THE BORROWER

The undersigned, being the Borrower referred to in the foregoing Intercreditor and Subordination Agreement, hereby (i) acknowledges receipt of a copy thereof, (ii) agrees to all of the terms and provisions thereof and agrees not to violate any provisions thereof, (iii) agrees to and with the Senior Lenders that it shall make no payment on or with respect to the Subordinated Debt that the Subordinated Lenders would not be entitled to receive under the provisions of such Intercreditor and Subordination Agreement, (iv) agrees that any such non-permitted payment will constitute an Event of Default under the Senior Debt and the Senior Loan Documents, and (v) agrees to mark its book conspicuously to evidence the subordination of the Subordinated Debt effected hereby.

NATURAL AMERICAN FOODS, INC.

By: _____
Name:
Title:

INTERCREDITOR AND SUBORDINATION AGREEMENT

This INTERCREDITOR AND SUBORDINATION AGREEMENT (this **"Agreement"**), dated as of [_____],**December 31, 2013,** is entered into by and among HC CAPITAL HOLDINGS 0909A, LLC (**"HC"**) and the undersigned Subordinated Lenders (as defined below).

RECITALS

A. Pursuant to that certain Credit and Security Agreement dated as of the date hereof (as the same may be amended, modified, supplemented or restated from time to time in accordance with the terms of this Agreement, the **"Existing Senior Credit Agreement"**) between [Borrower**Natural American Foods**, Inc.], a Delaware corporation (the **"Borrower"**) and HC, HC has made, and may in the future make, certain extensions of credit to the Borrower.

B. Pursuant to that certain Securities Purchase Agreement dated as of the date hereof (as the same may be amended, modified, supplemented or restated from time to time, the **"Existing Subordinated Securities Purchase Agreement"**) among the Borrower, Argosy Investment Partners III, L.P., a Delaware limited partnership (**"Argosy"**), Marquette Capital Fund I, L.P., a Delaware limited partnership (**"Marquette"**) and Horizon Capital Partners III, L.P., a Delaware limited partnership (**"Horizon"**) (collectively, Argosy, Marquette and Horizon, and their respective successors and assigns, the **"Subordinated Lenders"** and each a **"Subordinated Lender"**), the Subordinated Lenders have purchased or otherwise been issued certain subordinated indebtedness from the Borrower.

C. As a condition to HC entering into the Existing Senior Credit Agreement and of HC making any loans or extensions of credit to the Borrower under the Existing Senior Credit Agreement, the Subordinated Lenders have agreed to enter into this Agreement.

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

Section 1. **Definitions**. The following defined terms shall have the meanings set forth below:

"Bankruptcy Code" means the provisions of Title 11 of the United States Code, 11 U.S.C. sections 101 et seq., as from time to time amended, and any successor or similar statutes. All references to articles, sections, subsections and clauses of the Bankruptcy Code shall include all amendments, modifications and renumberings thereof from time to time.

"Bankruptcy Law" means the Bankruptcy Code or any similar federal, state or foreign bankruptcy, insolvency, receivership or similar law affecting creditor's rights generally.

"BMO" means BMO Harris Bank N.A., as lender under the Closing Date Credit Line.

"Closing Date Credit Line" has the meaning provided in the Existing Senior Credit Agreement.

"DIP Financing" means any debtor-in-possession financing or similar financing provided by any Senior Lender to the Borrower or to any other Obligor under Section 364 of the Bankruptcy Code or under any other Bankruptcy Law or otherwise in connection with any Proceeding, in each case provided by such Senior Lender after the date of this Agreement.

"Enforcement Action" means, with respect to the Subordinated Lenders and the Subordinated Debt, any of the following: (a) the acceleration or demand for payment (excluding for the avoidance of doubt, requests for payment with respect to Permitted Unrestricted Payments and Permitted Scheduled Payments) of any or all of the Subordinated Debt, (b) the commencement of a legal action by the Subordinated Lenders against the Borrower or any other Obligor for payment of any or all of the Subordinated Debt by or on behalf of any of the Subordinated Lenders, (c) the obtaining of a judgment in any such legal action permitted by clause (b) above, (d) the exercise of any right of setoff, recoupment or other similar right with respect to the Borrower or any other Obligor or any property or assets of the Borrower or any other Obligor, (e) the taking possession of or control of, or the levy, sale, lease, license, foreclosure or other realization on, or the other disposition or liquidation of, or the restriction or interference with, or the other exercise of any rights or remedies with respect to, any of the property or assets of the Borrower or any other Obligor, (f) the solicitation of bids from third parties to conduct the liquidation or disposition of any of the property or assets of the Borrower or any other Obligor or the engagement or retention of sales brokers, marketing agents or auctioneers for the purpose of selling any of the property or assets of the Borrower or any other Obligor, in each case other than in a transaction or series of transactions permitted under the Senior Loan Documents, (g) any collection, enforcement or other similar action of any kind (other than any legal action described in clause (b) above and other than notices and the like given in connection with requests for payment of Permitted Unrestricted Payments and Permitted Scheduled Payments and notices of non-payment with respect thereto) against the Borrower or any other Obligor or with respect to any of the property or assets of the Borrower or any other Obligor, in each case seeking, directly or indirectly, to enforce any right or remedy, or to enforce any of the obligations of the Borrower or any other Obligor under or in connection with the Subordinated Debt or the Subordinated Loan Documents, (h) the commencement or pursuit of any judicial, arbitration or other proceeding or legal action of any kind seeking injunctive or other equitable relief with respect to the Borrower or any other Obligor or any of the property or assets of the Borrower or any other Obligor, (i) the commencement or pursuit of any judicial, arbitration or other proceeding or legal action to prohibit, limit or impair the commencement or pursuit by the Senior Lenders of any of their rights or remedies under or in connection with the Borrower or any other Obligor or any property or assets of the Borrower or any other Obligor under or in connection with the Senior Debt, the Senior Loan Documents or otherwise, (j) the commencement or pursuit of any judicial, arbitration or other proceeding or legal action to contest, protest or object to the forbearance or other decision by the Senior Lenders not to exercise any of their rights or remedies under or in connection with the Borrower or any other Obligor or any property or assets of the Borrower or any other Obligor under or in connection with the Senior Debt, the Senior Loan Documents or otherwise, (k) the causing of the Borrower or any other Obligor to have any redemption or mandatory prepayment obligation, or the exercise of any put rights, with respect to any of the Subordinated Debt, (l) the causing of the delivery of any notice, claim or demand relating to any of the property or assets of the Borrower or any other Obligor to any Person which is obligated with respect to any of the property or assets of the Borrower or any other Obligor or which is in possession or control of any of the property or assets of the Borrower or any other Obligor or which is acting as bailee, custodian or agent for any Person with respect to any of the property or assets of the Borrower or any other Obligor, (m) the exercise of any other remedy available to the Subordinated Lenders which is not elsewhere expressly identified in this definition of Enforcement Action with respect to the Borrower or any other Obligor or any of the property or assets of the Borrower or any other Obligor (excluding notices of non-payment and requests for payment with respect to Permitted Unrestricted Payments and Permitted Scheduled Payments), or (n) the supporting or assisting of any other Person (other than the Senior Lenders) in pursuit of any of the acts described in clauses (a), (b), (c), (d), (e), (f), (g), (h), (i), (j), (k), (l), (m) or (n) above. Notwithstanding the foregoing, the following actions shall not

be considered to be an "Enforcement Action" (i) subject to the provisions of Section 4 of this Agreement, an action to enforce the provisions of the Subordinated Loan Documents by injunction or other equitable relief, provided, however, that such injunction or equitable relief does not require payment of any Subordinated Debt or Senior Debt or adversely affect the Senior Collateral, the payment of the Senior Debt or the rights of the Senior Lenders with respect to the Senior Collateral, including, without limitation, such rights set forth in Section 4 of this Agreement; (ii) an action to enjoin Borrower from transferring or disposing of Collateral in a manner prohibited under the Subordinated Loan Documents unless such transfer or disposition is pursuant to a foreclosure by the Senior Lenders or the Subordinated Lenders are deemed to have consented thereto pursuant to Section 4(c)(iv) of this Agreement; or (iii) the sending of periodic default notices not accompanied by a demand for payment or any other action that would constitute an Enforcement Action.

"Existing Senior Credit Agreement" has the meaning set forth in the Recitals hereto.

"Existing Subordinated Securities Purchase Agreement" has the meaning set forth in the Recitals hereto.

"Lien" means, with respect to any Person, any security interest, mortgage, deed of trust, lien, encumbrance, charge, hypothecation, pledge, assignment for security or other similar interest of any kind, whether arising by contract, as a matter of law, by judicial process or otherwise granted by such Person in any property or asset or other right owned or being purchased or acquired by such Person.

"Obligors" means, collectively, the Borrower and each other Person that now or hereafter is directly or indirectly liable for all or any portion of the Senior Debt or whose property or assets or any portion thereof are security for all or any portion of the Senior Debt, and the Borrower and each such Person is an **"Obligor"**.

"Owner" means each Person having legal or beneficial title to an ownership interest in the Borrower or a right to acquire such an interest.

"Paid in Full" or **"Payment in Full"** means, when used in connection with the Senior Debt, the full and final payment in cash of all of the Senior Debt (other than indemnification and other contingent obligations**, in each case,** not then asserted or due), the expiration, cancellation or cash collateralization (in a manner reasonably acceptable to the Senior Lenders, which may include the provision of a standby letter of credit with terms reasonably acceptable to the Senior Lenders from a financial institution acceptable to the Senior Lenders in an amount equal to 105% of the maximum amount of the maximum potential exposure as determined by the Senior Lenders from time to time) of all letter of credit obligations, hedging obligations, interest rate swap obligations, interest rate cap obligations, interest rate collar obligations, treasury management obligations, cash management obligations or other similar obligations under the Senior Loan Documents, and the irrevocable termination of all commitments and obligations of the Senior Lenders to make loans or extend other credit accommodations to the Borrower and/or any other Obligor under the Senior Loan Documents or with respect to the Senior Debt.

"Permitted Enforcement Action" means, with respect to the Subordinated Lenders, any of the following: (a) the acceleration or demand (excluding, for the avoidance of doubt, notices of non-payment and requests for payment with respect to Permitted Unrestricted Payments and Permitted Scheduled Payments) for payment of any or all of the Subordinated Debt evidenced by the Subordinated Notes by the Subordinated Lenders, (b) the commencement of a legal action by

the Subordinated Lenders against the Borrower for payment of any or all of the Subordinated Debt evidenced by the Subordinated Notes, or (c) the obtaining of a judgment in any such legal action contemplated by clause (b) above, but not any execution, levy or enforcement of any such judgment.

"Permitted Scheduled Payments" means Regularly Scheduled Cash Interest Payments payable to the Subordinated Lenders in respect of the Subordinated Debt evidenced by the Subordinated Notes when such Regularly Scheduled Cash Interest Payments become due and payable on a non-accelerated basis.

"Permitted Unrestricted Payments" means (a) PIK Payments in respect of the Subordinated Debt on a non-accelerated basis, (b) the reimbursement of actual out-of-pocket costs and expenses incurred by the Subordinated Lenders in an aggregate amount not to exceed $10,000 in connection with the execution and delivery of this Agreement, and (c) the reimbursement of actual costs and expenses incurred by the Subordinated Creditors and reimbursable by the Borrower to the Subordinated Creditors pursuant to Section 5.21(b) or Section 16.1 of the Existing Subordinated Securities Purchase Agreement in an aggregate amount not to exceed $100,000 per calendar year.

"Person" means any natural person, corporation, partnership, trust, limited liability company, association, governmental authority, or any other entity, whether acting in an individual, fiduciary or other capacity.

"PIK Payments" means any payment-in-kind or in lieu of cash payment in respect of the accrued interest on the Subordinated Debt under the Subordinated Loan Documents which is capitalized (i.e., not paid in cash) and added to the principal balance of the Subordinated Debt as provided in the Subordinated Loan Documents.

"Proceeding" means (a) any insolvency, bankruptcy, receivership, custodianship, trusteeship, liquidation, reorganization, readjustment, composition or other similar proceeding relating to the Borrower or any other Obligor or any of the properties or assets of the Borrower or any other Obligor, whether under any bankruptcy, reorganization or insolvency law or laws, federal or state, or any law, federal or state, relating to relief of debtors, readjustment of indebtedness, reorganization, composition or extension, (b) any proceeding for any liquidation, liquidating distribution, dissolution or other winding up of the Borrower or any other Obligor, voluntary or involuntary, whether or not involving insolvency or bankruptcy proceedings, or (c) any assignment for the benefit of creditors generally of the Borrower or any other Obligor.

"Refinance" means, in respect of any Senior Debt, to refinance, replace, refund or repay, or to issue other indebtedness, in exchange or replacement for, such Senior Debt, in whole or in part, whether with the same or different lenders, agents or arrangers, with terms, conditions, covenants and defaults the same as those then existing in the Senior Loan Documents prior to such refinancing, replacement, refunding, repayment or issuance or which could be included in the Senior Loan Documents pursuant to an amendment, modification, supplement or restatement permitted by Section 12 of this Agreement. **"Refinanced"** and **"Refinancing"** shall have correlative meanings.

"Regularly Scheduled Cash Interest Payment" means a regularly scheduled monthly cash payment of interest required to be made under the terms of a Subordinated Note at an interest rate of not more than the cash interest rate (which shall be exclusive of any default rate or default

increment which may be imposed under such Subordinated Note or under the other Subordinated Loan Documents) provided in such Subordinated Note or in the other Subordinated Loan Documents in effect from time to time (which cash interest rate as of the date of this Agreement is 10% per annum).

"Reorganization Subordinated Securities" means (a) any equity securities issued in substitution of (or in exchange or payment of) all or any portion of the Subordinated Debt in any Proceeding provided that no payments or distributions are required to be made on such equity securities prior to the time that the Senior Debt (or any notes or other securities issued in such Proceeding in substitution of all or any portion of the Senior Debt) is Paid in Full without the prior written consent of the Senior Lenders, and (b) any notes or other debt securities issued in substitution of (or in exchange or payment of) all or any portion of the Subordinated Debt in any Proceeding which notes or other debt securities are expressly subordinated to the Senior Debt (or any notes or other securities issued in such Proceeding in substitution of all or any portion of the Senior Debt) and are subject to subordination, turnover and other provisions in favor of Senior Lenders at least as favorable to the Senior Lenders as the subordination, turnover and other provisions in this Agreement.

"Senior Collateral" means all assets and properties of any kind whatsoever, whether real property, fixtures or personal property, whether tangible or intangible, and wherever located, of the Borrower and/or of each other Obligor (including any stock or other equity interest), whether now owned or hereafter acquired, and upon which a Lien is now or hereafter granted or obtained **or intended to be obtained or granted or obtained or granted to secure the Subordinated Debt** as security for all or any part of the Senior Debt, including, without limitation, the **"Collateral"** as defined in the Senior Credit Agreement **and any Lien granted or intended to be obtained or granted or obtained or granted to secure the Subordinated Debt in favor of the lenders under the Closing Date Credit Line after the date hereof**, together, in each case, with (i) all substitutions and replacements for and any products of any of the foregoing; (ii) all accessories, attachments, parts, equipment and repairs now or hereafter attached or affixed to or used in connection with any tangible goods; (iii) all warehouse receipts, bills of lading and other documents of title now or hereafter covering such goods; and (iv) all proceeds of any and all of the foregoing.

"Senior Credit Agreement" means (a) the Existing Senior Credit Agreement ~~and (b~~**, (b) the Closing Date Credit Line (as defined in the Existing Senior Credit Agreement) and (c**) any other credit agreement, loan agreement, note agreement, promissory note, indenture or other primary debt agreement or instrument evidencing the Senior Debt in connection with a Refinancing thereof, as the same may be amended, modified, supplemented or restated from time to time in accordance with the terms of this Agreement.

"Senior Debt" means each and every debt, liability and obligation of every type and description which the Borrower and/or any other Obligor may now or at any time hereafter owe to the Senior Lenders or to any one or more of the Senior Lenders, whether such debt, liability or obligation now exists or is hereafter created or incurred, and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several, or joint and several, all interest thereon, and all fees, costs and other charges related thereto, in each case arising under the Senior Credit Agreement**, the Closing Date Credit Line** or the other Senior Loan Documents, all renewals, extensions, amendments, modifications, supplements and restatements thereof and any notes issued in whole or partial substitution therefor, including, without limitation, the Obligations (as defined in the Senior Credit

Agreement), and any Refinancing of any of the foregoing, and including specifically, without limitation, all debts, liabilities and obligations of the Borrower and/or any other Obligor owing to the Senior Lenders or to any one or more of the Senior Lenders arising subsequent to the commencement of a Proceeding, including, without limitation, interest and other debts, liabilities and obligations regardless of whether they are allowed as a claim in such Proceeding, and including, without limitation, all debts, liabilities and obligations pursuant to any DIP Financing provided by the Senior Lenders or any one or more of the Senior Lenders to the Borrower; provided , however, that to the extent that the sum of the aggregate outstanding principal balance of ~~the revolving~~ loans included in the foregoing shall exceed $~~30,000,000 or to the extent that the sum of the aggregate~~**30,000,000, such excess** outstanding principal balance of the ~~term loans included in the foregoing shall exceed $5,000,000, such excess outstanding principal balance of the revolving loans or such excess outstanding principal balance of the term loans, as applicable,~~**loans** shall not be deemed to be "Senior Debt"; provided, further, however, the ~~$30,000,000~~**aggregate amount** in the foregoing proviso shall be $40,000,000 in **the aggregate in** the event that the Senior Lender or any of the Senior Lenders provide any DIP Financing to the Borrowers in connection with a Proceeding. To the extent any payment with respect to the Senior Debt (whether by or on behalf of the Borrower or any other Obligor, as proceeds of security, enforcement of any right of setoff or otherwise) is declared to be fraudulent or preferential in any respect, set aside or required to be paid to a debtor-in-possession, trustee or similar Person, then the obligation or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as Senior Debt as if such payment had not occurred.

~~**"Senior Default"** means any Senior Event of Default under the Senior Loan Documents.~~

~~**"Senior** ***Default Notice"*** *has the meaning set forth in Section 3(b) hereof.*~~

"Senior Event of Default" means an "Event of Default" as defined in the Senior Credit Agreement.

"Senior Financial Covenants" means the "Financial Covenants" as defined in the Senior Credit Agreement.

"Senior Indefinite Blockage Period" has the meaning set forth in Section 3(b) hereof.

"Senior Lender" means any holder of all or part of the Senior Debt, including, without limitation, HC **and BMO**, and each of their respective successors and assigns, and such Persons shall be referred to collectively as the **"Senior Lenders"**.

"Senior Loan Documents" means **each of** the Senior Credit Agreement**, the Closing Date Credit Line** and all **respective** agreements, documents and instruments executed and delivered in connection therewith, as the same may be amended, modified, supplemented or restated from time to time in accordance with the terms of this Agreement, including, without limitation, any such agreements, documents and instruments executed and delivered in connection with the Senior Debt and/or in connection with a Refinancing of the Senior Debt.

"Senior Non-Specified Default" means any Senior Event of Default other than a Senior Payment Default.

"Senior Non-Specified Default Blockage Period" has the meaning set forth in Section 3(c) hereof.

"Senior Non-Specified Default Notice" has the meaning set forth in Section 3(c) hereof.

"Senior Specified Default" means any Senior Event of Default under the Senior Loan Documents that results from (i) the failure of the Borrower or any other Obligor to timely comply with any payment obligation with respect to any of the Senior Debt, including, without limitation, the failure to fully repay the Senior Debt upon acceleration or demand for payment by the Senior Lenders pursuant to the terms of any of the Senior Loan Documents, (ii) any bankruptcy or insolvency of the Borrower or (iii) any failure to comply with any financial covenant (for the avoidance of doubt, a financial covenant being a covenant of the type generally consistent with those of Article 8 of the Senior Credit Agreement on the date hereof).

"Senior Specified *Default Notice"* *has the meaning set forth in Section 3(b) hereof.*

"Standstill Period" has the meaning set forth in Section 5(b)(i) hereof.

"Subordinated Debt" means each and every debt, liability and obligation of every type and description which the Borrower and/or any other Obligor may now or hereafter owe to the Subordinated Lenders or to one or more of the Subordinated Lenders, whether such debt, liability or obligation now exists or is hereafter created or incurred, and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several or joint and several, all interest thereon, and all fees, costs and other charges related thereto, and all renewals, extensions, amendments, modifications, supplements and restatements thereof and any notes issued in whole or partial substitution therefor, and including specifically, without limitation, all debts, liabilities and obligations of the Borrower and/or any other Obligor owing to the Subordinated Lenders or to any one or more of the Subordinated Lenders arising subsequent to the commencement of any Proceeding; provided , however, "Subordinated Debt" under this Agreement shall not include unsecured fees for services (specifically, excluding, however, all loans, advances or other similar arrangements which are "Subordinated Debt for purposes of this Agreement) received by the Borrower from the Subordinated Creditors and/or one or more of the Subordinated Creditors in the ordinary course of Borrower's business and not prohibited by the Senior Credit Agreement.

"Subordinated Default Notice" has the meaning set forth in Section 5(b)(i) hereof.

"Subordinated Event of Default" means an "Event of Default" as defined in the Subordinated Securities Purchase Agreements.

"Subordinated Lenders" has the meaning set forth in the Recitals hereto.

"Subordinated Loan Documents" means the Subordinated Securities Purchase Agreements, the Subordinated Notes, all warrant purchase agreements, all warrants and all other agreements, documents and instruments executed and delivered in connection therewith, as the same may be amended, modified, supplemented or restated from time to time.

"Subordinated Notes" means, collectively, all debentures and promissory notes pursuant to the Subordinated Securities Purchase Agreements, and any amendments, modifications, supplements or restatements thereof and any other note or notes issued in substitution or replacement thereof, and each is a **"Subordinated Note"**.

"Subordinated Securities Purchase Agreements" means (a) the Existing Subordinated Securities Purchase Agreement and (b) any other securities purchase agreement, note purchase agreement, credit agreement, loan agreement, note agreement, promissory note, indenture or other debt agreement or instrument evidencing the Subordinated Debt, as the same may be amended, modified, supplemented or restated from time to time.

"UCC" shall mean the Uniform Commercial Code (or any similar or equivalent law) as in effect from time to time in any applicable jurisdiction.

Section 2. **Subordination of the Subordinated Debt to the Senior Debt**. Notwithstanding any provision of the Subordinated Loan Documents, the Subordinated Lenders hereby agree that the payment of the Subordinated Debt is hereby expressly subordinated to the Payment in Full of the Senior Debt to the extent and in the manner provided in this Agreement. The Subordinated Debt shall continue to be subordinated to the Senior Debt under the terms of this Agreement even if the Senior Debt **is unsecured** or any of the Senior Collateral is subordinated, avoided or disallowed in any Proceeding or otherwise under any Bankruptcy Law.

Section 3. General Restrictions on Payments in respect of the Subordinated Debt; Permitted Unrestricted Payments, Permitted Scheduled Payments, Blockage of Permitted Scheduled Payments.

(a) Until all of the Senior Debt has been Paid in Full, none of the Subordinated Lenders shall receive or retain any payment of principal, interest, fees, expenses, reimbursements or other amounts from the Borrower and/or from any other Obligor on or in respect of the Subordinated Debt, or exercise any right of or permit any setoff, recoupment or similar right in respect of the Subordinated Debt; provided , however, subject to the terms and conditions set forth in this Section 3 and elsewhere in this Agreement, (i) the Borrower may make, and the Subordinated Lenders may receive and retain, a Permitted Unrestricted Payment when such Permitted Unrestricted Payment becomes due and payable on a non-accelerated basis and (ii) the Borrower may make, and the Subordinated Lenders may receive and retain, a Permitted Scheduled Payment when such Permitted Scheduled Payment becomes due and payable on a non-accelerated basis.

(b) If any Senior ~~Default exists~~**Specified Default exists (including, without limitation, as a result of any demand for payment by the Senior Lenders or other acceleration by the Senior Lenders of any or all of the Senior Debt as a result of the occurrence of any Senior Event of Default)**, then the right of the Subordinated Lenders to receive and retain any Permitted Scheduled Payment shall be suspended from and after the date that the Senior Lenders or a Senior Lender shall have given the Subordinated Lenders a written notice that the Subordinated Lenders' right to receive and retain Permitted Scheduled Payments has been suspended as a result of such Senior **Specified** Default (a **"Senior Specified Default Notice"**) until the earliest to occur of: (i) the cure of such Senior **Specified** Default or the Senior Lenders' written waiver of such Senior Default Payment, (ii) the Payment in Full of the Senior Debt, or (iii) the written termination of the suspension of the Permitted Scheduled Payments by the Senior Lenders as a result of such Senior **Specified** Default (the period from the date of issuance of such Senior **Specified** Default Notice by the Senior Lenders or a Senior Lender to the Subordinated Lenders until such earliest event is herein referred to as a **"Senior Indefinite Blockage Period"**); provided , however, that nothing herein shall prevent the accrual of any Permitted Scheduled Payment which is so suspended.

(c) ~~[Reserved].~~**If any Senior Non-Specified Default exists, then the right of the Subordinated Lenders to receive and retain any Permitted Scheduled Payment shall be suspended from and after the date that the Senior Lenders or a Senior Lender shall have given the**

Subordinated Lenders a written notice that the Subordinated Lenders' right to receive and retain Permitted Scheduled Payments has been suspended as a result of such Senior Non-Specified Default (a "Senior Non-Specified Default Notice") until the earliest to occur of: (i) the cure (if susceptible of cure) of such Senior Non-Specified Default or the Senior Lenders' written waiver of such Senior Non-Specified Default, (ii) the passage of 180 days after the date of issuance of the Senior Non-Specified Default Notice, (iii) the Payment in Full of the Senior Debt, or (iv) the written termination of the suspension of the Permitted Scheduled Payments by the Senior Lenders as a result of such Senior Non-Specified Default (the period from the date of issuance of such Senior Non-Specified Default Notice by the Senior Lenders to the Subordinated Lenders or a Subordinated Lender until such earliest event is herein referred to as a "Senior Non-Specified Default Blockage Period"); provided, however, that nothing herein shall prevent the accrual of any Permitted Scheduled Payment.

(d) ~~[Reserved].~~**Anything contained in Section 3(c) to the contrary notwithstanding, (a) in no event shall the payment of Permitted Scheduled Payments be suspended for more than 180 days in connection with Senior Non-Payment Defaults during any consecutive 365-day period and (b) not more than 5 Senior Non-Payment Default Notices may be given in respect of Senior Non-Payment Defaults during the term of this Agreement. In no event shall the Senior Lenders' continued honoring of requests from the Borrower for loans or extensions of credit of any kind under the Senior Loan Documents in respect of the Senior Debt during the existence of any Senior Event of Default be deemed a waiver by the Senior Lenders of such Senior Event of Default or any Senior Indefinite Blockage Period or any Senior Non-Payment Default Blockage Period..**

(e) To the extent that the Borrower may pay, and the Subordinated Lenders may receive and retain, Permitted Scheduled Payments under the terms of this Section 3, the Borrower may also pay, and the Subordinated Lenders may also receive and retain, any Permitted Scheduled Payment previously suspended pursuant to this Section 3 so long as the Borrower has delivered to the Senior Lender a certificate in form and content reasonably acceptable to the Senior Lenders establishing that the Borrower will be in proforma compliance with each of the Senior Financial Covenants after giving effect to any such previously suspended Permitted Scheduled Payment.

(f) The failure of the Borrower to make any Permitted Scheduled Payment by reason of the operation of this Section 3 shall not be construed as preventing the occurrence of a Subordinated Event of Default as a result of such failure.

(g) The provisions of this Section 3 shall not be applicable in circumstances in which Section 10 is applicable.

Section 4. Subordination of Liens in favor of the Senior Lenders to Liens in favor of the Senior Lenders; etc.

(a) Any Liens now or hereafter held by the Subordinated Lenders and/or any Subordinated Lender in any assets or property of the Borrower and/or any other Obligor or in any of the Senior Collateral to secure the Subordinated Debt are hereby subordinated to the Liens of the Senior Lenders and/or any Senior Lender in such assets or property and such Senior Collateral securing the Senior Debt. The Subordinated Lenders hereby agree that none of the Subordinated Lenders will contest the validity, perfection, priority or enforceability of any of the Liens of the Senior Lenders securing **or intending to secure or supposed to secure** the Senior Debt in any of the assets or property of the Borrower and/or any other Obligor or in any of the Senior Collateral. The Subordinated Lenders further hereby agree that the Liens of the Senior Lenders and/or any Senior Lender securing the Senior Debt shall at all times

rank senior in priority to any and all Liens of the Subordinated Lenders and/or any Subordinated Lender notwithstanding (i) the date, manner or order of obtaining, recording, filing or perfection of any such Lien of the Senior Lenders and/or any Senior Lender, (ii) any provision of the UCC of any jurisdiction or any other statute, law or decision governing or affecting the priority of any Lien of the Senior Lenders and/or any Senior Lender, or (iii) any provision of the Senior Credit Agreement or any other Senior Loan Document or any provision of the Subordinated Securities Purchase Agreements or any other Subordinated Loan Documents. The Subordinated Lenders agree that no Subordinated Lender shall accept or obtain any Lien in any asset or property of the Borrower and/or any other Obligor securing the Subordinated Debt unless the Senior Lenders shall have obtained a prior Lien in such asset or such property or such Senior Collateral which has been duly perfected prior to any Lien of the Subordinated Lenders and/or any Subordinated Lender securing the Subordinated Debt.

(b) Until the Senior Debt is Paid in Full, the Subordinated Lenders shall not accept a guaranty or other credit support with respect to the Subordinated Debt or the Borrower of any kind from any Person who or which has not previously provided a guaranty or such credit support to the Senior Lenders with respect to the Senior Debt, and any such guaranty or other credit support in favor of the Subordinated Lenders shall constitute Subordinated Debt evidenced by a Subordinated Loan Document for all purposes of this Agreement and any such guaranty or credit support in favor of the Senior Lenders shall constitute Senior Debt evidenced by a Senior Loan Document for all purposes of this Agreement.

(c) The Subordinated Lenders agree as follows:

(i) Upon written request of the Senior Lenders, the Subordinated Lenders shall immediately subordinate to the Senior Lenders any Lien in favor of the Subordinated Lenders and/or any Subordinated Lender with respect to the Subordinated Debt in any asset or property of the Borrower and/or any other Obligor or in any Senior Collateral unless the Senior Lenders have a Lien in such asset or property or such Senior Collateral which has been perfected by recording, filing or other perfection prior to the perfection of such subordinate Lien in favor of the Subordinated Lenders and/or such Subordinated Lender.

(ii) Notwithstanding any Lien in any asset or property of the Borrower and/or any other Obligor or in any of the Senior Collateral in favor of the Subordinated Lenders securing the Subordinated Debt, the Senior Lenders shall have the exclusive right to enforce rights and remedies with respect to the Senior Collateral and to make determinations with respect to the release, disposition and/or restrictions with respect to the Senior Collateral without any notice to or consent of the Subordinated Lenders, subject, however, to the right of the Subordinated Lenders in Section 4(c)(iv) of this Agreement. In exercising rights and remedies with respect to the Senior Collateral, the Senior Lenders may enforce the provisions of the Senior Loan Documents and exercise all rights and remedies available thereunder or otherwise available by law or agreement, all in such order and in such manner as the Senior Lenders may determine in their sole discretion. Such exercise and enforcement shall include the rights of an agent or consultant appointed by the Senior Lenders to sell or otherwise dispose of the Senior Collateral, to incur fees and expenses in connection with such sale or disposition, and to exercise all of the rights and remedies of a secured creditor under the UCC or other applicable law and of a secured creditor under the Bankruptcy Laws of any applicable jurisdiction. The Senior Lenders may take possession of, sell, dispose of, and otherwise deal with all or any part of the Senior Collateral, and may take or exercise any right or remedy available to the Senior Lenders with respect to the Senior Collateral, all without notice to or the consent of the Subordinated Lenders, except for any notice required by applicable law.

(iii) The Senior Lenders shall have no duty to preserve, protect, care for, insure, take possession of, collect, dispose of, or otherwise realize upon any of the Senior Collateral, and in

no event shall the Senior Lenders be deemed the agent of the Subordinated Lenders with respect to any of the Senior Collateral. All proceeds received by the Senior Lenders with respect to the Senior Collateral may be applied by the Senior Lenders to the Senior Debt in such manner and order of application as the Senior Lenders shall determine in their sole discretion.

(iv) Without limiting the generality of the foregoing, if (i) at any time during the existence of a Senior Event of Default the Borrower and/or any other Obligor intends to sell or otherwise dispose of any of the Senior Collateral or any of its other assets or property, whether in or outside the ordinary course of business, and (ii) the Senior Lenders consent to such sale or disposition, then the Subordinated Lenders shall be deemed to have automatically consented to such sale or disposition, to have automatically released any Lien any of the Subordinated Lenders may have in such Senior Collateral or such other assets or property and to have irrevocably authorized the Senior Lenders and/or the Borrower and/or such other Obligor to prepare and file such releases, terminations, satisfactions and any related documentation which they deem necessary to release or terminate any Liens in favor of any of the Subordinated Lenders covering such Senior Collateral or such other assets or property for the purpose of consummating such sale or disposition; provided that in connection with any such release of such Senior Collateral, the Subordinated Lenders or other Persons, as applicable, shall, to the extent provided by law or as determined by a court of competent jurisdiction, be entitled to any proceeds from such sale or disposition which remain after Payment in Full of all of the Senior Debt. Each of the Subordinated Lenders hereby irrevocably appoints each Senior Lender or any of its officers, employees or agents on behalf of each such Senior Lender as attorney-in-fact for such Subordinated Lender (which appointment is coupled with an interest) with the power, but not any duty, to prepare, execute, file and deliver any such release, termination, satisfaction or related document with respect to any Lien of any of the Subordinated Lenders in any such Senior Collateral or such other assets or property.

(v) Each of the Subordinated Lenders agrees that (i) it will not take any action that would hinder or delay any exercise of any rights or remedies of the Senior Lenders under the Senior Loan Documents or under this Agreement with respect to any of the Senior Collateral, (ii) during a Senior Event of Default, it will not object to or challenge the manner in which the Senior Lenders seek to sell or otherwise dispose of the Senior Collateral, (iii) no covenant, agreement or restriction contained in the Subordinated Loan Documents shall be deemed to restrict in any way the rights or remedies of the Senior Lenders with respect to any of the Senior Collateral or to restrict in any way any sale or other disposition of any of the Senior Collateral by the Senior Lenders, and (vi) during the existence of a Senior Event of Default, no covenant, agreement or restriction contained in the Subordinated Loan Documents shall be deemed to restrict in any way any sale or other disposition of any of the Senior Collateral by the Borrower and/or any other Obligor which is consented to by the Senior Lenders.

Section 5. Permitted Enforcement Actions by the Subordinated Lenders; Standstill Period.

(a) Except as permitted by Section 5(b) below, until the Senior Debt is Paid in Full, no Subordinated Lender shall take any Enforcement Action without the prior written consent of the Senior Lenders.

(b) During the existence of a Subordinated Event of Default, the Subordinated Lenders may undertake any Permitted Enforcement Action upon the earliest to occur of:

(i) the date that is at least 180 days after the date of the Senior Lenders' receipt of a written notice from the Subordinated Lenders of the occurrence of a Subordinated Event of Default (the **"Subordinated Default Notice"**) if the Subordinated Event of Default described therein has

not been cured or waived within such 180-day period (the period described above in this Section 5(b)(i) is herein referred to as the **"Standstill Period"**);

(ii) acceleration of the Senior Debt by the Senior Lenders or any exercise of remedies by the Senior Lenders with respect to the Senior Collateral; provided , however, that if following any such acceleration of the Senior Debt or following any such exercise of remedies by the Senior Lenders with respect to the Senior Collateral, such acceleration in respect of the Senior Debt or such exercise of remedies with respect to the Senior Collateral is rescinded, then all Permitted Enforcement Actions taken by the Subordinated Lenders shall likewise be rescinded or terminated if such Permitted Enforcement Actions are based on this Section 5(b)(ii) and the Subordinated Lenders have no right under any other subsection of this Section 5(b) to take any Permitted Enforcement Action;

(iii) the occurrence of a Proceeding involving the Borrower; provided, however, that if such Proceeding is dismissed, the corresponding prohibition against the Subordinated Lenders taking any Permitted Enforcement Action shall automatically be reinstated as of the date of dismissal as if such Proceeding had not been initiated, unless the Subordinated Lenders have the right to take any Permitted Enforcement Action under another subsection of this Section 5(b).

(c) Notwithstanding the foregoing, any Subordinated Lender may (i) file any responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading made by any Person objecting to or otherwise seeking the disallowance of the claims of any Subordinated Lender with respect to the Subordinated Debt, and (ii) make any filing that may be necessary to prevent the expiration of or to toll the running of any applicable statute of limitations related to the Subordinated Debt or related to any Liens in favor of the Subordinated Lenders securing the Subordinated Debt.

(d) Until the Senior Debt is Paid in Full, any payment (whether made in cash, securities or other property) obtained by the Subordinated Lenders as a result of any Enforcement Action shall be held in trust (without commingling with other funds) for the benefit of the Senior Lenders and shall be forthwith turned over to the Senior Lenders for application to the payment of the Senior Debt in such order and manner of application as the Senior Lenders shall determine in their sole discretion.

(e) If any Subordinated Lender initiates any Enforcement Action that is not permitted under this Agreement, the Senior Lenders or any Senior Lender may interpose the agreements of the Subordinated Lenders contained in this Agreement as a defense thereto and shall be entitled to specific performance of the terms of this Agreement.

Section 6. **Receipt and Turnover of Prohibited Payments; Reinstatement**. If any of the Subordinated Lenders receives any payment (whether made in cash, securities or other property) in respect of the Subordinated Debt that the Subordinated Lenders are not entitled to receive under the provisions of this Agreement, such Subordinated Lender will hold the amount so received in trust for the benefit of the Senior Lenders (without commingling with other funds) and will forthwith turn over such payment to the Senior Lenders in the form received (except for the endorsement of such Subordinated Lender where necessary, which endorsement shall be provided by such Subordinated Lender) for application to the then-existing Senior Debt (whether due or not due) in such order and manner of application as the Senior Lenders may deem appropriate in their sole discretion. If any of the Subordinated Lenders exercises any right of setoff, recoupment or similar right which the Subordinated Lenders are not permitted to exercise under the provisions of this Agreement, such Subordinated Lender will promptly pay over to the Senior Lenders, in immediately available funds, an amount equal to the amount of the claims or obligations so setoff, recouped or otherwise obtained. If any of the Subordinated Lenders fails to make any endorsement

required under this Agreement, each of the Subordinated Lenders hereby irrevocably appoints each Senior Lender, or any of its officers, employees or agents on behalf of such Senior Lender as the attorney-in-fact (which appointment is coupled with an interest) for each of the Subordinated Lenders with the power to make such endorsement in each such Subordinated Lender's name. If at any time (including after Payment in Full of the Senior Debt), all or part of any payment with respect to Senior Debt theretofore made by the Borrower or any other Obligor or any other Person is rescinded or must otherwise be returned by the Senior Lenders for any reason whatsoever (including, without limitation, the insolvency, bankruptcy or reorganization of the Borrower or any other Obligor or any such other Person), the provisions of this Agreement shall continue to be effective or be reinstated, as the case may be, all as though such payment had not been made and any amounts received by the Subordinated Lenders (including after the parties believed the Senior Debt has been Paid in Full) shall be subject to the terms of this Agreement, including, without limitation, the obligation of the Subordinated Lenders to turn over such amounts to the Senior Lenders pursuant to this Section 6.

Section 7. **Subrogation**. No payment or distribution of any character in respect of the Subordinated Debt (whether in cash, securities or other property) to which the Subordinated Lenders would have been entitled except for the provisions of this Agreement and that shall have been made to or for the account of Senior Lenders shall, as between the Borrower or any other Obligor and its creditors (other than the Senior Lenders and the Subordinated Lenders), be deemed to be a payment or distribution by the Borrower or such Obligor to or for the account of the Senior Lenders, and from and after the Payment in Full of the Senior Debt, the Subordinated Lenders shall be subrogated to all rights of the Senior Lenders to receive any further payments or distributions applicable to Senior Debt until the Subordinated Debt shall be paid in full, and no such payment or distribution made pursuant to such right of subrogation to the Subordinated Lenders that otherwise would be payable or distributable to or for the account of Senior Lenders shall, as between the Borrower or any other Obligor and its creditors (other than the Senior Lenders and the Subordinated Lenders), be deemed to be a payment or distribution by the Borrower or such Obligor to the Subordinated Lenders or on account of the Subordinated Debt.

Section 8. **No Prejudice or Impairment of Obligations of the Borrower or Any Other Obligor**. The provisions of this Agreement are solely for the purposes of defining the relative rights and obligations of the Senior Lenders, on the one hand, and the Subordinated Lenders, on the other hand. Nothing herein shall impair, as between the Borrower, any other Obligor and the Senior Lenders, the obligation of the Borrower or such Obligor, which is unconditional and absolute, to pay to the Senior Lenders the Senior Debt and nothing herein shall impair or prevent the Senior Lenders from exercising all rights and remedies permitted under the Senior Loan Documents or under applicable law upon default under the Senior Loan Documents. The Senior Lenders shall not be prejudiced in the right to enforce subordination of the Subordinated Debt and any Liens held by any of the Subordinated Lenders by any act or failure to act by the Borrower, any other Obligor, any Subordinated Lender or anyone in custody of the assets or property of the Borrower or any other Obligor. Nothing herein shall impair, as between the Borrower, any other Obligor and the Subordinated Lenders, the obligation of the Borrower or such Obligor, which is unconditional and absolute, to pay to the Subordinated Lenders the Subordinated Debt.

Section 9. Limitations on Claims against Senior Lenders.

(a) Each of the Subordinated Lenders agrees that it will not at any time institute, facilitate or join in as a party in the institution of, or assist in the prosecution of, any action, suit or proceeding (i) contesting or challenging the amount, validity, priority or enforceability of all or any portion of the Senior Debt or otherwise seeking a determination that all or any portion of the Senior Debt is avoidable, or is or should be disallowed or subordinated to the claims of any other Person, (ii) contesting or challenging the validity, perfection, priority or enforceability of the Liens obtained by the Senior Lenders as

security for all or any portion of the Senior Debt or otherwise seeking a determination that any such Liens are invalid, unperfected or avoidable, or are or should be subordinated to the interests of any other Person, or (iii) contesting or challenging the validity or enforceability of this Agreement. Each of the Subordinated Lenders agrees that it will not at any time institute, facilitate or join in as a party in the institution of, or assist in the prosecution of, any action, suit or proceeding contesting or challenging any collection, enforcement, disposition or acceptance of, or other remedial action with respect to, the Senior Collateral by the Senior Lenders.

(b) The Subordinated Lenders hereby agree that, until the Senior Debt has been Paid in Full, the Senior Lenders may, in the enforcement of their respective rights and remedies under the Senior Loan Documents and under applicable law, freely exercise or refrain from exercising any or all rights or remedies available to the Senior Lenders with respect to the Borrower and/or any other Obligor and/or with respect to any or all of the Senior Collateral.

(c) The Subordinated Lenders hereby waive any defense based on the adequacy of a remedy at law or equity which might be asserted as a bar to the remedy of specific performance of the terms of this Agreement in any action brought therefor by any Senior Lender. To the fullest extent permitted by applicable law, and except as expressly set forth herein, each Subordinated Lender hereby further waives any claim it may now or hereafter have against any Senior Lender arising out of: (i) presentment, demand, protest, notice of protest, notice of default or dishonor, notice of payment or nonpayment and, any and all other notices and demands of any kind in connection with the Senior Loan Documents and the Senior Debt, except for any of the foregoing required to be given pursuant to the terms of this Agreement; (ii) any right to require the Senior Lenders to marshall assets or property or enforce any Lien any Senior Lender may now or hereafter have in any Senior Collateral or any other assets or property of the Borrower or any other Obligor, or to pursue any claim any Senior Lender may have against the Borrower or any other Obligor or any other Person; and (iii) notice of any loans or other credit made available by any Senior Lender to the Borrower or any other Obligor or any other action taken in reliance on this Agreement.

(d) The Subordinated Lenders hereby consent and agree that the Senior Lenders may, without in any manner impairing, releasing or otherwise affecting the subordination provided for in this Agreement or any of the Senior Lenders' rights hereunder and without prior notice to or the consent of the Subordinated Lenders: (i) subject to the limitations contained in the definition of Senior Debt in this Agreement, increase the amount of the Senior Debt; (ii) subject to the restriction set forth in Section 12(d) of this Agreement, extend the final maturity date of the Senior Debt, (iii) compromise, forbear or postpone the time of payment of any or all of Senior Debt or any of the other obligations of the Borrower or any other Obligor; (iv) substitute, exchange or release any or all of the Senior Collateral or any guaranties or other credit support for any or all of the Senior Debt; (v) add or release any Obligor or other Person liable for any or all of the Senior Debt or (vi) subject to the restrictions in Section 12 of this Agreement, waive, amend, modify, supplement or restate any provisions of the Senior Loan Documents in any manner whatsoever.

Section 10. Proceedings.

(a) In connection with any Proceeding, the agreements contained in this Agreement shall remain in full force and effect and enforceable pursuant to their terms in accordance with Section 510(a) of the Bankruptcy Code and in accordance with any other applicable provision of any Bankruptcy Law, and all references herein to the Borrower or any other Obligor shall be deemed to apply to the Borrower or such other Obligor as debtor-in-possession and to any trustee or receiver or similar officer for the estate of the Borrower or such other Obligor.

(b) Notwithstanding any provision of this Agreement to the contrary, in any Proceeding involving the Borrower or any other Obligor or any of their respective properties or assets, (i) all Senior Debt shall be Paid in Full before any payment or distribution (whether made in cash, securities or other property) shall be made in any such Proceeding with respect to or on account of any of the Subordinated Debt (other than Reorganization Subordinated Securities which may be distributed to the Subordinated Lenders), (ii) any payment or distribution (other than Reorganization Subordinated Securities which may be distributed to the Subordinated Lenders) which, but for this Agreement, otherwise would be payable or deliverable in any such Proceeding in respect of the Subordinated Debt, shall be paid or distributed directly to the Senior Lenders to be held and/or applied to the Senior Debt in such manner and order of application as the Senior Lenders shall determine in their sole discretion until all of the Senior Debt has been Paid in Full, (iii) each of the Subordinated Lenders hereby irrevocably authorizes, empowers and directs the Borrower and each other Obligor, all debtors-in-possession, receivers, trustees, liquidators, custodians, distribution agents, plan representatives, conservators or others having authority to make or otherwise effect any such payments or distributions to make such payments and distributions directly to the Senior Lenders, and each of the Subordinated Lenders also hereby irrevocably authorizes and empowers the Senior Lenders to demand, sue for, collect and receive each such payment or distribution, (iv) each of the Subordinated Lenders agrees to execute and deliver to the Senior Lenders, all such further documents or instruments as may be reasonably requested by the Senior Lenders with respect to the authorizations described in this Section 10(b), and (v) each of the Subordinated Lenders hereby irrevocably appoints each Senior Lender, or any of its officers, employees or agents on behalf of such Senior Lender, as the attorney-in-fact (which appointment is coupled with an interest) for such Subordinated Lender with the power to (A) execute, prepare, verify, deliver and file proofs of claim in respect of the Subordinated Debt in connection with any Proceeding upon the failure of the applicable Subordinated Lender to do so prior to thirty (30) days before the expiration of the time to file any such proof of claim and (B) vote such claim in any such Proceeding upon the failure of the applicable Subordinated Lender to do so prior to five (5) days before expiration of time to vote any such claim (it being agreed that such Subordinated Lender may thereafter vote such claim (or change or amend the a Senior Lender's vote of such claim to the extent such change or amendment is permitted in such Proceeding); provided, however, the Senior Lenders shall have no obligation or duty to execute, prepare, verify and/or deliver any such proof of claim and/or to vote such claim and its action or inaction shall not give rise to any claims or liability against any of the Senior Lenders. In the event that, notwithstanding the foregoing, any payment or distribution of assets or securities, or the proceeds of any thereof, shall be collected or received by the Subordinated Lenders in contravention of this provision or any other provisions of this Agreement, such payment or distribution shall be received in trust by the Subordinated Lenders (without commingling with other funds) for the benefit of the Senior Lenders and the Subordinated Lenders shall forthwith deliver such payment or distribution to the Senior Lenders for application to the payment of the Senior Debt in such order and manner of application as the Senior Lenders shall determine in their sole discretion.

(c) The Senior Debt shall continue to be treated as Senior Debt with priority over the Subordinated Debt and the Liens in favor of the Senior Lenders and/or any Senior Lender shall continue to be senior to, and to have priority over, the Liens in favor of the Subordinated Lenders and/or any Subordinated Lender and the provisions of this Agreement shall continue to govern the relative rights and priorities of the Senior Lenders and the Subordinated Lenders even if all or any part of the Senior Debt is subordinated, set aside, avoided or disallowed in connection with any Proceeding or if any interest, fees, expenses or other amounts accruing on the Senior Debt following the commencement of any Proceeding is otherwise disallowed or even if all or any part of the Liens in the Senior Collateral in favor of the Senior Lenders and/or any Senior Lender securing the Senior Debt are subordinated, set aside, avoided or disallowed in connection with any Proceeding. To the extent that any of the Senior Lenders receives any payments on or in respect of the Senior Debt, including, without limitation, from proceeds of the Senior Collateral, which are subsequently invalidated, declared to be fraudulent or preferential, avoided, set aside

and/or required to be repaid to the Borrower or any other Obligor, trustee, receiver or any other party in any Proceeding or otherwise under any Bankruptcy Law, state or federal law, common law, equitable cause, or otherwise, then, to the extent of such payments received, the Senior Debt, or part thereof, which had been repaid with such payments shall be automatically reinstated and shall not be or considered Paid in Full and all Senior Debt and all related Liens in the Senior Collateral shall be reinstated and shall continue in full force and effect as if such payments had not been received by the Senior Lenders. This Agreement shall be reinstated in full force and effect if at any time any payment of any of the Senior Debt is rescinded, invalidated, avoided or must otherwise be returned or set aside (including by settlement of any claim for such avoidance or rescission or similar recovery) by any holder of the Senior Debt or any representative of such holder.

(d) In any Proceeding involving the Borrower or any other Obligor, each of the Subordinated Lenders agrees that it will:

(i) not object to, contest or oppose (or cause or support any other Person in objecting to, contesting or opposing), and hereby waives any right to object to, contest or oppose, any sale, transfer or other disposition of all or any part of the Senior Collateral free and clear of Liens or other claims of the Subordinated Lenders under Section 363 of the Bankruptcy Code or any other law applicable to any Proceeding if the applicable Senior Lenders having Liens in such Senior Collateral have consented to or not otherwise opposed such sale, transfer or disposition;

(ii) (A) at the request of the Senior Lenders, challenge, contest or otherwise object to any use of cash collateral or debtor-in-possession financing under Section 363 or Section 364 of the Bankruptcy Code or otherwise that is challenged, contested or otherwise objected to by the Senior Lenders, (B) not challenge, contest or otherwise object to (or cause or support any other Person in challenging, contesting or otherwise objecting to) in any manner (1) any use of cash collateral or debtor-in-possession financing under Section 363 or Section 364 of the Bankruptcy Code or otherwise that is consented to by the Senior Lenders, except for any such financing that would cause the Senior Debt to exceed the limitations contained in the definition of Senior Debt in this Agreement, (2) any DIP Financing provided by any Senior Lender under Section 364 of the Bankruptcy Code or under any other Bankruptcy Law or otherwise, except for any such financing that would cause the Senior Debt to exceed the limitations contained in the definition of Senior Debt in this Agreement, (3) any request by any Senior Lender for "adequate protection" under Section 361, Section 362, Section 363 or Section 364 of the Bankruptcy Code or under any other Bankruptcy Law, (4) any objection by any Senior Lender to any motion, relief, action or proceeding based on any claim by any of the Senior Lenders of lack of adequate protection, or (5) the filing or confirmation of any plan of reorganization or liquidation or similar dispositive restructuring plan which is supported by the Senior Lenders, (C) subordinate any Liens of the Subordinated Lenders in the assets of the Borrower or any other Obligor to the Liens securing any DIP Financing described in clause (B)(1) or (B)(2) above (and all obligations relating thereto);

(iii) not seek (or cause or support any other Person in seeking) to dismiss any Proceeding or convert any Proceeding into any other Proceeding unless the Senior Lenders are seeking or supporting such dismissal or conversion;

(iv) not assert (or cause or support any other Person in asserting) in any manner any right any of the Subordinated Lenders may have to adequate protection of its interest in any Senior Collateral, absent written consent or direction of the Senior Lenders;

(v) not seek (or cause or support any other Person seeking) to have the automatic stay of Section 362 of the Bankruptcy Code (or any similar stay under any other Bankruptcy

Law) lifted, vacated or modified (in whole or in part) with respect to any Senior Collateral without the prior written consent of the Senior Lenders; provided, that, in the case of this clause (v), if the Senior Lenders seek such aforementioned relief, each of the Subordinated Lenders hereby irrevocably consents thereto and shall join in any such motion or application seeking such relief if requested by the Senior Lenders;

(vi) not assert or enforce (or cause any other Person to seek or support any other Person seeking), at any time when any Senior Debt exists that has not been Paid in Full, any claim under Section 506(c) of the Bankruptcy Code or any similar claim under any other Bankruptcy Law senior to or on a parity with the Senior Debt for costs or expenses of preserving or disposing of any Senior Collateral;

(vii) unless the Senior Lenders consent in writing, not seek (or cause any other Person, including the Borrower or any other Obligor, to seek or support any other Person, including the Borrower or any other Obligor seeking) the filing or confirmation of any plan of reorganization or liquidation or similar dispositive restructuring plan that (A) does not expressly provide for the Payment in Full of the Senior Debt or (B) impairs in any way the rights and remedies of the Senior Lenders under the Senior Loan Documents or under this Agreement;

(viii) not object to, contest or oppose (or cause any other Person to object to, contest or oppose or support any other Person in objecting to, contesting or opposing) in any manner the exercise by the Senior Lenders of the right (or amount) to "credit bid" any or all the Senior Debt pursuant to Section 363(k) of the Bankruptcy Code or under any other Bankruptcy Law in any Proceeding;

(ix) not request (or cause any other Person to request or support any other Person in requesting) judicial relief, in any Proceeding or in any other court, that would in any manner hinder, impair, delay, limit or prohibit the exercise or enforcement of any right or remedy available to any Senior Lender or that would limit, impair, invalidate, avoid, set aside or subordinate any Senior Debt or any Lien of any Senior Lenders or any Senior Loan Document or grant any Liens in favor of any of the Subordinated Lenders equal ranking to the Liens of the Senior Lenders in or to the Senior Collateral; and

(x) not, directly or through an affiliate, seek to provide (and not cause or support any other Person (other than any Senior Lender) in providing or seeking to provide) any debtor-in-possession financing or similar financing to the Borrower under Section 364 of the Bankruptcy Code or under any other Bankruptcy Law or otherwise unless the Senior Lenders (or any Senior Lender) are not proposing to provide DIP Financing, and in the event that the Senior Lenders (or any Senior Lender) are not proposing to provide DIP Financing, any Subordinated Lender or any such affiliate which determines to provide any such debtor-in-possession or similar financing may only provide any such debtor-in-possession or similar financing on a non-priming basis with respect to the Senior Debt without any superpriority claim, administrative expense claim or other claim or security interest which would have priority over the Senior Debt or the Liens of the Senior Lenders in the Senior Collateral.

Section 11. **Restrictions on Amendments and Modifications to the Subordinated Loan Documents**. Until the Senior Debt is Paid in Full and notwithstanding anything contained in the Subordinated Loan Documents to the contrary, no Subordinated Lender shall, without the prior written consent of the Senior Lenders, agree to any amendment, modification, supplement or restatement to the Subordinated Loan Documents, the effect of which is to:

(a) increase the maximum principal amount of the Subordinated Debt by more than $0 (other than resulting from the accrual and compounding of PIK Payments pursuant to the terms of the Subordinated Securities Purchase Agreements and as permitted by this Agreement);

(b) increase the amount of any regularly scheduled principal payment in respect of the Subordinated Debt or move to any earlier date any scheduled payment date for any such regularly scheduled principal payment of the Subordinated Debt;

(c) (i) increase the interest rate on any of the Subordinated Debt; provided, however, that the foregoing increase in the applicable interest rate shall be in addition to the right of the Subordinated Lenders to impose the applicable default increment under the Subordinated Securities Purchase Agreements and the Subordinated Notes (which default increment shall only constitute a PIK Payment) or (ii) increase the default increment with respect to any of the Subordinated Obligations (for purposes of clarification, nothing herein shall be deemed to limit the ability of the Subordinated Lenders to impose the default increment under the Subordinated Securities Purchase Agreements and the Subordinated Notes as provided in clause (i) above);

(d) change in a manner adverse to the Borrower or any other Obligor or add any event of default or add or make more restrictive any covenant with respect to the Subordinated Debt unless such change reflects a corresponding change to the events of default or covenants with respect to the Senior Debt; provided, however, in the event of any change in the covenants under the Senior Credit Agreement any corresponding change in the *covenants under the Subordinated Loan Documents* **shall result in such** covenants under the Subordinated Loan Documents ~~shall result in such *covenants under the Subordinated Loan Documents*~~ continuing to be more lenient than such more restrictive covenants in the Senior Loan Documents by the same relative margin as existed immediately prior to such change in the corresponding covenants under the Subordinated Loan Documents;

(e) change in a manner adverse to the Borrower, any Obligor or the Senior Lenders any redemption, prepayment or put provisions of the Subordinated Debt;

(f) alter the subordination provisions with respect to the Subordinated Debt, including, without limitation, subordinating the Subordinated Debt to any other debts, liabilities or obligations;

(g) shorten the maturity date of any of the Subordinated Debt or otherwise shorten the repayment terms of the Subordinated Debt;

(h) obtain or receive any Lien on any asset of the Borrower or any other Obligor unless the Senior Lenders shall have obtained a prior Lien in such asset, and any such Lien in favor of the Subordinated Lenders shall be subordinate to such Lien in favor of the Senior Lenders pursuant to the subordination provisions and other terms of this Agreement;

(i) obtain any guaranty or credit support from any Person unless the Senior Lenders shall have obtained a guaranty or such credit support from such Person to support the Senior Debt, and any such guaranty or credit support in favor of the Subordinated Lenders shall be subordinate to such guaranty or credit support in favor of the Senior Lenders pursuant to the subordination provisions and other terms of this Agreement; or

(j) include in any of the Subordinated Loan Documents a cross-default to any Senior Event of Default.

Section 12. **Restrictions on Amendments and Modifications to the Senior Loan Documents.** The Senior Lenders may at any time and from time to time without the consent of or notice to any Subordinated Lenders, change the manner or place of payment or extend the time of payment of or

renew any Senior Debt, or alter, amend, modify, supplement or restate in any manner any Senior Loan Document; provided , however, that no such alteration, amendment, modification, supplement or restatement shall:

(a) shorten the final maturity date of the Senior Debt; provided, however, that **(i)** any demand for payment or acceleration by the Senior Lenders of all or any part of the Senior Debt upon the occurrence of a Senior Event of Default **shall not be construed to be a shortening of the final maturity date of the Senior Debt and (ii) any demand for payment by BMO under the Closing Date Credit Line** shall not be construed to be a shortening of the final maturity ~~date~~ of the Senior Debt;

(b) (i) increase the applicable interest rate margins with respect to any of the Senior Debt in an amount in excess of four percent (4.00%) per annum (per applicable interest rate margin) above the margin in effect as of the date of this Agreement; provided, however, that the foregoing increase in any applicable interest rate margin shall be in addition to the right of the Senior Lenders to impose the applicable default rate under the Senior Credit Agreement or (ii) increase the default rate with respect to any of the Senior Debt (for purposes of clarification, nothing herein shall be deemed to limit the ability of the Senior Lenders to impose the default rate under the Senior Loan Documents);

(c) add express restrictions on the ability of the Borrower to repay the Subordinated Debt other than those restrictions existing in this Agreement or the Senior Credit Agreement as of the date of this Agreement (it being understood that changes to financial covenants adverse to the Borrower do not violate this clause);

(d) [Reserved]; or

(e) increase the amount of the Senior Debt above the applicable limitation contained in the definition of Senior Debt.

Section 13. **Representations and Warranties**. Each of the parties hereto hereby represents and warrants to the others that (a) it has full power, authority and legal right to make and perform this Agreement, and (b) this Agreement is its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer and other laws affecting the enforceability of creditor's rights generally and by equitable principles.

Section 14. Amendment of this Agreement; Waiver; Benefit of Agreement.

(a) This Agreement may only be amended by an instrument in writing signed by the Senior Lenders and those of the Subordinated Lenders whose consent is required to approve an amendment to the Existing Subordinated Securities Purchase Agreement in accordance with the terms thereof. Each Subordinated Lender hereby expressly agrees to be bound by any amendment so signed.

(b) No waiver of any provision of this Agreement shall be deemed to be made by the Senior Lenders of any of their respective rights hereunder unless the same shall be in writing signed by the Senior Lenders. No waiver of any provision of this Agreement shall be deemed to be made by the Subordinated Lenders of any of their respective rights hereunder unless the same shall be in writing signed by the Subordinated Lenders.

(c) No failure to exercise, and no delay in exercising on the part of any party hereto, any right, power or privilege under this Agreement shall operate as a waiver thereof; nor shall any single or

partial exercise of any right, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies provided in this Agreement are cumulative and shall not be exclusive of any rights or remedies provided by law.

(d) This Agreement shall not be deemed to create any rights or priorities in favor of any Person (including, without limitation, the Borrower or any other Obligor or any debtor-in-possession or trustee in bankruptcy) other than the Senior Lenders, on the one hand, and the Subordinated Lenders, on the other hand, and their respective successors and assigns.

(e) The Subordinated Lenders hereby waive and relinquish any duty (fiduciary or otherwise) on the part of the Senior Lenders to disclose any matter, fact or thing relating to the business, operations or condition of the Borrower or any other Obligor now known or hereafter known by the Senior Lenders. The Senior Lenders hereby waive and relinquish any duty (fiduciary or otherwise) on the part of the Subordinated Lenders to disclose any matter, fact or thing relating to the business, operations or condition of the Borrower or any other Obligor now known or hereafter known by the Subordinated Lenders.

Section 15. **Successors and Assigns**. This Agreement shall constitute a continuing offer to all Persons who, in reliance upon such provisions, become a Senior Lender or Subordinated Lender, and such provisions are made for the benefit of each Senior Lender and each Subordinated Lender and each of them may enforce such provisions. This Agreement and the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and assigns; provided , however, no Subordinated Lender shall sell, assign, dispose of, transfer, grant a Lien in all or any portion of the Subordinated Debt or the Subordinated Loan Documents without the prior written consent of the Senior Lenders. The Subordinated Lenders and the Senior Lenders further agree that if the Borrower Refinances the Senior Debt, and if the Borrower or the Senior Lenders being Refinanced make a request of the other parties hereto for a replacement Intercreditor and Subordination Agreement, the other parties hereto shall enter into a replacement Intercreditor and Subordination Agreement with such refinancing lender or lenders; provided, however, that any such replacement Intercreditor and Subordination Agreement shall contain terms and conditions substantially identical to the terms and conditions provided in this Agreement, unless otherwise agreed to by such other parties and such refinancing lender or lenders. Notwithstanding the foregoing, in no event shall any such Refinancing of the Senior Debt be construed to permit the Senior Loan Documents to include any terms, conditions, covenants or defaults other than those which exist in the Senior Loan Documents immediately prior to such Refinancing or which could be included in the Senior Loan Documents pursuant to an amendment, modification, supplement or restatement thereof which is not restricted by Section 12 of this Agreement.

Section 16. **Restrictive Legend**. Any notes or instruments which at any time evidence the Subordinated Debt or any part thereof shall be marked with a legend in substantially the following form:

> "This [Note/Instrument] is subordinated to the prior payment and satisfaction in cash of all Senior Debt, as defined in the Intercreditor and Subordination Agreement dated as of ~~[_____],~~ **December 31, 2013,** as the same may be amended, modified, supplemented or restated from time to time (the "Subordination Agreement"), to the extent, and in the manner provided in the Subordination Agreement."

Section 17. **Notices**. Whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties by another, or whenever any of the parties desires to give or serve upon another any such communication with

respect to this Agreement, each such notice, demand, request, consent, approval, declaration, or other communication shall be in writing (including by reputable overnight courier or telecopier) and shall be deemed to have been duly given and received, for purposes hereof, when (a) delivered by hand or three days after being deposited in the mail, postage prepaid (b) delivered by reputable overnight courier, one business day after being deposited with such courier, and (c) in the case of telecopy notice, when sent to the number set forth below once electronic confirmation of delivery is received, addressed as follows:

Subordinated Lenders:

~~[**~~**If to Argosy:**

Argosy Investment Partners III, L.P.
950 West Valley Road, Suite 2900
Wayne, Pennsylvania 19087
Attention: Michael R. Bailey
Telecopy No.: (610) 964-9524

~~with a copy to:~~

~~McCausland, Keen & Buckman~~
~~Radnor Court~~
~~259 North Radnor-Chester Road, Suite 160~~
~~Radnor, Pennsylvania 19087-5240~~
~~Attention: Robert H. Young, Jr.~~
~~Telecopy No.: (610) 341-1099~~

If to Marquette:

Marquette Capital Fund I, LP
c/o Marquette Capital Partners LLC
60 South Sixth Street
Suite 3510
Minneapolis, Minnesota 55402
Attention: Thomas H. Jenkins
Telecopy No.: (612) 661-3999

with a copy to:

Fredrikson & Bryon, P.A.
4000 Pillsbury Center
200 S. 6th Street
Minneapolis, Minnesota 55402
Attention: John A. Satorius
Telecopy No.: (612) 492-7077

If to Horizon:

Horizon Capital Partners III, L.P.
c/o Horizon Partners Ltd.
3838 Tamiami Trail N. Suite 408
Naples, Florida 34103
Attention: Robert M. Feerick
Telecopy No.: (239) 261-2085

~~with a copy to:~~
~~Foley & Lardner LLP~~
~~777 E. Wisconsin Avenue~~
~~Milwaukee, Wisconsin 53202~~
~~Attention: Joseph B. Tyson, Jr.~~
~~Telecopy No.: (414) 297-4900**]~~

If to Senior Lender:

HC Capital Holdings 0909A, LLC
c/o Peak Rock Capital
13413 Galleria Circle, Suite Q-300
Austin, TX 78738
Attn: Robert Strauss
Telecopy: (512) 765-6530
Email: Strauss@peakrockcapital.com

with a copy (which shall not constitute notice) to:

Kirkland & Ellis LLP
601 Lexington Avenue
New York, NY 10022
Attn: Leonard Klingbaum
Telecopy (212) 446-6400
Email: Leonard.Klingbaum@kirkland.com

If to Borrower:

~~[Borrower~~**Natural American Foods**, Inc.~~]~~
10464 Bryan Highway
Onsted, Michigan 49265
Attention: Jack Irvin
Telecopy No.: (517) 467-2840

with a copy to:

Foley & Lardner LLP
777 East Wisconsin Avenue
Milwaukee Wisconsin 53202
Attention: Patricia J. Lane
Telecopy No.: (414) 297-4900

or at such address as may be substituted by notice given as herein provided. The giving of any notice required hereunder may be waived in writing by the party entitled to receive such notice. Failure or delay in delivering copies of any notice, demand, request, consent, approval, declaration or other communication to the persons designated above to receive copies shall in no way adversely affect the effectiveness of such notice, demand, request, consent, approval, declaration or other communication.

Section 18. **Application of Payments by the Senior Lenders**. All payments and proceeds received by the Senior Lenders in respect of the Senior Debt may be applied to the Senior Debt in such manner and order of application as the Senior Lenders shall determine in their sole discretion.

Section 19. **Further Assurances**. Each of the Subordinated Lenders agrees that it shall take such further action and shall execute and deliver such additional documents and instruments (in recordable form if requested) as the Senior Lenders may reasonably request to effectuate the terms of this Agreement.

Section 20. **Specific Performance**. The Senior Lenders and/or the Subordinated Lenders may demand specific performance of this Agreement. Each of the Senior Lenders and each of the Subordinated Lenders hereby irrevocably waive any defense based on the adequacy of a remedy at law and any other defense which may be asserted to bar the remedy of specific performance in any action which may be brought by the Senior Lenders or the Subordinated Lenders. Nothing in this Agreement shall be construed as prohibiting any party to this Agreement from commencing an action against any other party to this Agreement with respect to any breach of contract claim available to such party as a result of the other party's violation of its obligations under this Agreement.

[RESERVED].

Section 22. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 23. **Final Agreement**. This Agreement embodies the entire agreement and understanding among the parties hereto and supersedes all prior or contemporaneous agreements and understandings of such Persons, verbal or written, relating to the subject matter hereof and thereof. Nothing in this Agreement shall impair, as between the Obligors and the Senior Lenders, or as between the Obligors and the Subordinated Lenders, the obligations of the Obligors to pay principal, interest, fees and other amounts as provided in the Senior Loan Documents and the Subordinated Loan Documents, respectively.

Section 24. **Conflict**. In the event of any conflict between the provisions of this Agreement and the provisions of the Senior Loan Documents or the Subordinated Loan Documents, the provisions of this Agreement shall govern and control.

Section 25. **Governing Law**. THIS AGREEMENT SHALL BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE, WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES.

Section 26. **References to Sections**. References to sections, subsections and clauses are references to sections, subsections and clauses in this Agreement unless otherwise expressly provided herein.

Section 27. **Jurisdiction and Venue**. EACH SUBORDINATED LENDER AND EACH OBLIGOR HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY UNITED STATES FEDERAL OR NEW YORK STATE COURT SITTING IN NEW YORK COUNTY, NEW YORK, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT AND EACH SUBORDINATED LENDER AND EACH OBLIGOR HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE SENIOR LENDERS TO BRING PROCEEDINGS AGAINST ANY SUBORDINATED LENDER OR ANY OBLIGOR IN THE COURTS OF ANY OTHER JURISDICTION.

Section 28. **Waiver of Right to Jury Trial**. EACH OBLIGOR, EACH SUBORDINATED LENDER AND EACH SENIOR LENDER WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY OF THE PARTIES AGAINST ANY OTHER PARTY OR PARTIES, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS, OR OTHERWISE. EACH OBLIGOR, EACH SUBORDINATED LENDER AND EACH SENIOR LENDER AGREE THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT TRIAL WITHOUT A JURY. WITHOUT LIMITING THE FOREGOING, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY ARE WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM OR OTHER PROCEEDING WHICH SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT, THE SENIOR LOAN DOCUMENTS OR THE SUBORDINATED LOAN DOCUMENTS OR ANY PROVISION HEREOF OR THEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, MODIFICATIONS, SUPPLEMENTS OR RESTATEMENTS TO THIS AGREEMENT.

Signature pages to follow

IN WITNESS WHEREOF, the parties hereto have caused this Subordination and Intercreditor Agreement to be executed by their duly authorized officers as of the date first above written.

SENIOR LENDER: **HC CAPITAL HOLDINGS 0909A, LLC**

By:_____
Name:
Title:

SUBORDINATED LENDER: **MARQUETTE CAPITAL FUND I, LP**

By: Marquette Capital Partners, LLC,
its general partner

By:_____
Name: Thomas H. Jenkins
Title: Managing Member

~~[SIGNATURE PAGES TO BE CONFORMED]~~

SUBORDINATED LENDER: **ARGOSY INVESTMENT PARTNERS III, L.P.**

By: Argosy Associates III, L.P., its general partner

By: Argosy Associates III, Inc., its general partners

By:_____
Name: Michel R. Bailey
Title: Vice President

~~[SIGNATURE PAGES TO BE CONFORMED]~~

SUBORDINATED LENDER: **HORIZON CAPITAL PARTNERS III, L.P.**

By: Horizon Venture Associates III, a general partnership

By:_____
Name: Robert M. Feerick
Title: General Partner

~~[SIGNATURE PAGES TO BE CONFORMED]~~

ACKNOWLEDGMENT BY THE BORROWER

The undersigned, being the Borrower referred to in the foregoing Intercreditor and Subordination Agreement, hereby (i) acknowledges receipt of a copy thereof, (ii) agrees to all of the terms and provisions thereof and agrees not to violate any provisions thereof, (iii) agrees to and with the Senior Lenders that it shall make no payment on or with respect to the Subordinated Debt that the Subordinated Lenders would not be entitled to receive under the provisions of such Intercreditor and Subordination Agreement, (iv) agrees that any such non-permitted payment will constitute an Event of Default under the Senior Debt and the Senior Loan Documents, and (v) agrees to mark its book conspicuously to evidence the subordination of the Subordinated Debt effected hereby.

~~[BORROWER, INC.]~~NATURAL AMERICAN FOODS, INC.

By: _____
Name:
Title:

EXHIBIT 7

PAYEE'S RIGHTS UNDER THIS AGREEMENT AND THE DOCUMENTS AND INSTRUMENTS REFERRED TO HEREIN AND THEREIN ARE SUBORDINATE TO THE RIGHTS OF HC CAPITAL HOLDINGS 0909A, LLC AS SET FORTH IN THAT CERTAIN INTERCREDITOR AND SUBORDINATION AGREEMENT DATED ON OR ABOUT THE DATE HEREOF TO WHICH HC CAPITAL HOLDINGS 0909A, LLC AND PAYEE, AMONG OTHERS, ARE PARTIES (THE "SUBORDINATION AGREEMENT").

THIS DEBENTURE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY APPLICABLE STATE SECURITIES LAW AND MAY NOT BE TRANSFERRED UNLESS (i) THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR SUCH APPLICABLE STATE SECURITIES LAWS, OR (ii) IN THE OPINION OF COUNSEL REASONABLY ACCEPTABLE TO MAKER REGISTRATION UNDER THE SECURITIES ACT OR SUCH APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED IN CONNECTION WITH SUCH TRANSFER.

10% SENIOR SUBORDINATED DEBENTURE

DUE DECEMBER 31, 2018

$1,508,400.00 **December 31, 2013**

FOR VALUE RECEIVED, NATURAL AMERICAN FOODS, INC., a Delaware corporation ("Maker") hereby unconditionally and jointly and severally promises to pay to the order of Marquette Capital Fund I, LP, a Delaware limited partnership with an address at 60 South Sixth Street Suite 3510, Minneapolis, Minnesota ("Payee"), or registered assigns, at the address of Payee set forth above or at such other address as the holder hereof may designate, in lawful money of the United States, the principal sum of ONE MILLION FIVE HUNDRED EIGHT THOUSAND FOUR HUNDRED Dollars and 00/100 Cents ($1,508,400.00) together with interest thereon as provided for below.

This Debenture has been issued pursuant to a Securities Purchase Agreement dated on or about December 31, 2013, to which Maker and Payee are parties (as amended, restated or otherwise modified from time to time, the "Securities Purchase Agreement"), a copy of which is available for inspection at the principal office of Maker. This Debenture is subject and entitled to the benefits of the terms, conditions, covenants and agreements contained in the Securities Purchase Agreement, including restrictions regarding transferability. Capitalized terms used herein without definition shall have the meanings set forth in the Securities Purchase Agreement. Reference to the Securities Purchase Agreement shall in no way impair the absolute and unconditional obligation of the Maker to pay both the principal of, and the interest and other fees provided for in, this Debenture as provided herein.

1. Interest. Interest shall accrue on the outstanding principal balance hereof at a rate equal to ten percent (10%) per annum, payable monthly in arrears, on the first (1st) day of each month commencing February, 2014 and continuing until the Maturity Date (as defined below) at which time the principal balance and all accrued and unpaid interest shall be paid in full. Interest

shall be computed on the basis of elapsed days in a 360-day year. Interest shall be paid in cash or, if on such payment date the Fixed Charge Coverage Ratio is not at least 1.50:1.00, by capitalizing the amount of such interest by increasing the principal amount of obligations hereunder by the amount of such interest (such capitalized interest, the "PIK Interest").

Maker agrees to pay interest (computed on the same basis as set forth above) on any principal and (to the extent legally enforceable) on any overdue installment of principal and interest not paid within ten (10) days of the date when due, at the stated rate plus 5% per annum (or, in each case, at the highest rate permitted by applicable law, whichever is less) until paid .

Anything contained in this Debenture to the contrary notwithstanding, Payee does not intend to charge and Maker shall not be required to pay interest or other charges in excess of the maximum rate permitted by applicable law. Any payments in excess of such maximum rate shall be refunded to Maker or credited against principal, as Payee elects.

2. Payment of Principal and Interest. Maker shall pay any accrued and unpaid principal hereof and interest thereon in one lump payment due on the earlier of (i) December 31, 2018 or (ii) the occurrence of an Exit Event (such earlier date the "Maturity Date"). For purposes of this Debenture, an "Exit Event" shall be defined to mean: (i) all or substantially all of the Maker's assets, on a consolidated basis, are sold as an entirety to any person or related group of persons and the Maker shall thereafter promptly liquidate, or (ii) there shall be consummated any consolidation or merger of the Maker in which the Maker is not the continuing or surviving company (except for in the case of (i) or (ii) any transaction in which the holders of all outstanding stock of the Maker immediately prior to such transaction have, directly or indirectly, at least a majority of all classes of all outstanding stock or other equity interests of the transferee or of the continuing or surviving company immediately after such sale of assets or consolidation or merger) or (iii) consummation of a Change of Control as defined in the Senior Loan Agreement as of the date hereof. Both the principal hereof and interest hereon shall be payable by lawful currency of the United States of America (or, in the case of PIK Interest, by capitalizing the amount of such PIK Interest) and in funds immediately available to Payee to a bank account designated in writing by Payee to Maker concurrently with its execution of this Debenture.

3. Other Debentures. Notwithstanding anything to the contrary, this Debenture shall be deemed and treated pari passu with all other Debentures issued under the Securities Purchase Agreement.

4. Liquidation Right. In the event of any voluntary or involuntary liquidation, dissolution or winding up of Maker, this Debenture shall be entitled to a claim in liquidation after the payment in full of all Senior Debt as defined in the Subordination Agreement but before participation by the holders of any equity of Maker. The amount of the claim in liquidation shall equal the amount to which Payee of this Debenture would be entitled in the case of payment, whether or not this Debenture is eligible for payment at the time of liquidation.

5. Prepayment. The Maker may prepay the principal hereof and all interest thereon in whole or in part at any time after written notice to Payee; provided that (a) any partial prepayment of principal is in multiples of $50,000; and (b) the notice provided for above sets

forth the date the prepayment will be made. At the time of any prepayment, all interest owing on the amount prepaid to the date of payment must simultaneously be paid.

6. Expenses. Maker agrees to pay Payee, on demand, for all reasonable costs and expenses, including, but not limited to, reasonable attorneys' fees, incurred in the collection, enforcement, modification, restatement, replacement or amendment of this Debenture.

7. Disclosure of Senior Debt. Maker shall notify Payee of the creation, and any subsequent written modification, extension, renewal, replacement or rollover, of any Senior Debt or any default therein within five (5) Business Days of the date it is incurred or occurs. Such notice shall provide Payee access to all documents executed in connection therewith.

8. Default; Acceleration. Upon the occurrence of an Event of Default, Payee, at Payee's option and without the need for presentment, demand, protest, or other notice of any kind, upon obtaining the requisite concurrence under Section 13.2 of the Securities Purchase Agreement may declare all unpaid principal hereof and interest hereunder, to be immediately due and payable and the same shall become immediately due and payable upon such declaration; provided that in the event of any Event of Default specified in Sections 13.1(j)-(k) of the Securities Purchase Agreement, all such amounts shall become immediately due and payable automatically and without any requirement of notice from Payee.

9. Certain Waivers. Maker and any endorser or guarantor hereof (collectively, the "Obligors") and each of them (i) waive presentment, diligence, protest, demand, notice of demand, notice of acceptance or reliance, notice of non-payment, notice of dishonor, notice of protest and all other notices to parties in connection with the delivery, acceptance, performance, default or enforcement of this Debenture, any endorsement or guaranty of this Debenture, or any collateral or other security; (ii) consent to any and all delays, extensions, renewals or other modifications of this Debenture, any related document or the debts or collateral evidenced hereby or thereby or any waivers of any term hereof or thereof, any release, surrender, taking of additional, substitution, exchange, failure to perfect, record, preserve, realize upon, or lawfully dispose of or any other impairment of any collateral or other security, or any other failure to act by Payee or any other forbearance or indulgence shown by Payee, from time to time and in one or more instances (without notice to or assent from any of the Obligors) and agree that none of the foregoing shall release, discharge or otherwise impair any of their liabilities; (iii) agree that the full or partial release or discharge of any Obligor shall not release, discharge or otherwise impair the liabilities of any other Obligor; and (iv) otherwise waive any other defenses based on suretyship or impairment of collateral.

10. Registration and Transfer of this Debenture. Maker shall keep at the principal executive office of Maker a register , in which Maker shall provide for the registration and transfer of this Debenture. Any transfer of this Debenture is subject to compliance with applicable securities laws and regulations. Notwithstanding the generality of the foregoing, no transfer may be effected except in compliance with the terms and restrictions on transfer of this Debenture set forth in the Securities Purchase Agreement. The Payee of this Debenture, at such Payee's option, may in person or by duly authorized attorney surrender this Debenture for exchange at the principal office of Maker, to receive in exchange therefor a new Debenture, as may be requested by Payee, of the same series and in the same unpaid principal amount as the aggregate unpaid principal amount of the Debenture so surrendered; provided, however, that any

transfer tax relating to such transaction shall be paid by Payee requesting the exchange. Each such new Debenture shall be dated as of the date to which interest has been paid and shall be in such principal amount and registered in such name or names as such Payee may designate in writing. Neither this Debenture nor any replacement Debenture may be transferred or assigned in part.

11. Lost Documents. Upon receipt by Maker of evidence satisfactory to it of the loss, theft, destruction or mutilation of this Debenture or any Debentures exchanged for it, and of indemnity satisfactory to it, and upon reimbursement to Maker of all reasonable expenses incidental thereto, and upon surrender and cancellation of such Debenture, if mutilated, Maker will make and deliver in lieu of such Debenture a new Debenture of the same series and of like tenor and unpaid principal amount and dated as of the date to which interest has been paid on the unpaid principal amount of the Debenture in lieu of which such new Debenture is made and delivered.

12. Commercial Transaction; Jury Waiver. MAKER ACKNOWLEDGES THAT THE TRANSACTION OF WHICH THIS DEBENTURE IS A PART IS A COMMERCIAL TRANSACTION. MAKER HEREBY KNOWINGLY AND VOLUNTARILY WAIVES TRIAL BY JURY AND THE RIGHT THERETO IN ANY ACTION OR PROCEEDING OF ANY KIND, ARISING UNDER OR OUT OF, OR OTHERWISE RELATED TO OR OTHERWISE CONNECTED WITH, THIS DEBENTURE AND/OR ANY RELATED DOCUMENT. MAKER FURTHER ACKNOWLEDGES THAT IT HAS HAD AN OPPORTUNITY TO REVIEW THIS DEBENTURE AND THE OTHER DOCUMENTS EXECUTED IN CONNECTION HEREWITH WITH ITS COUNSEL AND THAT MAKER ON ITS OWN HAS MADE THE DETERMINATION TO EXECUTE THIS DEBENTURE AND ALL OTHER DOCUMENTS TO WHICH MAKER IS A PARTY AFTER CONSIDERATION OF ALL OF THE TERMS OF THIS DEBENTURE AND SUCH OTHER DOCUMENTS (INCLUDING THE INTEREST RATE) AND OF ALL OTHER FACTORS WHICH MAKER CONSIDERS RELEVANT.

13. Binding Nature. This Debenture shall bind Maker and its successors and permitted assigns and shall inure to the benefit of Payee and Payee's successors and assigns. The term "Payee" as used herein shall include, in addition to the initial Payee, any successors, endorsees, or other assignees of such Payee and shall also include any other holder of this Debenture. Maker may not assign any of its rights hereunder without the prior written consent of Payee.

14. Governing Law; Jurisdiction, Venue and Service. This Debenture shall be governed by and construed and interpreted in accordance with the laws of the State of New York without regard to its rules pertaining to conflicts of laws.

15. Waiver of Trial by Jury.

PURCHASERS AND MAKER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDINGS, CLAIMS OR COUNTER-CLAIMS, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, ARISING OUT OF OR IN ANY WAY RELATING TO THIS AGREEMENT OR THE OTHER PURCHASE DOCUMENTS.

16. Miscellaneous. No delay or omission by Payee in exercising any right or remedy hereunder shall operate as a waiver of such right or remedy or any other right or remedy; and a waiver on one occasion shall not be a bar to or waiver of any right or remedy on any other occasion. All rights and remedies of Payee hereunder, any other applicable document and under applicable law shall be cumulative and not in the alternative. No provision of this Debenture may be waived or modified orally but only by a writing signed by the party against whom enforcement of such amendment, waiver or other modification is sought.

17. Notices. All notices, requests, consents and demands shall be made in writing and shall be mailed first class postage prepaid, delivered by overnight courier providing proof of delivery, or delivered by hand or by messenger to Maker or to Payee at their respective addresses set forth in Section 16.3 of the Securities Purchase Agreement or at such other respective addresses as may be furnished in writing to each other.

18. Secured. This Debenture is secured pursuant to the Security Agreement, dated as of the date hereof, entered into pursuant to the Securities Purchase Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Maker has executed and delivered this Debenture as of the day and year first written above.

MAKER:

NATURAL AMERICAN FOODS, INC.

By:_____
Name:
Title:

[FORM OF DEBENTURE]**PAYEE'S RIGHTS UNDER THIS AGREEMENT AND THE DOCUMENTS AND INSTRUMENTS REFERRED TO HEREIN AND THEREIN ARE SUBORDINATE TO THE RIGHTS OF HC CAPITAL HOLDINGS 0909A, LLC AS SET FORTH IN THAT CERTAIN INTERCREDITOR AND SUBORDINATION AGREEMENT DATED ON OR ABOUT THE DATE HEREOF TO WHICH HC CAPITAL HOLDINGS 0909A, LLC AND PAYEE, AMONG OTHERS, ARE PARTIES (THE "SUBORDINATION AGREEMENT").**

THIS DEBENTURE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY APPLICABLE STATE SECURITIES LAW AND MAY NOT BE TRANSFERRED UNLESS (i) THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR SUCH APPLICABLE STATE SECURITIES LAWS, OR (ii) IN THE OPINION OF COUNSEL REASONABLY ACCEPTABLE TO MAKER REGISTRATION UNDER THE SECURITIES ACT OR SUCH APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED IN CONNECTION WITH SUCH TRANSFER.

10% SENIOR SUBORDINATED DEBENTURE

DUE [_____][1]DECEMBER 31, 2018

$[_____]1,508,400.00
December 31, 2013

FOR VALUE RECEIVED, [BORROWERNATURAL AMERICAN FOODS, INC.], a Delaware corporation ("Maker") hereby unconditionally and jointly and severally promises to pay to the order of [Argosy Investment Partners III, L.P.Marquette Capital Fund I, LP, a Delaware limited partnership with an address at 950 West Valley Road, Suite 2900, Wayne, PA 19087**60 South Sixth Street Suite 3510, Minneapolis, Minnesota** ("Payee")][2], or registered assigns, at the address of Payee set forth above or at such other address as the holder hereof may designate, in lawful money of the United States, the principal sum of [WRITTEN AMOUNT]**ONE MILLION FIVE HUNDRED EIGHT THOUSAND FOUR HUNDRED** Dollars and 00/100 Cents ($[_____]**1,508,400.00**) together with interest thereon as provided for below.

This Debenture has been issued pursuant to a Securities Purchase Agreement dated on or about [_____],**December 31, 2013,** to which Maker and Payee are parties (as amended, restated or otherwise modified from time to time, the "Securities Purchase Agreement"), a copy of which is available for inspection at the principal office of Maker. This Debenture is subject and entitled to the benefits of the terms, conditions, covenants and agreements contained in the Securities Purchase Agreement, including restrictions regarding transferability. Capitalized terms used herein without definition shall have the meanings set forth in the Securities Purchase Agreement. Reference to the Securities Purchase Agreement shall in no way impair the absolute and

[1] 5 year maturity date

[2] To be conformed for each payee

unconditional obligation of the Maker to pay both the principal of, and the interest and other fees provided for in, this Debenture as provided herein.

1. Interest. Interest shall accrue on the outstanding principal balance hereof at a rate equal to ten percent (10%) per annum, payable monthly in arrears, on the first (1st) day of each month commencing ~~[_____]~~**February, 2014** and continuing until the Maturity Date (as defined below) at which time the principal balance and all accrued and unpaid interest shall be paid in full. Interest shall be computed on the basis of elapsed days in a 360-day year. Interest shall be paid in cash or, if on such payment date the Fixed Charge Coverage Ratio is not at least ~~[____:1.00],~~**1.50:1.00,** by capitalizing the amount of such interest by increasing the principal amount of obligations hereunder by the amount of such interest (such capitalized interest, the "PIK Interest").

Maker agrees to pay interest (computed on the same basis as set forth above) on any principal and (to the extent legally enforceable) on any overdue installment of principal and interest not paid within ten (10) days of the date when due, at the stated rate plus 5% per annum (or, in each case, at the highest rate permitted by applicable law, whichever is less) until paid .

Anything contained in this Debenture to the contrary notwithstanding, Payee does not intend to charge and Maker shall not be required to pay interest or other charges in excess of the maximum rate permitted by applicable law. Any payments in excess of such maximum rate shall be refunded to Maker or credited against principal, as Payee elects.

2. Payment of Principal and Interest. Maker shall pay any accrued and unpaid principal hereof and interest thereon in one lump payment due on the earlier of (i) ~~[five year date]~~**December 31, 2018** or (ii) the occurrence of an Exit Event (such earlier date the "Maturity Date"). For purposes of this Debenture, an "Exit Event" shall be defined to mean: (i) all or substantially all of the Maker's assets, on a consolidated basis, are sold as an entirety to any person or related group of persons and the Maker shall thereafter promptly liquidate, or (ii) there shall be consummated any consolidation or merger of the Maker in which the Maker is not the continuing or surviving company (except for in the case of (i) or (ii) any transaction in which the holders of all outstanding stock of the Maker immediately prior to such transaction have, directly or indirectly, at least a majority of all classes of all outstanding stock or other equity interests of the transferee or of the continuing or surviving company immediately after such sale of assets or consolidation or merger)~~.~~ **or (iii) consummation of a Change of Control as defined in the Senior Loan Agreement as of the date hereof.** Both the principal hereof and interest hereon shall be payable by lawful currency of the United States of America (or, in the case of PIK Interest, by capitalizing the amount of such PIK Interest) and in funds immediately available to Payee to a bank account designated in writing by Payee to Maker concurrently with its execution of this Debenture.

3. Other Debentures. Notwithstanding anything to the contrary, this Debenture shall be deemed and treated pari passu with all other Debentures issued under the Securities Purchase Agreement.

4. Liquidation Right. In the event of any voluntary or involuntary liquidation, dissolution or winding up of Maker, this Debenture shall be entitled to a claim in liquidation after the payment in full of all Senior Debt as defined in the Subordination Agreement but before participation by the holders of any equity of Maker. The amount of the claim in liquidation shall equal the amount to which Payee of this Debenture would be entitled in the case of payment, whether or not

this Debenture is eligible for payment at the time of liquidation.

5. Prepayment. The Maker may prepay the principal hereof and all interest thereon in whole or in part at any time after written notice to Payee; provided that (a) any partial prepayment of principal is in multiples of $50,000; and (b) the notice provided for above sets forth the date the prepayment will be made. At the time of any prepayment, all interest owing on the amount prepaid to the date of payment must simultaneously be paid.

6. Expenses. Maker agrees to pay Payee, on demand, for all reasonable costs and expenses, including, but not limited to, reasonable attorneys' fees, incurred in the collection, enforcement, modification, restatement, replacement or amendment of this Debenture.

7. Disclosure of Senior Debt. Maker shall notify Payee of the creation, and any subsequent written modification, extension, renewal, replacement or rollover, of any Senior Debt or any default therein within five (5) Business Days of the date it is incurred or occurs. Such notice shall provide Payee access to all documents executed in connection therewith.

8. Default; Acceleration. Upon the occurrence of an Event of Default, Payee, at Payee's option and without the need for presentment, demand, protest, or other notice of any kind, upon obtaining the requisite concurrence under Section 13.2 of the Securities Purchase Agreement may declare all unpaid principal hereof and interest hereunder, to be immediately due and payable and the same shall become immediately due and payable upon such declaration; provided that in the event of any Event of Default specified in Sections 13.1(j)-(k) of the Securities Purchase Agreement, all such amounts shall become immediately due and payable automatically and without any requirement of notice from Payee.

9. Certain Waivers. Maker and any endorser or guarantor hereof (collectively, the "Obligors") and each of them (i) waive presentment, diligence, protest, demand, notice of demand, notice of acceptance or reliance, notice of non-payment, notice of dishonor, notice of protest and all other notices to parties in connection with the delivery, acceptance, performance, default or enforcement of this Debenture, any endorsement or guaranty of this Debenture, or any collateral or other security; (ii) consent to any and all delays, extensions, renewals or other modifications of this Debenture, any related document or the debts or collateral evidenced hereby or thereby or any waivers of any term hereof or thereof, any release, surrender, taking of additional, substitution, exchange, failure to perfect, record, preserve, realize upon, or lawfully dispose of or any other impairment of any collateral or other security, or any other failure to act by Payee or any other forbearance or indulgence shown by Payee, from time to time and in one or more instances (without notice to or assent from any of the Obligors) and agree that none of the foregoing shall release, discharge or otherwise impair any of their liabilities; (iii) agree that the full or partial release or discharge of any Obligor shall not release, discharge or otherwise impair the liabilities of any other Obligor; and (iv) otherwise waive any other defenses based on suretyship or impairment of collateral.

10. Registration and Transfer of this Debenture. Maker shall keep at the principal executive office of Maker a register , in which Maker shall provide for the registration and transfer of this Debenture. Any transfer of this Debenture is subject to compliance with applicable securities laws and regulations. Notwithstanding the generality of the foregoing, no transfer may be effected except in compliance with the terms and restrictions on transfer of this Debenture set forth in the Securities Purchase Agreement. The Payee of this Debenture, at such Payee's option,

may in person or by duly authorized attorney surrender this Debenture for exchange at the principal office of Maker, to receive in exchange therefor a new Debenture, as may be requested by Payee, of the same series and in the same unpaid principal amount as the aggregate unpaid principal amount of the Debenture so surrendered; provided, however, that any transfer tax relating to such transaction shall be paid by Payee requesting the exchange. Each such new Debenture shall be dated as of the date to which interest has been paid and shall be in such principal amount and registered in such name or names as such Payee may designate in writing. Neither this Debenture nor any replacement Debenture may be transferred or assigned in part.

11. Lost Documents. Upon receipt by Maker of evidence satisfactory to ~~them~~**it** of the loss, theft, destruction or mutilation of this Debenture or any Debentures exchanged for it, and of indemnity satisfactory to it, and upon reimbursement to Maker of all reasonable expenses incidental thereto, and upon surrender and cancellation of such Debenture, if mutilated, Maker will make and deliver in lieu of such Debenture a new Debenture of the same series and of like tenor and unpaid principal amount and dated as of the date to which interest has been paid on the unpaid principal amount of the Debenture in lieu of which such new Debenture is made and delivered.

12. Commercial Transaction; Jury Waiver. MAKER ACKNOWLEDGES THAT THE TRANSACTION OF WHICH THIS DEBENTURE IS A PART IS A COMMERCIAL TRANSACTION. MAKER HEREBY KNOWINGLY AND VOLUNTARILY WAIVES TRIAL BY JURY AND THE RIGHT THERETO IN ANY ACTION OR PROCEEDING OF ANY KIND, ARISING UNDER OR OUT OF, OR OTHERWISE RELATED TO OR OTHERWISE CONNECTED WITH, THIS DEBENTURE AND/OR ANY RELATED DOCUMENT. MAKER FURTHER ACKNOWLEDGES THAT IT HAS HAD AN OPPORTUNITY TO REVIEW THIS DEBENTURE AND THE OTHER DOCUMENTS EXECUTED IN CONNECTION HEREWITH WITH ITS COUNSEL AND THAT MAKER ON ITS OWN HAS MADE THE DETERMINATION TO EXECUTE THIS DEBENTURE AND ALL OTHER DOCUMENTS TO WHICH MAKER IS A PARTY AFTER CONSIDERATION OF ALL OF THE TERMS OF THIS DEBENTURE AND SUCH OTHER DOCUMENTS (INCLUDING THE INTEREST RATE) AND OF ALL OTHER FACTORS WHICH MAKER CONSIDERS RELEVANT.

13. Binding Nature. This Debenture shall bind Maker and its successors and permitted assigns and shall inure to the benefit of Payee and Payee's successors and assigns. The term "Payee" as used herein shall include, in addition to the initial Payee, any successors, endorsees, or other assignees of such Payee and shall also include any other holder of this Debenture. Maker may not assign any of its rights hereunder without the prior written consent of Payee.

14. Governing Law; Jurisdiction, Venue and Service. This Debenture shall be governed by and construed and interpreted in accordance with the laws of the State of New York without regard to its rules pertaining to conflicts of laws.

15. Waiver of Trial by Jury.

PURCHASERS AND MAKER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDINGS, CLAIMS OR COUNTER-CLAIMS, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, ARISING OUT OF OR IN ANY WAY RELATING TO THIS AGREEMENT OR THE OTHER PURCHASE DOCUMENTS.

16. Miscellaneous. No delay or omission by Payee in exercising any right or remedy hereunder shall operate as a waiver of such right or remedy or any other right or remedy; and a waiver on one occasion shall not be a bar to or waiver of any right or remedy on any other occasion. All rights and remedies of Payee hereunder, any other applicable document and under applicable law shall be cumulative and not in the alternative. No provision of this Debenture may be waived or modified orally but only by a writing signed by the party against whom enforcement of such amendment, waiver or other modification is sought.

17. Notices. All notices, requests, consents and demands shall be made in writing and shall be mailed first class postage prepaid, delivered by overnight courier providing proof of delivery, or delivered by hand or by messenger to Maker or to Payee at their respective addresses set forth in Section 16.3 of the Securities Purchase Agreement or at such other respective addresses as may be furnished in writing to each other.

18. Secured. This Debenture is secured pursuant to the Security Agreement, dated as of the date hereof, entered into pursuant to the Securities Purchase Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Maker has executed and delivered this Debenture as of the day and year first written above.

MAKER:

[BORROWERNATURAL AMERICAN FOODS, INC.]

By: _____

Name: _____

Title: _____

PAYEE'S RIGHTS UNDER THIS AGREEMENT AND THE DOCUMENTS AND INSTRUMENTS REFERRED TO HEREIN AND THEREIN ARE SUBORDINATE TO THE RIGHTS OF HC CAPITAL HOLDINGS 0909A, LLC AS SET FORTH IN THAT CERTAIN INTERCREDITOR AND SUBORDINATION AGREEMENT DATED ON OR ABOUT THE DATE HEREOF TO WHICH HC CAPITAL HOLDINGS 0909A, LLC AND PAYEE, AMONG OTHERS, ARE PARTIES (THE "SUBORDINATION AGREEMENT").

THIS DEBENTURE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY APPLICABLE STATE SECURITIES LAW AND MAY NOT BE TRANSFERRED UNLESS (i) THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR SUCH APPLICABLE STATE SECURITIES LAWS, OR (ii) IN THE OPINION OF COUNSEL REASONABLY ACCEPTABLE TO MAKER REGISTRATION UNDER THE SECURITIES ACT OR SUCH APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED IN CONNECTION WITH SUCH TRANSFER.

10% SENIOR SUBORDINATED DEBENTURE

DUE DECEMBER 31, 2018

$1,330,800.00 **December 31, 2013**

FOR VALUE RECEIVED, NATURAL AMERICAN FOODS, INC., a Delaware corporation ("Maker") hereby unconditionally and jointly and severally promises to pay to the order of Argosy Investment Partners III, L.P., a Delaware limited partnership with an address at 950 West Valley Road, Suite 2900, Wayne, PA 19087 ("Payee"), or registered assigns, at the address of Payee set forth above or at such other address as the holder hereof may designate, in lawful money of the United States, the principal sum of ONE MILLION THREE HUNDRED THIRTY THOUSAND EIGHT HUNDRED Dollars and 00/100 Cents ($1,330,800.00) together with interest thereon as provided for below.

This Debenture has been issued pursuant to a Securities Purchase Agreement dated on or about December 31, 2013, to which Maker and Payee are parties (as amended, restated or otherwise modified from time to time, the "Securities Purchase Agreement"), a copy of which is available for inspection at the principal office of Maker. This Debenture is subject and entitled to the benefits of the terms, conditions, covenants and agreements contained in the Securities Purchase Agreement, including restrictions regarding transferability. Capitalized terms used herein without definition shall have the meanings set forth in the Securities Purchase Agreement. Reference to the Securities Purchase Agreement shall in no way impair the absolute and unconditional obligation of the Maker to pay both the principal of, and the interest and other fees provided for in, this Debenture as provided herein.

1. Interest. Interest shall accrue on the outstanding principal balance hereof at a rate equal to ten percent (10%) per annum, payable monthly in arrears, on the first (1st) day of each month commencing February, 2014 and continuing until the Maturity Date (as defined below) at which time the principal balance and all accrued and unpaid interest shall be paid in full. Interest

shall be computed on the basis of elapsed days in a 360-day year. Interest shall be paid in cash or, if on such payment date the Fixed Charge Coverage Ratio is not at least 1.50:1.00, by capitalizing the amount of such interest by increasing the principal amount of obligations hereunder by the amount of such interest (such capitalized interest, the "PIK Interest").

Maker agrees to pay interest (computed on the same basis as set forth above) on any principal and (to the extent legally enforceable) on any overdue installment of principal and interest not paid within ten (10) days of the date when due, at the stated rate plus 5% per annum (or, in each case, at the highest rate permitted by applicable law, whichever is less) until paid .

Anything contained in this Debenture to the contrary notwithstanding, Payee does not intend to charge and Maker shall not be required to pay interest or other charges in excess of the maximum rate permitted by applicable law. Any payments in excess of such maximum rate shall be refunded to Maker or credited against principal, as Payee elects.

2. Payment of Principal and Interest. Maker shall pay any accrued and unpaid principal hereof and interest thereon in one lump payment due on the earlier of (i) December 31, 2018 or (ii) the occurrence of an Exit Event (such earlier date the "Maturity Date"). For purposes of this Debenture, an "Exit Event" shall be defined to mean: (i) all or substantially all of the Maker's assets, on a consolidated basis, are sold as an entirety to any person or related group of persons and the Maker shall thereafter promptly liquidate, or (ii) there shall be consummated any consolidation or merger of the Maker in which the Maker is not the continuing or surviving company (except for in the case of (i) or (ii) any transaction in which the holders of all outstanding stock of the Maker immediately prior to such transaction have, directly or indirectly, at least a majority of all classes of all outstanding stock or other equity interests of the transferee or of the continuing or surviving company immediately after such sale of assets or consolidation or merger) or (iii) consummation of a Change of Control as defined in the Senior Loan Agreement as of the date hereof. Both the principal hereof and interest hereon shall be payable by lawful currency of the United States of America (or, in the case of PIK Interest, by capitalizing the amount of such PIK Interest) and in funds immediately available to Payee to a bank account designated in writing by Payee to Maker concurrently with its execution of this Debenture.

3. Other Debentures. Notwithstanding anything to the contrary, this Debenture shall be deemed and treated pari passu with all other Debentures issued under the Securities Purchase Agreement.

4. Liquidation Right. In the event of any voluntary or involuntary liquidation, dissolution or winding up of Maker, this Debenture shall be entitled to a claim in liquidation after the payment in full of all Senior Debt as defined in the Subordination Agreement but before participation by the holders of any equity of Maker. The amount of the claim in liquidation shall equal the amount to which Payee of this Debenture would be entitled in the case of payment, whether or not this Debenture is eligible for payment at the time of liquidation.

5. Prepayment. The Maker may prepay the principal hereof and all interest thereon in whole or in part at any time after written notice to Payee; provided that (a) any partial prepayment of principal is in multiples of $50,000; and (b) the notice provided for above sets

forth the date the prepayment will be made. At the time of any prepayment, all interest owing on the amount prepaid to the date of payment must simultaneously be paid.

6. Expenses. Maker agrees to pay Payee, on demand, for all reasonable costs and expenses, including, but not limited to, reasonable attorneys' fees, incurred in the collection, enforcement, modification, restatement, replacement or amendment of this Debenture.

7. Disclosure of Senior Debt. Maker shall notify Payee of the creation, and any subsequent written modification, extension, renewal, replacement or rollover, of any Senior Debt or any default therein within five (5) Business Days of the date it is incurred or occurs. Such notice shall provide Payee access to all documents executed in connection therewith.

8. Default; Acceleration. Upon the occurrence of an Event of Default, Payee, at Payee's option and without the need for presentment, demand, protest, or other notice of any kind, upon obtaining the requisite concurrence under Section 13.2 of the Securities Purchase Agreement may declare all unpaid principal hereof and interest hereunder, to be immediately due and payable and the same shall become immediately due and payable upon such declaration; provided that in the event of any Event of Default specified in Sections 13.1(j)-(k) of the Securities Purchase Agreement, all such amounts shall become immediately due and payable automatically and without any requirement of notice from Payee.

9. Certain Waivers. Maker and any endorser or guarantor hereof (collectively, the "Obligors") and each of them (i) waive presentment, diligence, protest, demand, notice of demand, notice of acceptance or reliance, notice of non-payment, notice of dishonor, notice of protest and all other notices to parties in connection with the delivery, acceptance, performance, default or enforcement of this Debenture, any endorsement or guaranty of this Debenture, or any collateral or other security; (ii) consent to any and all delays, extensions, renewals or other modifications of this Debenture, any related document or the debts or collateral evidenced hereby or thereby or any waivers of any term hereof or thereof, any release, surrender, taking of additional, substitution, exchange, failure to perfect, record, preserve, realize upon, or lawfully dispose of or any other impairment of any collateral or other security, or any other failure to act by Payee or any other forbearance or indulgence shown by Payee, from time to time and in one or more instances (without notice to or assent from any of the Obligors) and agree that none of the foregoing shall release, discharge or otherwise impair any of their liabilities; (iii) agree that the full or partial release or discharge of any Obligor shall not release, discharge or otherwise impair the liabilities of any other Obligor; and (iv) otherwise waive any other defenses based on suretyship or impairment of collateral.

10. Registration and Transfer of this Debenture. Maker shall keep at the principal executive office of Maker a register , in which Maker shall provide for the registration and transfer of this Debenture. Any transfer of this Debenture is subject to compliance with applicable securities laws and regulations. Notwithstanding the generality of the foregoing, no transfer may be effected except in compliance with the terms and restrictions on transfer of this Debenture set forth in the Securities Purchase Agreement. The Payee of this Debenture, at such Payee's option, may in person or by duly authorized attorney surrender this Debenture for exchange at the principal office of Maker, to receive in exchange therefor a new Debenture, as may be requested by Payee, of the same series and in the same unpaid principal amount as the aggregate unpaid principal amount of the Debenture so surrendered; provided, however, that any

transfer tax relating to such transaction shall be paid by Payee requesting the exchange. Each such new Debenture shall be dated as of the date to which interest has been paid and shall be in such principal amount and registered in such name or names as such Payee may designate in writing. Neither this Debenture nor any replacement Debenture may be transferred or assigned in part.

11. Lost Documents. Upon receipt by Maker of evidence satisfactory to it of the loss, theft, destruction or mutilation of this Debenture or any Debentures exchanged for it, and of indemnity satisfactory to it, and upon reimbursement to Maker of all reasonable expenses incidental thereto, and upon surrender and cancellation of such Debenture, if mutilated, Maker will make and deliver in lieu of such Debenture a new Debenture of the same series and of like tenor and unpaid principal amount and dated as of the date to which interest has been paid on the unpaid principal amount of the Debenture in lieu of which such new Debenture is made and delivered.

12. Commercial Transaction; Jury Waiver. MAKER ACKNOWLEDGES THAT THE TRANSACTION OF WHICH THIS DEBENTURE IS A PART IS A COMMERCIAL TRANSACTION. MAKER HEREBY KNOWINGLY AND VOLUNTARILY WAIVES TRIAL BY JURY AND THE RIGHT THERETO IN ANY ACTION OR PROCEEDING OF ANY KIND, ARISING UNDER OR OUT OF, OR OTHERWISE RELATED TO OR OTHERWISE CONNECTED WITH, THIS DEBENTURE AND/OR ANY RELATED DOCUMENT. MAKER FURTHER ACKNOWLEDGES THAT IT HAS HAD AN OPPORTUNITY TO REVIEW THIS DEBENTURE AND THE OTHER DOCUMENTS EXECUTED IN CONNECTION HEREWITH WITH ITS COUNSEL AND THAT MAKER ON ITS OWN HAS MADE THE DETERMINATION TO EXECUTE THIS DEBENTURE AND ALL OTHER DOCUMENTS TO WHICH MAKER IS A PARTY AFTER CONSIDERATION OF ALL OF THE TERMS OF THIS DEBENTURE AND SUCH OTHER DOCUMENTS (INCLUDING THE INTEREST RATE) AND OF ALL OTHER FACTORS WHICH MAKER CONSIDERS RELEVANT.

13. Binding Nature. This Debenture shall bind Maker and its successors and permitted assigns and shall inure to the benefit of Payee and Payee's successors and assigns. The term "Payee" as used herein shall include, in addition to the initial Payee, any successors, endorsees, or other assignees of such Payee and shall also include any other holder of this Debenture. Maker may not assign any of its rights hereunder without the prior written consent of Payee.

14. Governing Law; Jurisdiction, Venue and Service. This Debenture shall be governed by and construed and interpreted in accordance with the laws of the State of New York without regard to its rules pertaining to conflicts of laws.

15. Waiver of Trial by Jury.

PURCHASERS AND MAKER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDINGS, CLAIMS OR COUNTER-CLAIMS, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, ARISING OUT OF OR IN ANY WAY RELATING TO THIS AGREEMENT OR THE OTHER PURCHASE DOCUMENTS.

16. Miscellaneous. No delay or omission by Payee in exercising any right or remedy hereunder shall operate as a waiver of such right or remedy or any other right or remedy; and a waiver on one occasion shall not be a bar to or waiver of any right or remedy on any other occasion. All rights and remedies of Payee hereunder, any other applicable document and under applicable law shall be cumulative and not in the alternative. No provision of this Debenture may be waived or modified orally but only by a writing signed by the party against whom enforcement of such amendment, waiver or other modification is sought.

17. Notices. All notices, requests, consents and demands shall be made in writing and shall be mailed first class postage prepaid, delivered by overnight courier providing proof of delivery, or delivered by hand or by messenger to Maker or to Payee at their respective addresses set forth in Section 16.3 of the Securities Purchase Agreement or at such other respective addresses as may be furnished in writing to each other.

18. Secured. This Debenture is secured pursuant to the Security Agreement, dated as of the date hereof, entered into pursuant to the Securities Purchase Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Maker has executed and delivered this Debenture as of the day and year first written above.

MAKER:

NATURAL AMERICAN FOODS, INC.

By:_____
Name:
Title:

~~[FORM OF DEBENTURE]~~**PAYEE'S RIGHTS UNDER THIS AGREEMENT AND THE DOCUMENTS AND INSTRUMENTS REFERRED TO HEREIN AND THEREIN ARE SUBORDINATE TO THE RIGHTS OF HC CAPITAL HOLDINGS 0909A, LLC AS SET FORTH IN THAT CERTAIN INTERCREDITOR AND SUBORDINATION AGREEMENT DATED ON OR ABOUT THE DATE HEREOF TO WHICH HC CAPITAL HOLDINGS 0909A, LLC AND PAYEE, AMONG OTHERS, ARE PARTIES (THE "SUBORDINATION AGREEMENT").**

THIS DEBENTURE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY APPLICABLE STATE SECURITIES LAW AND MAY NOT BE TRANSFERRED UNLESS (i) THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR SUCH APPLICABLE STATE SECURITIES LAWS, OR (ii) IN THE OPINION OF COUNSEL REASONABLY ACCEPTABLE TO MAKER REGISTRATION UNDER THE SECURITIES ACT OR SUCH APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED IN CONNECTION WITH SUCH TRANSFER.

10% SENIOR SUBORDINATED DEBENTURE

DUE ~~[_____]~~[1]DECEMBER 31, 2018

$~~[_____]~~ ~~[_____]~~1,330,800.00
December 31, 2013

FOR VALUE RECEIVED, ~~[BORROWER~~**NATURAL AMERICAN FOODS**, INC.~~]~~, a Delaware corporation ("Maker") hereby unconditionally and jointly and severally promises to pay to the order of ~~[~~Argosy Investment Partners III, L.P., a Delaware limited partnership with an address at 950 West Valley Road, Suite 2900, Wayne, PA 19087 ("Payee")~~]~~[2], or registered assigns, at the address of Payee set forth above or at such other address as the holder hereof may designate, in lawful money of the United States, the principal sum of ~~[WRITTEN AMOUNT]~~**ONE MILLION THREE HUNDRED THIRTY THOUSAND EIGHT HUNDRED** Dollars and 00/100 Cents ($~~[_____]~~**1,330,800.00**) together with interest thereon as provided for below.

This Debenture has been issued pursuant to a Securities Purchase Agreement dated on or about ~~[_____]~~,**December 31, 2013,** to which Maker and Payee are parties (as amended, restated or otherwise modified from time to time, the "Securities Purchase Agreement"), a copy of which is available for inspection at the principal office of Maker. This Debenture is subject and entitled to the benefits of the terms, conditions, covenants and agreements contained in the Securities Purchase Agreement, including restrictions regarding transferability. Capitalized terms used herein without definition shall have the meanings set forth in the Securities Purchase Agreement. Reference to the Securities Purchase Agreement shall in no way impair the absolute and

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~~[1] 5 year maturity date~~

~~[2] To be conformed for each payee~~

unconditional obligation of the Maker to pay both the principal of, and the interest and other fees provided for in, this Debenture as provided herein.

1. Interest. Interest shall accrue on the outstanding principal balance hereof at a rate equal to ten percent (10%) per annum, payable monthly in arrears, on the first (1st) day of each month commencing ~~[_____]~~**February, 2014** and continuing until the Maturity Date (as defined below) at which time the principal balance and all accrued and unpaid interest shall be paid in full. Interest shall be computed on the basis of elapsed days in a 360-day year. Interest shall be paid in cash or, if on such payment date the Fixed Charge Coverage Ratio is not at least ~~[____:1.00],~~**1.50:1.00,** by capitalizing the amount of such interest by increasing the principal amount of obligations hereunder by the amount of such interest (such capitalized interest, the "PIK Interest").

Maker agrees to pay interest (computed on the same basis as set forth above) on any principal and (to the extent legally enforceable) on any overdue installment of principal and interest not paid within ten (10) days of the date when due, at the stated rate plus 5% per annum (or, in each case, at the highest rate permitted by applicable law, whichever is less) until paid .

Anything contained in this Debenture to the contrary notwithstanding, Payee does not intend to charge and Maker shall not be required to pay interest or other charges in excess of the maximum rate permitted by applicable law. Any payments in excess of such maximum rate shall be refunded to Maker or credited against principal, as Payee elects.

2. Payment of Principal and Interest. Maker shall pay any accrued and unpaid principal hereof and interest thereon in one lump payment due on the earlier of (i) ~~[five year date]~~**December 31, 2018** or (ii) the occurrence of an Exit Event (such earlier date the "Maturity Date"). For purposes of this Debenture, an "Exit Event" shall be defined to mean: (i) all or substantially all of the Maker's assets, on a consolidated basis, are sold as an entirety to any person or related group of persons and the Maker shall thereafter promptly liquidate, or (ii) there shall be consummated any consolidation or merger of the Maker in which the Maker is not the continuing or surviving company (except for in the case of (i) or (ii) any transaction in which the holders of all outstanding stock of the Maker immediately prior to such transaction have, directly or indirectly, at least a majority of all classes of all outstanding stock or other equity interests of the transferee or of the continuing or surviving company immediately after such sale of assets or consolidation or merger)~~.~~ **or (iii) consummation of a Change of Control as defined in the Senior Loan Agreement as of the date hereof.** Both the principal hereof and interest hereon shall be payable by lawful currency of the United States of America (or, in the case of PIK Interest, by capitalizing the amount of such PIK Interest) and in funds immediately available to Payee to a bank account designated in writing by Payee to Maker concurrently with its execution of this Debenture.

3. Other Debentures. Notwithstanding anything to the contrary, this Debenture shall be deemed and treated pari passu with all other Debentures issued under the Securities Purchase Agreement.

4. Liquidation Right. In the event of any voluntary or involuntary liquidation, dissolution or winding up of Maker, this Debenture shall be entitled to a claim in liquidation after the payment in full of all Senior Debt as defined in the Subordination Agreement but before participation by the holders of any equity of Maker. The amount of the claim in liquidation shall equal the amount to which Payee of this Debenture would be entitled in the case of payment, whether or not

this Debenture is eligible for payment at the time of liquidation.

5. Prepayment. The Maker may prepay the principal hereof and all interest thereon in whole or in part at any time after written notice to Payee; provided that (a) any partial prepayment of principal is in multiples of $50,000; and (b) the notice provided for above sets forth the date the prepayment will be made. At the time of any prepayment, all interest owing on the amount prepaid to the date of payment must simultaneously be paid.

6. Expenses. Maker agrees to pay Payee, on demand, for all reasonable costs and expenses, including, but not limited to, reasonable attorneys' fees, incurred in the collection, enforcement, modification, restatement, replacement or amendment of this Debenture.

7. Disclosure of Senior Debt. Maker shall notify Payee of the creation, and any subsequent written modification, extension, renewal, replacement or rollover, of any Senior Debt or any default therein within five (5) Business Days of the date it is incurred or occurs. Such notice shall provide Payee access to all documents executed in connection therewith.

8. Default; Acceleration. Upon the occurrence of an Event of Default, Payee, at Payee's option and without the need for presentment, demand, protest, or other notice of any kind, upon obtaining the requisite concurrence under Section 13.2 of the Securities Purchase Agreement may declare all unpaid principal hereof and interest hereunder, to be immediately due and payable and the same shall become immediately due and payable upon such declaration; provided that in the event of any Event of Default specified in Sections 13.1(j)-(k) of the Securities Purchase Agreement, all such amounts shall become immediately due and payable automatically and without any requirement of notice from Payee.

9. Certain Waivers. Maker and any endorser or guarantor hereof (collectively, the "Obligors") and each of them (i) waive presentment, diligence, protest, demand, notice of demand, notice of acceptance or reliance, notice of non-payment, notice of dishonor, notice of protest and all other notices to parties in connection with the delivery, acceptance, performance, default or enforcement of this Debenture, any endorsement or guaranty of this Debenture, or any collateral or other security; (ii) consent to any and all delays, extensions, renewals or other modifications of this Debenture, any related document or the debts or collateral evidenced hereby or thereby or any waivers of any term hereof or thereof, any release, surrender, taking of additional, substitution, exchange, failure to perfect, record, preserve, realize upon, or lawfully dispose of or any other impairment of any collateral or other security, or any other failure to act by Payee or any other forbearance or indulgence shown by Payee, from time to time and in one or more instances (without notice to or assent from any of the Obligors) and agree that none of the foregoing shall release, discharge or otherwise impair any of their liabilities; (iii) agree that the full or partial release or discharge of any Obligor shall not release, discharge or otherwise impair the liabilities of any other Obligor; and (iv) otherwise waive any other defenses based on suretyship or impairment of collateral.

10. Registration and Transfer of this Debenture. Maker shall keep at the principal executive office of Maker a register , in which Maker shall provide for the registration and transfer of this Debenture. Any transfer of this Debenture is subject to compliance with applicable securities laws and regulations. Notwithstanding the generality of the foregoing, no transfer may be effected except in compliance with the terms and restrictions on transfer of this Debenture set forth in the Securities Purchase Agreement. The Payee of this Debenture, at such Payee's option,

may in person or by duly authorized attorney surrender this Debenture for exchange at the principal office of Maker, to receive in exchange therefor a new Debenture, as may be requested by Payee, of the same series and in the same unpaid principal amount as the aggregate unpaid principal amount of the Debenture so surrendered; provided, however, that any transfer tax relating to such transaction shall be paid by Payee requesting the exchange. Each such new Debenture shall be dated as of the date to which interest has been paid and shall be in such principal amount and registered in such name or names as such Payee may designate in writing. Neither this Debenture nor any replacement Debenture may be transferred or assigned in part.

11. Lost Documents. Upon receipt by Maker of evidence satisfactory to ~~them~~**it** of the loss, theft, destruction or mutilation of this Debenture or any Debentures exchanged for it, and of indemnity satisfactory to it, and upon reimbursement to Maker of all reasonable expenses incidental thereto, and upon surrender and cancellation of such Debenture, if mutilated, Maker will make and deliver in lieu of such Debenture a new Debenture of the same series and of like tenor and unpaid principal amount and dated as of the date to which interest has been paid on the unpaid principal amount of the Debenture in lieu of which such new Debenture is made and delivered.

12. Commercial Transaction; Jury Waiver. MAKER ACKNOWLEDGES THAT THE TRANSACTION OF WHICH THIS DEBENTURE IS A PART IS A COMMERCIAL TRANSACTION. MAKER HEREBY KNOWINGLY AND VOLUNTARILY WAIVES TRIAL BY JURY AND THE RIGHT THERETO IN ANY ACTION OR PROCEEDING OF ANY KIND, ARISING UNDER OR OUT OF, OR OTHERWISE RELATED TO OR OTHERWISE CONNECTED WITH, THIS DEBENTURE AND/OR ANY RELATED DOCUMENT. MAKER FURTHER ACKNOWLEDGES THAT IT HAS HAD AN OPPORTUNITY TO REVIEW THIS DEBENTURE AND THE OTHER DOCUMENTS EXECUTED IN CONNECTION HEREWITH WITH ITS COUNSEL AND THAT MAKER ON ITS OWN HAS MADE THE DETERMINATION TO EXECUTE THIS DEBENTURE AND ALL OTHER DOCUMENTS TO WHICH MAKER IS A PARTY AFTER CONSIDERATION OF ALL OF THE TERMS OF THIS DEBENTURE AND SUCH OTHER DOCUMENTS (INCLUDING THE INTEREST RATE) AND OF ALL OTHER FACTORS WHICH MAKER CONSIDERS RELEVANT.

13. Binding Nature. This Debenture shall bind Maker and its successors and permitted assigns and shall inure to the benefit of Payee and Payee's successors and assigns. The term "Payee" as used herein shall include, in addition to the initial Payee, any successors, endorsees, or other assignees of such Payee and shall also include any other holder of this Debenture. Maker may not assign any of its rights hereunder without the prior written consent of Payee.

14. Governing Law; Jurisdiction, Venue and Service. This Debenture shall be governed by and construed and interpreted in accordance with the laws of the State of New York without regard to its rules pertaining to conflicts of laws.

15. Waiver of Trial by Jury.

PURCHASERS AND MAKER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDINGS, CLAIMS OR COUNTER-CLAIMS, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, ARISING OUT OF OR IN ANY WAY RELATING TO THIS AGREEMENT OR THE OTHER PURCHASE DOCUMENTS.

16. Miscellaneous. No delay or omission by Payee in exercising any right or remedy hereunder shall operate as a waiver of such right or remedy or any other right or remedy; and a waiver on one occasion shall not be a bar to or waiver of any right or remedy on any other occasion. All rights and remedies of Payee hereunder, any other applicable document and under applicable law shall be cumulative and not in the alternative. No provision of this Debenture may be waived or modified orally but only by a writing signed by the party against whom enforcement of such amendment, waiver or other modification is sought.

17. Notices. All notices, requests, consents and demands shall be made in writing and shall be mailed first class postage prepaid, delivered by overnight courier providing proof of delivery, or delivered by hand or by messenger to Maker or to Payee at their respective addresses set forth in Section 16.3 of the Securities Purchase Agreement or at such other respective addresses as may be furnished in writing to each other.

18. Secured. This Debenture is secured pursuant to the Security Agreement, dated as of the date hereof, entered into pursuant to the Securities Purchase Agreement.

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IN WITNESS WHEREOF, Maker has executed and delivered this Debenture as of the day and year first written above.

MAKER:

[BORROWERNATURAL AMERICAN FOODS, INC.]

By: _____

Name: _____

Title: _____

PAYEE'S RIGHTS UNDER THIS AGREEMENT AND THE DOCUMENTS AND INSTRUMENTS REFERRED TO HEREIN AND THEREIN ARE SUBORDINATE TO THE RIGHTS OF HC CAPITAL HOLDINGS 0909A, LLC AS SET FORTH IN THAT CERTAIN INTERCREDITOR AND SUBORDINATION AGREEMENT DATED ON OR ABOUT THE DATE HEREOF TO WHICH HC CAPITAL HOLDINGS 0909A, LLC AND PAYEE, AMONG OTHERS, ARE PARTIES (THE "SUBORDINATION AGREEMENT").

THIS DEBENTURE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY APPLICABLE STATE SECURITIES LAW AND MAY NOT BE TRANSFERRED UNLESS (i) THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR SUCH APPLICABLE STATE SECURITIES LAWS, OR (ii) IN THE OPINION OF COUNSEL REASONABLY ACCEPTABLE TO MAKER REGISTRATION UNDER THE SECURITIES ACT OR SUCH APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED IN CONNECTION WITH SUCH TRANSFER.

10% SENIOR SUBORDINATED DEBENTURE

DUE DECEMBER 31, 2018

$160,800.00 **December 31, 2013**

FOR VALUE RECEIVED, NATURAL AMERICAN FOODS, INC., a Delaware corporation ("Maker") hereby unconditionally and jointly and severally promises to pay to the order of Horizon Capital Partners III, L.P., a Delaware limited partnership with an address at 3838 Tamiami Trail N., Suite 408, Naples, Florida ("Payee"), or registered assigns, at the address of Payee set forth above or at such other address as the holder hereof may designate, in lawful money of the United States, the principal sum of ONE HUNDRED SIXTY THOUSAND EIGHT HUNDRED Dollars and 00/100 Cents ($160,800.00) together with interest thereon as provided for below.

This Debenture has been issued pursuant to a Securities Purchase Agreement dated on or about December 31, 2013, to which Maker and Payee are parties (as amended, restated or otherwise modified from time to time, the "Securities Purchase Agreement"), a copy of which is available for inspection at the principal office of Maker. This Debenture is subject and entitled to the benefits of the terms, conditions, covenants and agreements contained in the Securities Purchase Agreement, including restrictions regarding transferability. Capitalized terms used herein without definition shall have the meanings set forth in the Securities Purchase Agreement. Reference to the Securities Purchase Agreement shall in no way impair the absolute and unconditional obligation of the Maker to pay both the principal of, and the interest and other fees provided for in, this Debenture as provided herein.

1. Interest. Interest shall accrue on the outstanding principal balance hereof at a rate equal to ten percent (10%) per annum, payable monthly in arrears, on the first (1st) day of each month commencing February, 2014 and continuing until the Maturity Date (as defined below) at which time the principal balance and all accrued and unpaid interest shall be paid in full. Interest

shall be computed on the basis of elapsed days in a 360-day year. Interest shall be paid in cash or, if on such payment date the Fixed Charge Coverage Ratio is not at least 1.50:1.00, by capitalizing the amount of such interest by increasing the principal amount of obligations hereunder by the amount of such interest (such capitalized interest, the "PIK Interest").

Maker agrees to pay interest (computed on the same basis as set forth above) on any principal and (to the extent legally enforceable) on any overdue installment of principal and interest not paid within ten (10) days of the date when due, at the stated rate plus 5% per annum (or, in each case, at the highest rate permitted by applicable law, whichever is less) until paid .

Anything contained in this Debenture to the contrary notwithstanding, Payee does not intend to charge and Maker shall not be required to pay interest or other charges in excess of the maximum rate permitted by applicable law. Any payments in excess of such maximum rate shall be refunded to Maker or credited against principal, as Payee elects.

2. Payment of Principal and Interest. Maker shall pay any accrued and unpaid principal hereof and interest thereon in one lump payment due on the earlier of (i) December 31, 2018 or (ii) the occurrence of an Exit Event (such earlier date the "Maturity Date"). For purposes of this Debenture, an "Exit Event" shall be defined to mean: (i) all or substantially all of the Maker's assets, on a consolidated basis, are sold as an entirety to any person or related group of persons and the Maker shall thereafter promptly liquidate, or (ii) there shall be consummated any consolidation or merger of the Maker in which the Maker is not the continuing or surviving company (except for in the case of (i) or (ii) any transaction in which the holders of all outstanding stock of the Maker immediately prior to such transaction have, directly or indirectly, at least a majority of all classes of all outstanding stock or other equity interests of the transferee or of the continuing or surviving company immediately after such sale of assets or consolidation or merger) or (iii) consummation of a Change of Control as defined in the Senior Loan Agreement as of the date hereof. Both the principal hereof and interest hereon shall be payable by lawful currency of the United States of America (or, in the case of PIK Interest, by capitalizing the amount of such PIK Interest) and in funds immediately available to Payee to a bank account designated in writing by Payee to Maker concurrently with its execution of this Debenture.

3. Other Debentures. Notwithstanding anything to the contrary, this Debenture shall be deemed and treated pari passu with all other Debentures issued under the Securities Purchase Agreement.

4. Liquidation Right. In the event of any voluntary or involuntary liquidation, dissolution or winding up of Maker, this Debenture shall be entitled to a claim in liquidation after the payment in full of all Senior Debt as defined in the Subordination Agreement but before participation by the holders of any equity of Maker. The amount of the claim in liquidation shall equal the amount to which Payee of this Debenture would be entitled in the case of payment, whether or not this Debenture is eligible for payment at the time of liquidation.

5. Prepayment. The Maker may prepay the principal hereof and all interest thereon in whole or in part at any time after written notice to Payee; provided that (a) any partial prepayment of principal is in multiples of $50,000; and (b) the notice provided for above sets

forth the date the prepayment will be made. At the time of any prepayment, all interest owing on the amount prepaid to the date of payment must simultaneously be paid.

6. Expenses. Maker agrees to pay Payee, on demand, for all reasonable costs and expenses, including, but not limited to, reasonable attorneys' fees, incurred in the collection, enforcement, modification, restatement, replacement or amendment of this Debenture.

7. Disclosure of Senior Debt. Maker shall notify Payee of the creation, and any subsequent written modification, extension, renewal, replacement or rollover, of any Senior Debt or any default therein within five (5) Business Days of the date it is incurred or occurs. Such notice shall provide Payee access to all documents executed in connection therewith.

8. Default; Acceleration. Upon the occurrence of an Event of Default, Payee, at Payee's option and without the need for presentment, demand, protest, or other notice of any kind, upon obtaining the requisite concurrence under Section 13.2 of the Securities Purchase Agreement may declare all unpaid principal hereof and interest hereunder, to be immediately due and payable and the same shall become immediately due and payable upon such declaration; provided that in the event of any Event of Default specified in Sections 13.1(j)-(k) of the Securities Purchase Agreement, all such amounts shall become immediately due and payable automatically and without any requirement of notice from Payee.

9. Certain Waivers. Maker and any endorser or guarantor hereof (collectively, the "Obligors") and each of them (i) waive presentment, diligence, protest, demand, notice of demand, notice of acceptance or reliance, notice of non-payment, notice of dishonor, notice of protest and all other notices to parties in connection with the delivery, acceptance, performance, default or enforcement of this Debenture, any endorsement or guaranty of this Debenture, or any collateral or other security; (ii) consent to any and all delays, extensions, renewals or other modifications of this Debenture, any related document or the debts or collateral evidenced hereby or thereby or any waivers of any term hereof or thereof, any release, surrender, taking of additional, substitution, exchange, failure to perfect, record, preserve, realize upon, or lawfully dispose of or any other impairment of any collateral or other security, or any other failure to act by Payee or any other forbearance or indulgence shown by Payee, from time to time and in one or more instances (without notice to or assent from any of the Obligors) and agree that none of the foregoing shall release, discharge or otherwise impair any of their liabilities; (iii) agree that the full or partial release or discharge of any Obligor shall not release, discharge or otherwise impair the liabilities of any other Obligor; and (iv) otherwise waive any other defenses based on suretyship or impairment of collateral.

10. Registration and Transfer of this Debenture. Maker shall keep at the principal executive office of Maker a register , in which Maker shall provide for the registration and transfer of this Debenture. Any transfer of this Debenture is subject to compliance with applicable securities laws and regulations. Notwithstanding the generality of the foregoing, no transfer may be effected except in compliance with the terms and restrictions on transfer of this Debenture set forth in the Securities Purchase Agreement. The Payee of this Debenture, at such Payee's option, may in person or by duly authorized attorney surrender this Debenture for exchange at the principal office of Maker, to receive in exchange therefor a new Debenture, as may be requested by Payee, of the same series and in the same unpaid principal amount as the aggregate unpaid principal amount of the Debenture so surrendered; provided, however, that any

transfer tax relating to such transaction shall be paid by Payee requesting the exchange. Each such new Debenture shall be dated as of the date to which interest has been paid and shall be in such principal amount and registered in such name or names as such Payee may designate in writing. Neither this Debenture nor any replacement Debenture may be transferred or assigned in part.

11. Lost Documents. Upon receipt by Maker of evidence satisfactory to it of the loss, theft, destruction or mutilation of this Debenture or any Debentures exchanged for it, and of indemnity satisfactory to it, and upon reimbursement to Maker of all reasonable expenses incidental thereto, and upon surrender and cancellation of such Debenture, if mutilated, Maker will make and deliver in lieu of such Debenture a new Debenture of the same series and of like tenor and unpaid principal amount and dated as of the date to which interest has been paid on the unpaid principal amount of the Debenture in lieu of which such new Debenture is made and delivered.

12. Commercial Transaction; Jury Waiver. MAKER ACKNOWLEDGES THAT THE TRANSACTION OF WHICH THIS DEBENTURE IS A PART IS A COMMERCIAL TRANSACTION. MAKER HEREBY KNOWINGLY AND VOLUNTARILY WAIVES TRIAL BY JURY AND THE RIGHT THERETO IN ANY ACTION OR PROCEEDING OF ANY KIND, ARISING UNDER OR OUT OF, OR OTHERWISE RELATED TO OR OTHERWISE CONNECTED WITH, THIS DEBENTURE AND/OR ANY RELATED DOCUMENT. MAKER FURTHER ACKNOWLEDGES THAT IT HAS HAD AN OPPORTUNITY TO REVIEW THIS DEBENTURE AND THE OTHER DOCUMENTS EXECUTED IN CONNECTION HEREWITH WITH ITS COUNSEL AND THAT MAKER ON ITS OWN HAS MADE THE DETERMINATION TO EXECUTE THIS DEBENTURE AND ALL OTHER DOCUMENTS TO WHICH MAKER IS A PARTY AFTER CONSIDERATION OF ALL OF THE TERMS OF THIS DEBENTURE AND SUCH OTHER DOCUMENTS (INCLUDING THE INTEREST RATE) AND OF ALL OTHER FACTORS WHICH MAKER CONSIDERS RELEVANT.

13. Binding Nature. This Debenture shall bind Maker and its successors and permitted assigns and shall inure to the benefit of Payee and Payee's successors and assigns. The term "Payee" as used herein shall include, in addition to the initial Payee, any successors, endorsees, or other assignees of such Payee and shall also include any other holder of this Debenture. Maker may not assign any of its rights hereunder without the prior written consent of Payee.

14. Governing Law; Jurisdiction, Venue and Service. This Debenture shall be governed by and construed and interpreted in accordance with the laws of the State of New York without regard to its rules pertaining to conflicts of laws.

15. Waiver of Trial by Jury.

PURCHASERS AND MAKER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDINGS, CLAIMS OR COUNTER-CLAIMS, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, ARISING OUT OF OR IN ANY WAY RELATING TO THIS AGREEMENT OR THE OTHER PURCHASE DOCUMENTS.

16. Miscellaneous. No delay or omission by Payee in exercising any right or remedy hereunder shall operate as a waiver of such right or remedy or any other right or remedy; and a waiver on one occasion shall not be a bar to or waiver of any right or remedy on any other occasion. All rights and remedies of Payee hereunder, any other applicable document and under applicable law shall be cumulative and not in the alternative. No provision of this Debenture may be waived or modified orally but only by a writing signed by the party against whom enforcement of such amendment, waiver or other modification is sought.

17. Notices. All notices, requests, consents and demands shall be made in writing and shall be mailed first class postage prepaid, delivered by overnight courier providing proof of delivery, or delivered by hand or by messenger to Maker or to Payee at their respective addresses set forth in Section 16.3 of the Securities Purchase Agreement or at such other respective addresses as may be furnished in writing to each other.

18. Secured. This Debenture is secured pursuant to the Security Agreement, dated as of the date hereof, entered into pursuant to the Securities Purchase Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Maker has executed and delivered this Debenture as of the day and year first written above.

MAKER:

NATURAL AMERICAN FOODS, INC.

By:_____
Name:
Title:

~~[FORM OF DEBENTURE]~~**PAYEE'S RIGHTS UNDER THIS AGREEMENT AND THE DOCUMENTS AND INSTRUMENTS REFERRED TO HEREIN AND THEREIN ARE SUBORDINATE TO THE RIGHTS OF HC CAPITAL HOLDINGS 0909A, LLC AS SET FORTH IN THAT CERTAIN INTERCREDITOR AND SUBORDINATION AGREEMENT DATED ON OR ABOUT THE DATE HEREOF TO WHICH HC CAPITAL HOLDINGS 0909A, LLC AND PAYEE, AMONG OTHERS, ARE PARTIES (THE "SUBORDINATION AGREEMENT").**

THIS DEBENTURE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY APPLICABLE STATE SECURITIES LAW AND MAY NOT BE TRANSFERRED UNLESS (i) THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR SUCH APPLICABLE STATE SECURITIES LAWS, OR (ii) IN THE OPINION OF COUNSEL REASONABLY ACCEPTABLE TO MAKER REGISTRATION UNDER THE SECURITIES ACT OR SUCH APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED IN CONNECTION WITH SUCH TRANSFER.

10% SENIOR SUBORDINATED DEBENTURE

DUE ~~[_____]~~[1]DECEMBER 31, 2018

$~~[_____]~~160,800.00
December 31, 2013

FOR VALUE RECEIVED, ~~[BORROWER~~**NATURAL AMERICAN FOODS**, INC.~~]~~, a Delaware corporation ("Maker") hereby unconditionally and jointly and severally promises to pay to the order of ~~[Argosy Investment~~**Horizon Capital** Partners III, L.P., a Delaware limited partnership with an address at ~~950 West Valley Road, Suite 2900, Wayne, PA 19087~~**3838 Tamiami Trail N., Suite 408, Naples, Florida** ("Payee")~~]~~[2], or registered assigns, at the address of Payee set forth above or at such other address as the holder hereof may designate, in lawful money of the United States, the principal sum of ~~[WRITTEN AMOUNT]~~**ONE HUNDRED SIXTY THOUSAND EIGHT HUNDRED** Dollars and 00/100 Cents ($~~[_____]~~**160,800.00**) together with interest thereon as provided for below.

This Debenture has been issued pursuant to a Securities Purchase Agreement dated on or about ~~[_____]~~,**December 31, 2013,** to which Maker and Payee are parties (as amended, restated or otherwise modified from time to time, the "Securities Purchase Agreement"), a copy of which is available for inspection at the principal office of Maker. This Debenture is subject and entitled to the benefits of the terms, conditions, covenants and agreements contained in the Securities Purchase Agreement, including restrictions regarding transferability. Capitalized terms used herein without definition shall have the meanings set forth in the Securities Purchase Agreement. Reference to the Securities Purchase Agreement shall in no way impair the absolute and

---

~~[1] 5 year maturity date~~

~~[2] To be conformed for each payee~~

unconditional obligation of the Maker to pay both the principal of, and the interest and other fees provided for in, this Debenture as provided herein.

1. Interest. Interest shall accrue on the outstanding principal balance hereof at a rate equal to ten percent (10%) per annum, payable monthly in arrears, on the first (1st) day of each month commencing ~~[_____]~~**February, 2014** and continuing until the Maturity Date (as defined below) at which time the principal balance and all accrued and unpaid interest shall be paid in full. Interest shall be computed on the basis of elapsed days in a 360-day year. Interest shall be paid in cash or, if on such payment date the Fixed Charge Coverage Ratio is not at least ~~[____:1.00],~~**1.50:1.00,** by capitalizing the amount of such interest by increasing the principal amount of obligations hereunder by the amount of such interest (such capitalized interest, the "PIK Interest").

Maker agrees to pay interest (computed on the same basis as set forth above) on any principal and (to the extent legally enforceable) on any overdue installment of principal and interest not paid within ten (10) days of the date when due, at the stated rate plus 5% per annum (or, in each case, at the highest rate permitted by applicable law, whichever is less) until paid .

Anything contained in this Debenture to the contrary notwithstanding, Payee does not intend to charge and Maker shall not be required to pay interest or other charges in excess of the maximum rate permitted by applicable law. Any payments in excess of such maximum rate shall be refunded to Maker or credited against principal, as Payee elects.

2. Payment of Principal and Interest. Maker shall pay any accrued and unpaid principal hereof and interest thereon in one lump payment due on the earlier of (i) ~~[five year date]~~**December 31, 2018** or (ii) the occurrence of an Exit Event (such earlier date the "Maturity Date"). For purposes of this Debenture, an "Exit Event" shall be defined to mean: (i) all or substantially all of the Maker's assets, on a consolidated basis, are sold as an entirety to any person or related group of persons and the Maker shall thereafter promptly liquidate, or (ii) there shall be consummated any consolidation or merger of the Maker in which the Maker is not the continuing or surviving company (except for in the case of (i) or (ii) any transaction in which the holders of all outstanding stock of the Maker immediately prior to such transaction have, directly or indirectly, at least a majority of all classes of all outstanding stock or other equity interests of the transferee or of the continuing or surviving company immediately after such sale of assets or consolidation or merger)~~.~~ **or (iii) consummation of a Change of Control as defined in the Senior Loan Agreement as of the date hereof.** Both the principal hereof and interest hereon shall be payable by lawful currency of the United States of America (or, in the case of PIK Interest, by capitalizing the amount of such PIK Interest) and in funds immediately available to Payee to a bank account designated in writing by Payee to Maker concurrently with its execution of this Debenture.

3. Other Debentures. Notwithstanding anything to the contrary, this Debenture shall be deemed and treated pari passu with all other Debentures issued under the Securities Purchase Agreement.

4. Liquidation Right. In the event of any voluntary or involuntary liquidation, dissolution or winding up of Maker, this Debenture shall be entitled to a claim in liquidation after the payment in full of all Senior Debt as defined in the Subordination Agreement but before participation by the holders of any equity of Maker. The amount of the claim in liquidation shall equal the amount to which Payee of this Debenture would be entitled in the case of payment, whether or not

this Debenture is eligible for payment at the time of liquidation.

5. Prepayment. The Maker may prepay the principal hereof and all interest thereon in whole or in part at any time after written notice to Payee; provided that (a) any partial prepayment of principal is in multiples of $50,000; and (b) the notice provided for above sets forth the date the prepayment will be made. At the time of any prepayment, all interest owing on the amount prepaid to the date of payment must simultaneously be paid.

6. Expenses. Maker agrees to pay Payee, on demand, for all reasonable costs and expenses, including, but not limited to, reasonable attorneys' fees, incurred in the collection, enforcement, modification, restatement, replacement or amendment of this Debenture.

7. Disclosure of Senior Debt. Maker shall notify Payee of the creation, and any subsequent written modification, extension, renewal, replacement or rollover, of any Senior Debt or any default therein within five (5) Business Days of the date it is incurred or occurs. Such notice shall provide Payee access to all documents executed in connection therewith.

8. Default; Acceleration. Upon the occurrence of an Event of Default, Payee, at Payee's option and without the need for presentment, demand, protest, or other notice of any kind, upon obtaining the requisite concurrence under Section 13.2 of the Securities Purchase Agreement may declare all unpaid principal hereof and interest hereunder, to be immediately due and payable and the same shall become immediately due and payable upon such declaration; provided that in the event of any Event of Default specified in Sections 13.1(j)-(k) of the Securities Purchase Agreement, all such amounts shall become immediately due and payable automatically and without any requirement of notice from Payee.

9. Certain Waivers. Maker and any endorser or guarantor hereof (collectively, the "Obligors") and each of them (i) waive presentment, diligence, protest, demand, notice of demand, notice of acceptance or reliance, notice of non-payment, notice of dishonor, notice of protest and all other notices to parties in connection with the delivery, acceptance, performance, default or enforcement of this Debenture, any endorsement or guaranty of this Debenture, or any collateral or other security; (ii) consent to any and all delays, extensions, renewals or other modifications of this Debenture, any related document or the debts or collateral evidenced hereby or thereby or any waivers of any term hereof or thereof, any release, surrender, taking of additional, substitution, exchange, failure to perfect, record, preserve, realize upon, or lawfully dispose of or any other impairment of any collateral or other security, or any other failure to act by Payee or any other forbearance or indulgence shown by Payee, from time to time and in one or more instances (without notice to or assent from any of the Obligors) and agree that none of the foregoing shall release, discharge or otherwise impair any of their liabilities; (iii) agree that the full or partial release or discharge of any Obligor shall not release, discharge or otherwise impair the liabilities of any other Obligor; and (iv) otherwise waive any other defenses based on suretyship or impairment of collateral.

10. Registration and Transfer of this Debenture. Maker shall keep at the principal executive office of Maker a register , in which Maker shall provide for the registration and transfer of this Debenture. Any transfer of this Debenture is subject to compliance with applicable securities laws and regulations. Notwithstanding the generality of the foregoing, no transfer may be effected except in compliance with the terms and restrictions on transfer of this Debenture set forth in the Securities Purchase Agreement. The Payee of this Debenture, at such Payee's option,

may in person or by duly authorized attorney surrender this Debenture for exchange at the principal office of Maker, to receive in exchange therefor a new Debenture, as may be requested by Payee, of the same series and in the same unpaid principal amount as the aggregate unpaid principal amount of the Debenture so surrendered; provided, however, that any transfer tax relating to such transaction shall be paid by Payee requesting the exchange. Each such new Debenture shall be dated as of the date to which interest has been paid and shall be in such principal amount and registered in such name or names as such Payee may designate in writing. Neither this Debenture nor any replacement Debenture may be transferred or assigned in part.

11. Lost Documents. Upon receipt by Maker of evidence satisfactory to ~~them~~**it** of the loss, theft, destruction or mutilation of this Debenture or any Debentures exchanged for it, and of indemnity satisfactory to it, and upon reimbursement to Maker of all reasonable expenses incidental thereto, and upon surrender and cancellation of such Debenture, if mutilated, Maker will make and deliver in lieu of such Debenture a new Debenture of the same series and of like tenor and unpaid principal amount and dated as of the date to which interest has been paid on the unpaid principal amount of the Debenture in lieu of which such new Debenture is made and delivered.

12. Commercial Transaction; Jury Waiver. MAKER ACKNOWLEDGES THAT THE TRANSACTION OF WHICH THIS DEBENTURE IS A PART IS A COMMERCIAL TRANSACTION. MAKER HEREBY KNOWINGLY AND VOLUNTARILY WAIVES TRIAL BY JURY AND THE RIGHT THERETO IN ANY ACTION OR PROCEEDING OF ANY KIND, ARISING UNDER OR OUT OF, OR OTHERWISE RELATED TO OR OTHERWISE CONNECTED WITH, THIS DEBENTURE AND/OR ANY RELATED DOCUMENT. MAKER FURTHER ACKNOWLEDGES THAT IT HAS HAD AN OPPORTUNITY TO REVIEW THIS DEBENTURE AND THE OTHER DOCUMENTS EXECUTED IN CONNECTION HEREWITH WITH ITS COUNSEL AND THAT MAKER ON ITS OWN HAS MADE THE DETERMINATION TO EXECUTE THIS DEBENTURE AND ALL OTHER DOCUMENTS TO WHICH MAKER IS A PARTY AFTER CONSIDERATION OF ALL OF THE TERMS OF THIS DEBENTURE AND SUCH OTHER DOCUMENTS (INCLUDING THE INTEREST RATE) AND OF ALL OTHER FACTORS WHICH MAKER CONSIDERS RELEVANT.

13. Binding Nature. This Debenture shall bind Maker and its successors and permitted assigns and shall inure to the benefit of Payee and Payee's successors and assigns. The term "Payee" as used herein shall include, in addition to the initial Payee, any successors, endorsees, or other assignees of such Payee and shall also include any other holder of this Debenture. Maker may not assign any of its rights hereunder without the prior written consent of Payee.

14. Governing Law; Jurisdiction, Venue and Service. This Debenture shall be governed by and construed and interpreted in accordance with the laws of the State of New York without regard to its rules pertaining to conflicts of laws.

15. Waiver of Trial by Jury.

PURCHASERS AND MAKER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDINGS, CLAIMS OR COUNTER-CLAIMS, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, ARISING OUT OF OR IN ANY WAY RELATING TO THIS AGREEMENT OR THE OTHER PURCHASE DOCUMENTS.

16. Miscellaneous. No delay or omission by Payee in exercising any right or remedy hereunder shall operate as a waiver of such right or remedy or any other right or remedy; and a waiver on one occasion shall not be a bar to or waiver of any right or remedy on any other occasion. All rights and remedies of Payee hereunder, any other applicable document and under applicable law shall be cumulative and not in the alternative. No provision of this Debenture may be waived or modified orally but only by a writing signed by the party against whom enforcement of such amendment, waiver or other modification is sought.

17. Notices. All notices, requests, consents and demands shall be made in writing and shall be mailed first class postage prepaid, delivered by overnight courier providing proof of delivery, or delivered by hand or by messenger to Maker or to Payee at their respective addresses set forth in Section 16.3 of the Securities Purchase Agreement or at such other respective addresses as may be furnished in writing to each other.

18. Secured. This Debenture is secured pursuant to the Security Agreement, dated as of the date hereof, entered into pursuant to the Securities Purchase Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Maker has executed and delivered this Debenture as of the day and year first written above.

MAKER:

[BORROWERNATURAL AMERICAN FOODS, INC.]

By: _____

Name: _____

Title: _____

SECURITIES PURCHASE AGREEMENT

among

ARGOSY INVESTMENT PARTNERS III, L.P.,

HORIZON CAPITAL PARTNERS III, L.P.,

MARQUETTE CAPITAL FUND I, LP,

and

NATURAL AMERICAN FOODS, INC.

DECEMBER 31, 2013

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SECURITIES PURCHASE AGREEMENT

This **SECURITIES PURCHASE AGREEMENT** (as amended, restated or otherwise modified from time to time, the "Agreement") is entered into this 31st day of December, 2013 by and among **ARGOSY INVESTMENT PARTNERS III, L.P.,** a Delaware limited partnership ("Argosy"), **HORIZON CAPITAL PARTNERS III, L.P.,** a Delaware limited partnership ("Horizon"), and **MARQUETTE CAPITAL FUND I, LP,** a Delaware limited partnership ("Marquette"), (individually a "Purchaser" and collectively "Purchasers") and **NATURAL AMERICAN FOODS, INC.,** a Delaware corporation (the "Company").

WITNESSETH:

WHEREAS, based on the representations, warranties and covenants contained herein, Purchasers are willing to make the investment provided for herein;

NOW, THEREFORE, in mutual consideration of the premises and the respective representations, warranties, covenants and agreements contained herein, the parties agree as follows:

ARTICLE I
SALE AND PURCHASE OF DEBENTURES

Section 1.1 Debentures; Security.

(a) Subject to the terms and conditions of this Agreement and on the basis of the representations and warranties hereinafter set forth, the Company agrees to issue to Purchasers and Purchasers severally agree to acquire 10% Senior Subordinated Debentures substantially in the form of Exhibit 1.1(a) in the aggregate principal amount of Three Million Dollars ($3,000,000) due on December 31, 2018 (as amended, restated or otherwise modified from time to time, individually a "Debenture" and collectively the "Debentures"), to be dated the date of issue and to bear interest at the rate of 10% per annum except as otherwise provided in the Debentures. The Debentures shall be in the following amounts:

Argosy	$ 1,330,800.00
Marquette	$ 160,800.00
Horizon	$ 1,580,400.00
Total	$3,000,000.00

(b) [Reserved].

(c) The term "Debenture" and "Debentures" as used herein shall include the Debentures being delivered at the Closing and all Debentures issued in substitution or exchange for such Debentures in accordance with this Agreement. The terms which are capitalized herein shall have the meanings ascribed to them when first used or as set forth in Section 15.1 hereof unless the context shall otherwise require.

(d) The performance of the Company under this Agreement and the Debentures is secured in accordance with a Security Agreement dated on or about the date hereof

between the Company and Marquette, as agent, substantially in the form of Exhibit 1.1(d)(1) (as amended, restated or otherwise modified from time to time, the "Security Agreement").

Section 1.2 [Reserved]

Section 1.3 Commitment; Closing Date.

(a) Subject to the terms and conditions of this Agreement and on the basis of the representations and warranties hereinafter set forth, the Company agrees to issue to Purchasers and Purchasers severally shall be deemed to have purchased from the Company the Debentures as provided in Sections 1.1 herein.

(b) [Reserved].

(c) The closing of this Agreement (the "Closing") shall be held on December 31, 2013 (the "Closing Date"), at which time the Company shall deliver to Purchasers Debentures in the aggregate face amount of $3,000,000.

Section 1.4 Expenses.

The Company shall pay all reasonable and documented fees and out-of-pocket expenses of the Purchasers' legal counsel in connection with the transaction.

ARTICLE II
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company hereby represents and warrants to, and agrees with, the Purchasers as of the Closing Date, except as set forth on the Disclosure Schedule furnished to the Purchasers and attached hereto as Schedule 2 (the "Disclosure Schedule"), specifically identifying the relevant subsection hereof, as follows:

Section 2.1 Organization. Good Standing and Qualification.

The Company is a corporation duly organized and validly subsisting under the laws of the State of Delaware. (i) The Company has all requisite power and authority to carry on its business as now conducted and as proposed to be conducted and (ii) the Company has all requisite power and authority to enter into and perform this Agreement and the transactions contemplated hereby and is duly qualified to transact business and is in good standing in each jurisdiction in which the failure so to qualify could have a Material Adverse Effect on its business, properties, operations, financial condition or business prospects (for the Company taken as a whole, "Condition"). As of the Closing Date, the Company does not have any Subsidiaries.

Section 2.2 [Reserved].

Section 2.3 Authority:, Execution and Delivery; Requisite Consents; Nonviolation.

The Company has, and as of the Closing will have, all requisite power and authority to execute, deliver and perform this Agreement, the Debentures, the Security Agreement, and each

other document or instrument executed by it, or any of its officers, in connection herewith or therewith or pursuant hereto or thereto (this Agreement, together with all of the foregoing agreements, documents and instruments, are sometimes collectively referred to herein as the "Purchase Documents"), and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance of this Agreement and the other Purchase Documents and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by all necessary action on the part of the Company. This Agreement and each of the other Purchase Documents that has been executed as of the date hereof are, and each of the Purchase Documents will be as of the Closing, duly executed and delivered by the Company and the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or other similar laws affecting the enforceability of creditors' rights in general or by general principles of equity. The execution, delivery and performance of this Agreement and the other Purchase Documents, the consummation by the Company of the transactions contemplated hereby and thereby (including, without limitation, the offer, sale and delivery by the Company of the Debentures) will not: (a) require the consent, license, permit, waiver, approval, authorization or other action of, by or with respect to, or registration, declaration or filing with, any court or governmental authority, department, commission, board, bureau, agency or instrumentality, domestic or foreign ("Governmental Authority"), or any other Person; (b) violate or conflict with any provision of the Articles of Incorporation or the By-laws of the Company; or (c) constitute a default (with or without notice or lapse of time or both) under, violate or conflict with, or give rise to a right of termination, cancellation or acceleration or to a loss of a material benefit under any (i) statute, law, ordinance, rule, regulation or policy of any Governmental Authority, (ii) permit, order or certificate, (iii) any order, judgment, writ, injunction or decision, or (iv) to the best knowledge of the Company, material contract, agreement, arrangement or understanding, written or oral, to which the Company is a party or by which the Company or its properties are bound.

Section 2.4 [Reserved].

Section 2.5 Registration Rights.

No Person has, and as of the Closing no Person shall have, demand, "piggyback" or other rights to cause the Company to file any registration statement under the Securities Act, relating to any of its securities or to participate in any such registration statement.

Section 2.6 No Brokers or Finders.

The Company has not entered into nor will enter into any agreement pursuant to which the Company or Purchasers will be liable, as a result of the transactions contemplated by this Agreement or any of the other Purchase Documents, for any claim of any person for any commission, fee or other compensation as finder or broker.

Section 2.7 Investment Company Act; Margin Stock.

The Company is not an "Investment Company" nor is the Company directly or indirectly controlled by or acting on behalf of any Person which is an "Investment Company" within the meaning of the Investment Company Act of 1940, as amended.

The Company is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System), and no part of the proceeds of the sale of the Debentures will be used to purchase or carry any such margin stock or to extend credit to others for the purpose of purchasing or carrying any such margin stock.

Section 2.8 [Reserved].

Section 2.9 Proprietary Information of Third Parties.

To the best knowledge of the Company, no third party has claimed or has reason to claim that any person employed by or affiliated with the Company has, in connection with such person's employment or affiliation with the Company (a) violated or may be violating any of the terms or conditions of his employment, non-competition or non-disclosure agreement with such third party, (b) disclosed or may be disclosing or utilized or may be utilizing any trade secret or proprietary information or documentation of such third party or (c) interfered or may be interfering in the employment relationship between such third party and any of its present or former employees. No third party has requested information from the Company which suggests that such a claim might be contemplated. To the best knowledge of the Company, no person employed by or affiliated with the Company has employed or proposes to employ any trade secret or any information or documentation proprietary to any former employer, and to the best knowledge of the Company, no person employed by or affiliated with the Company has violated any confidential relationship which such person may have had with any third party, in connection with the development, manufacture or sale of any product or proposed product or the development or sale of any service or proposed service of the Company, and the Company has no reason to believe there will be any such violation. To the best knowledge of the Company, none of the execution or delivery of this Agreement, or the carrying on of the business of the Company as officers, employees or agents by any officer, director or key employee of the Company, or the conduct or proposed conduct of the business of the Company, will conflict with or result in a breach of terms, conditions or provisions of or constitute a default under any contract, covenant or instrument under which any such person is obligated.

Section 2.10 [Reserved]

Section 2.11 Security Interest.

Upon the filing of UCC-1 financing statements in the appropriate jurisdictions, the security interests granted to the Purchasers under the Security Agreement shall constitute valid and perfected security interests in all of the assets of the Company to the extent that filing can perfect, subject only to the liens described in Schedule 2.1 1.

Section 2.12 [Reserved].

Section 2.13 Small Business Concern.

The Company is a "small business concern" within the meaning of Section 107.50 of Title 13 of the United States Code of Federal Regulations and meets the size standards under 13 C.F.R. Section 121.301(c). The Company is not presently engaged in any activities for which a small business investment company is prohibited from providing funds under 13 C.F.R. Section 107.720.

Section 2.14 Incorporation of Representations.

The Company has made certain representations to the Senior Lender in the Senior Loan Agreement (the "Senior Loan Agreement Representations"). The Company hereby agrees that the Senior Loan Agreement Representations are incorporated herein and remade to the Purchasers as of the Closing Date, unless such Senior Loan Representations relate to an earlier date and then such Senor Loan Representations are remade as of such earlier date. All definitions in the Senior Loan Agreement in effect on the date hereof are also incorporated by reference.

Section 2.15 Deferred Prosecution Agreement.

The execution, delivery and performance by Company of the Deferred Prosecution Agreement has been duly authorized by all necessary action on the part of Company. The information contained in the factual statement of the Deferred Prosecution Agreement is true and correct in all material respects. The Company is not aware of any information which would make any factual statement contained in the Deferred Prosecution Agreement misleading or inaccurate in any material respect. The Company is not in material breach of any of its covenants or obligations under the Deferred Prosecution Agreement.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF PURCHASERS

Purchasers hereby severally represent and warrant to the Company as follows:

Section 3.1 Status; Residence.

Argosy is a limited partnership duly organized and validly existing under the laws of the State of Delaware. Horizon is a limited partnership duly organized and validly existing under the laws of the State of Delaware. Marquette is a limited partnership duly organized and validly existing under the laws of the State of Delaware. Each Purchaser has the power to own and operate its properties, to carry on its business as now conducted and to enter into and to perform its obligations under this Agreement and any other document executed or delivered by such Purchaser in connection herewith. Argosy's principal place of business is located in the Commonwealth of Pennsylvania. Horizon's principal place of business is located in the State of Florida. Marquette's principal place of business is located in the State of Minnesota.

Section 3.2 Authorization.

Each Purchaser has full legal right, power and authority to enter into and perform its obligations under this Agreement and any other document executed and delivered by such Purchaser in connection herewith, without the consent or approval of any other Person, firm, governmental agency or other legal entity. The execution and delivery of this Agreement and any

other document executed and delivered by each Purchaser in connection herewith, and the performance by such Purchaser of its obligations hereunder and thereunder are within the powers of such Purchaser, have received all necessary governmental approvals, if any were required, and do not and will not contravene, violate or conflict with, constitute a default under, or result in the creation or imposition of any lien, charge, security interest or encumbrance of any nature upon any of the property or assets of such Purchaser pursuant to the terms of (a) the limited partnership agreement of such Purchaser, (b) any material agreement to which such Purchaser is a party or by which it or any of its properties is bound or (c) any provision of law or any applicable judgment, ordinance, regulation or order of any court or governmental agency. The officers executing this Agreement and any other document executed and delivered by such Purchaser in connection herewith, are duly authorized to act on behalf of each Purchaser.

Section 3.3 Validity and Binding Effect.

This Agreement and any other document executed and delivered by each Purchaser in connection herewith are the legal, valid and binding obligations of such Purchaser, enforceable against it in accordance with their respective terms, except as such enforceability may be limited by the effect of bankruptcy, insolvency or similar laws affecting creditors' rights generally or by general principles of equity.

Section 3.4 Accredited Investor; Investment Intent.

Each Purchaser is an "accredited investor" under Rule 501(a) under the Securities Act. Argosy and Marquette are Small Business Investment Companies, as that term is defined in Section 103 of the Small Business Investment Act of 1958, 15 U.S.C.A. Section 662 et seq. and each has a total capital of at least One Million Dollars ($1,000,000). Each Purchaser is acquiring the Debentures being acquired by it for its own account, for investment, and not with a view to the distribution or resale thereof in whole or in part, in violation of the Securities Act or any applicable state securities law.

Section 3.5 Investment Experience.

Each Purchaser is an investor in securities of companies of varying developmental stages and acknowledges that it can bear the economic risk of its investment for an indefinite period, and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Debentures.

Section 3.6 Disclosure of Information.

Each Purchaser represents that it has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of the Debentures and the business and financial condition of the Company. The foregoing, however, does not limit the right of Purchasers to rely on the representations and warranties of the Company in Article II herein.

Section 3.7 Restricted Securities.

Each Purchaser understands that the Debentures are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Securities Act, only in certain limited circumstances. In the absence of an effective registration statement covering the Debentures, or an available exemption from registration under the Securities Act, the Debentures must be held indefinitely. In this connection, each Purchaser represents that it is familiar with Commission Rule 144, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act.

Section 3.8 Further Limitations on Disposition.

Each Purchaser will not make any disposition of all or any portion of the Debentures unless and until the transferee has agreed in writing for the benefit of the Company to be bound by this Article III, and:

(a) There is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with such registration statement; or

(b) (i) The Purchaser seeking to make the disposition shall have notified the Company of the proposed disposition and shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, and (ii) if requested by the Company, such Purchaser shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, that such disposition will not require registration of such securities under the Securities Act.

ARTICLE IV
CONDITIONS PRECEDENT TO THE OBLIGATIONS OF PURCHASERS

Section 4.1 Closing.

The obligation of the Purchasers to accept the Debentures at the Closing shall be subject to the fulfillment on or before the Closing Date of each of the conditions set forth in Sections 4.1.1 through 4.1.9 below:

4.1.1 Representations and Warranties True; Satisfactory Proceedings; Secretary's Certificate.

The representations and warranties of the Company contained in this Agreement (including the Disclosure Schedule) or any other Purchase Document, shall have been true and correct when made and shall be true and correct as of the Closing Date as if made on such date, except to the extent such representations and warranties expressly relate to a specific date. The Company shall have duly performed all of the covenants and agreements to be performed by it hereunder on or prior to the Closing Date. All proceedings taken in connection with the transactions contemplated by this Agreement and the other Purchase Documents, and all documents necessary to the consummation thereof, shall be satisfactory in form and substance to each Purchaser and each Purchaser's counsel, and each Company shall have delivered to each

Purchaser a certificate, dated the Closing Date, signed by the Secretary of the Company in a form acceptable to the Purchasers.

4.1.2 The Existence and Authority of the Company; UCC Filings; Lien Searches.

On or before the Closing Date, the Company shall have delivered to each Purchaser the following certificates and/or search results from the relevant public officials, in each case as of a date within fifteen (15) days of the Closing Date:

(a) The Articles of Incorporation of the Company, certified by the Secretary of State or other appropriate official in the jurisdiction where the Company is incorporated, together with the Bylaws of the Company in effect as of the Closing Date certified by the Secretary of the Company;

(b) certificate as to the legal existence and subsistence of the Company issued by the Secretary of State or other appropriate official in the jurisdiction where the Company is incorporated;

(c) UCC, tax and judgment searches against the Company from the States of Michigan and Delaware, the results of which shall be satisfactory to each Purchaser; and

(d) Copies of all filing receipts or acknowledgments issued by the relevant Governmental Authorities evidencing all filings and recordations necessary to perfect the security interests of the Purchasers in the assets of the Company.

4.1.3 Senior Loans. The Senior Loans shall have been consummated upon terms satisfactory to the Purchasers.

4.1.4 Delivery of Other Documents.

(a) On or before the Closing, the Company shall have delivered to Purchasers the following fully executed documents:

(i) the Debentures executed by the Company;

(ii) the Security Agreement executed by the Company;

(iii) the Senior Lender Subordination Agreement (as defined in Section 4.1.8) executed by the Company and the Senior Lender; and

(iv) a certified copy of the resolutions adopted by the Board of Directors (or similar body) of the Company authorizing and approving (a) the execution, performance and delivery of this Agreement, together with all agreements, instruments and documents ancillary thereto and (b) all other proceedings and transactions contemplated hereby.

4.1.5 Required Consents.

Any consents or approvals required to be obtained from any third party, including any holder of Indebtedness or any outstanding security of the Company, and any amendments of agreements which shall be necessary to permit the consummation of the transactions contemplated hereby on the Closing Date, shall have been obtained and all such consents or amendments shall be satisfactory in form and substance to each Purchaser.

4.1.6 Expenses.

The Company shall have reimbursed Purchasers for all fees as provided in Section 1.4 hereof and their reasonable expenses.

4.1.7 Equity Issuance.

Natural American Foods Holdings, LLC ("Holdings") shall have granted a warrant to each Purchaser in form and substance satisfactory to such Purchaser (collectively, the "Warrants"), which are exercisable, in the aggregate, for 13% of Holdings' Class A Units as of the date of issuance (the "Warrant Shares").

4.1.8 Subordination Agreement.

The Purchasers and Senior Lender shall have executed a subordination agreement acknowledged by the Company in form and substance satisfactory to Purchasers (the "Senior Lender Subordination Agreement").

4.1.9 Release of Pledge Collateral.

The Senior Lender shall have released all cash collateral pledged by the Purchasers in favor of Senior Lender to each Purchaser in accordance with their respective interests therein.

Section 4.2 Fair Market Values.

The Company and Purchasers agree that the fair market value of the Debentures is $3,000,000.

ARTICLE V
COVENANTS OF THE COMPANY

From and after the Closing Date and continuing so long as any amount remains unpaid on any Debenture, the Company agrees to comply with each of the following dependent covenants:

Section 5.1 Use of Proceeds; Certain Prohibited Activities.

(a) The Company will not engage in or use directly or indirectly the proceeds of the Debentures for any purpose for which a small business investment company is prohibited from providing funds under 13 C.F.R. Section 107.720.

(b) Without obtaining the prior written approval of Purchasers, the Company shall not, within one (1) year after the Closing Date, change the business activity of the

Company to a business activity to which a small business investment company is prohibited from providing funds under 13 C.F.R. Section 107.720. The Company agrees that any such changes in its business activity without such prior written consent of Purchasers will constitute a material breach of the obligations of the Company under this Agreement (an "Activity Event of Default"). If an Activity Event of Default occurs, Purchasers have the right to demand, in writing, immediate repayment of the Debentures, together with accrued but unpaid interest, and the Company will immediately make such payment within three (3) days of receipt of a demand. The payment remedy is in addition to any and all other rights and remedies against the Company to which Purchasers may be entitled.

Section 5.2 Payment of Debenture.

The Company shall perform and observe all of its obligations to the holder(s) of the Debentures set forth herein and in the Debentures.

Section 5.3 Compliance with Purchase Documents.

The Company shall perform and observe in all material respects all of its obligations under the Security Agreement and the other Purchase Documents.

Section 5.4 Corporate Existence. Etc.

Except as provided in Section 5.32(a), the Company will preserve and keep in force and effect its corporate existence and good standing in the state of its incorporation, its qualification and good standing as a foreign corporation in each jurisdiction where such qualification is required by applicable law except where the failure to so qualify would not have a Material Adverse Effect on its Condition and all licenses and permits necessary to the proper conduct of its business except where the failure to have such licenses and permits would not have a Material Adverse Effect on its Condition.

Section 5.5 Maintenance Etc.

The Company will maintain, preserve and keep its properties and assets which are used in the conduct of its business (whether owned in fee or pursuant to a leasehold interest) in good repair and working order and from time to time will make all necessary repairs, replacements, renewals and additions so that at all times the efficiency thereof shall be maintained except where the failure to maintain, keep and preserve such properties and assets in good repair and good working order could not reasonably be expected to have a Material Adverse Effect on its Condition.

Section 5.6 Nature of Business.

The Company will not engage in any business if, as a result, the general nature of the business which would then be engaged in by the Company would be substantially changed from the general nature of the business engaged in by the Company on the date of this Agreement. The Company shall not conduct its business in such a way as to become an "Investment Company" within the meaning of the Investment Company Act of 1940, as amended.

Section 5.7 Insurance.

The Company will maintain insurance coverage by financially sound and reputable insurers with respect to their properties and business in such forms and amounts and against such risks, casualties and contingencies as is usually carried by companies engaged in the same or similar business and similarly situated and will cause Purchasers to be named as loss payees on such casualty and business interruption insurance, if any, and as an additional insured on any liability policies. If any Event of Default shall have occurred and be continuing or the aggregate insurance proceeds exceed $500,000, Purchasers shall, subject to the rights of the Senior Lender, not have any obligation to remit or apply any such insurance proceeds to repair or replacement of any damaged property and may, in their sole discretion, apply such proceeds as a payment in respect of the obligations owing by the Company under this Agreement, the Debentures and/or any other Purchase Document, in inverse order of maturity.

Section 5.8 Taxes; Claims for Labor and Materials.

The Company will promptly pay and discharge (i) all lawful Taxes, assessments and governmental charges or levies imposed upon the property or business of the Company, (ii) all trade accounts payable in accordance with usual and customary business terms, and (iii) all claims for work, labor or materials, which if unpaid might become a lien or charge upon any property of the Company; provided, however, the Company shall not be required to pay any such Tax, assessment, charge, levy, account payable or claim if (a) the validity, applicability or amount thereof is being contested in good faith by appropriate actions or proceedings which will prevent the forfeiture or sale of any property of the Company or any material interference with the use thereof by the Company, and (b) the Company shall set aside on its books, reserves reasonably deemed by them to be adequate with respect thereto.

Section 5.9 Compliance with Laws, Agreements, etc.

The Company shall maintain its business operations and property owned or used in connection therewith in material compliance with (i) all applicable federal, state and local laws, regulations and ordinances, and such laws, regulations and ordinances of foreign jurisdictions, governing such business operations and the use and ownership of such property, and (ii) all agreements, licenses, franchises, indentures and mortgages to which the Company is a party or by which the Company or any of its properties are bound except where the failure of the foregoing would not have a Material Adverse Effect. Without limiting the foregoing, the Company shall pay all material Indebtedness for borrowed money promptly and substantially in accordance with the terms thereof, except if payment thereof is being contested in good faith.

Section 5.10 [Reserved]

Section 5.11 Books and Records; Rights of Inspection.

The Company will keep proper books of record and account in which full and correct entries will be made of all dealings or transactions of or in relation to its business and affairs to enable financial statements to be prepared in accordance with GAAP. The Company shall permit representatives of Purchasers and/or representatives of the United States Small Business Administration (the "SBA Representative") to visit any of its properties and inspect its corporate

books and financial records, and will discuss its accounts, affairs and finances with such representatives during reasonable business hours, at all such times as Purchasers (or the SBA Representative) may reasonably request. The Company will, upon reasonable request, cooperate fully with Purchasers, Purchasers' representatives and counsel in the preparation of any document or other material which may be required by the United States Small Business Administration or any other governmental agency as a predicate to or result of the transactions herein contemplated. The Company will furnish to Purchasers information requested by the United States Small Business Administration concerning the economic impact of Purchasers' investment including but not limited to information concerning Taxes paid and number of employees.

Section 5.12 Reports, Budgets, Press Releases.

(a) Financial Reports. The Company shall furnish to each Purchaser:

(i) As soon as available and in any event within thirty (30) days after the end of each month in each fiscal year, an unaudited consolidated and consolidating balance sheet, income statement, statement of cash flow, and statement of owner's equity covering the operations of the Company and its Subsidiaries, if any, during such period and compared to the prior period, setting forth in each case in comparative form figures for the corresponding period in the preceding fiscal year, all in reasonable detail and certified by an authorized financial officer of the Company and prepared in accordance with GAAP, subject to normal year-end adjustments and footnotes; and

(ii) within 120 days after the last day of each fiscal year of the Company, an audited consolidated and consolidating annual financial statement of the Company, including a (A) balance sheet, (B) statement of income and expense, (C) statement of stockholders' equity and (D) statement of cash flow for such year, prepared in accordance with GAAP and setting forth in each case, in comparative form, the figures for the previous fiscal year, all in reasonable detail and, in the case of the audited annual report, accompanied by an unqualified opinion as to going concern of an independent certified public accountant satisfactory to the Purchasers. The annual financial statements shall be accompanied by a written statement from the chief executive officers or senior financial officers of the Company demonstrating compliance with each of the financial covenants set forth in section 5.32(b), and further certifying that: (i) to the knowledge of the Company there exists no Event of Default or event which, with the giving of notice or passage of time or both, would constitute an Event of Default or if any such default exists, specifying the nature thereof, the period of existence thereof and what action is planned with respect thereto (provided that the Purchasers shall not be subject to any liability, nor shall the Purchasers be deemed to waive any right or remedy to which it may be entitled, as a result of any action taken or not taken subsequent to receipt of such statement regarding Events of Default); and (ii) nothing has come to the attention of the management of the Company that caused them to believe the Company was not in compliance with any terms, covenants, provisions or conditions of the Purchase Documents.

(b) Meetings. The Purchasers will be entitled to quarterly meetings with management of the Company at mutually agreeable times. At the request of the Purchasers, two of such quarterly meetings may be in person at the sole expense of the Purchasers.

(c) [Reserved].

(d) [Reserved].

(e) [Reserved]

(f) Prior to the start of each Fiscal Year commencing with the 2015 Fiscal Year, copies of Company's Projections for such Fiscal Year on a monthly basis, certified by the chief financial officer of the Company as being such officer's good faith estimate of the financial performance of the Company during the period covered thereby.

(g) Within forty five (45) days after and as of the end of each fiscal quarter, a statement prepared and certified by the chief financial officer of the Company (or in such officer's absence, a responsible senior office of the Company (i) setting forth in reasonable detail all computations necessary to show compliance by the Company with the financial covenants contained in Section 5.32(b) of this Agreement as of the date of such financial statements (to the extent such covenants are applicable), (ii) stating that as of the date thereof, no condition or event which constitutes an Event of Default or which with the running of time and/or the giving of notice would constitute an Event of Default has occurred and is continuing, or if any such event or condition has occurred and is continuing or exists, specifying in detail the nature and period of existence thereof and any action taken with respect thereto taken or contemplated to be taken by the Company and (iii) stating that the signer has reviewed this Agreement and that such certificate is based on an examination sufficient in such signer's opinion, to assure that such certificate is accurate in all material respects.

(h) Other Information. From time to time as soon as reasonably possible, copies of such other reports and such other information as Purchasers shall reasonably request.

Section 5.13 Incorporation of Covenants from Senior Loan Agreement by Reference.

Sections 7.1, 7.2, 7.3, 7.4, 7.8, 7.9, 7.11, 7.12 and 7.14 of the Senior Loan Agreement are hereby incorporated by reference, with all defined terms used in such Sections having the meanings ascribed to them in the Senior Loan Agreement; provided that any amendment or modification of such sections or definitions of the Senior Loan Agreement with respect to such that would materially and adversely affect the Purchasers as compared to the lenders under the Senior Loan Agreement shall be effective herein only with the written consent of the Purchasers representing a majority of the outstanding principal amount of the Debentures; provided, further, that the payments permitted under Section 7.12(e) of the Senior Loan Agreement shall be subject to an annual cap of $500,000 per year with respect to any annual management or consulting fees and expense reimbursement (other than out-of-pocket expenses).

Section 5.14 Subordination of Management Agreement. To the extent any subordination agreement is entered into with any lender under the Senior Loan Agreement with respect to the Management Agreement (as defined in the Senior Loan Agreement), within 30 days after entry into such subordination agreement the Company and/or its affiliates will enter into a subordination agreement with the Purchasers in form and substance customary for subordinated indebtedness of the type represented by the Debentures.

Section 5.16 [Reserved].

Section 5.17 [Reserved].

Section 5.18 [Reserved]

Section 5.19 [Reserved]

Section 5.20 [Reserved]

Section 5.21 Notice.

The Company shall promptly upon the discovery thereof give written notice to each Purchaser of (i) the occurrence of any default or Event of Default or event which, with the passage of time, would constitute an Event of Default, under this Agreement; (ii) the occurrence of any default or event of default or event which, with the passage of time, would constitute an event of default, under the Senior Loan Documents; (iii) the occurrence of any default or event of default under any other agreement providing for Indebtedness of the Company or under a Capital Lease for at least $50,000, and which default could cause the obligations under such agreement to be accelerated; (iv) any actions, suits or proceedings instituted by any Person against the Company or materially affecting any of the assets of the Company involving claims in excess of $50,000; (v) any investigation initiated by, or any dispute between any Governmental Authority, on the one hand, and the Company, on the other hand, which investigation or dispute might interfere with the normal operations of the Company; (vi) any change or modification in existing contracts, agreements or commitments to which the Company is a party or is bound, which change or modification reasonably could be expected to have a Material Adverse Effect on the Condition of the Company; or (vii) any change in the laws applying in particular to the Company or the industry in which the Company competes which change reasonably could be expected to have a Material Adverse Effect on the Condition of the Company.

Section 5.22 [Reserved].

Section 5.23 [Reserved].

Section 5.24 [Reserved].

Section 5.25 Environment.

The Company shall be and remain in material compliance with the provisions of all Environmental Laws, except where the failure to so comply would not have a Material Adverse Effect; upon knowledge, notify Purchasers immediately of any notice of a hazardous discharge or environmental complaint received from any Governmental Authority or any other party; notify Purchasers immediately of any hazardous discharge from or affecting its premises; immediately contain and remove the same, in compliance with all Environmental Laws, except where the failure to so comply would not have a Material Adverse Effect; promptly pay any fine or penalty assessed in connection therewith subject to a right to reasonably contest same; permit Purchasers to inspect the premises, to conduct tests thereon, and to inspect all books,

correspondence, and records pertaining thereto at reasonable times; and at any Purchaser's request, and at the expense of the Company, only if an Event of Default exists, provide a report of a qualified environmental engineer, satisfactory in scope, form, and content to such Purchaser, and such other and further assurances reasonably satisfactory to such Purchaser that any adverse environmental or safety condition has been corrected.

Section 5.26 [Reserved]

Section 5.27 Amendment of Agreements.

The Company shall not amend the Senior Loan Documents except to the extent that such amendment is permitted under the express terms of the Senior Lender Subordination Agreement.

Section 5.28 Auditors.

The Company shall retain an accounting firm agreeable to the Board of Directors for purposes of preparing the consolidated audited financial statements of the Company.

Section 5.29 Amendment to Articles of Incorporation.

The Company shall not amend its Articles of Incorporation without receiving the consent required under the Articles of Incorporation.

Section 5.30 [Reserved]

Section 5.31 Preemptive Rights.

Subject to the provisions of this Section 5.30, in the event the Company issues additional indebtedness for borrowed money consisting of "Subordinated Debt" as defined in the Senior Lender Subordination Agreement (other than any indebtedness as lessee under a capitalized lease or incurred in the ordinary course of business) subsequent to the Closing, the Purchasers will have the right to purchase from the Company, during a reasonable time to be fixed by the Board of Directors (which will not be less than 20 days), up to $3,000,000 in the aggregate during the term of this Agreement of such indebtedness at a price or prices and on other terms not less favorable to the Purchasers than the price or prices and other terms at which such indebtedness is proposed to be issued. Each Purchaser will have the right to purchase its pro rata portion, based on such Purchaser's unpaid principal under such Purchaser's Debenture divided by the aggregate unpaid principal under all Debentures, of such indebtedness.

The Company will provide written notice to each Purchaser setting forth the time within, and the price and other terms and conditions upon which, the Purchaser may purchase such additional indebtedness. Any indebtedness which the Company proposes to issue which is not purchased by the Purchasers pursuant to this Section 5.30 may be issued or sold by the Company after the expiration of the period during which the Purchasers shall have the preemptive right to purchase, but the Company shall not sell or issue any such indebtedness after 90 days following the original period without renewed compliance with this Section 5.30.

Section 5.32 Further Assurances.

The Company will take all actions reasonably requested by Purchasers to effect the transactions contemplated by this Agreement and the other Purchase Documents.

Section 5.33 Affirmative Covenants.

So long as any amount remains unpaid on any Debenture, the Company agrees to comply with each of the following covenants:

(a) The covenants referenced in Sections 6.3, 6.4, 6.5, 6.9, 6.10, 6.11 and 6.17 of the Senior Loan Agreement are hereby incorporated by reference, with all defined terms therein to have the meanings ascribed to them in Schedule 1.1 of the Senior Loan Agreement; provided that any amendment or modification of such sections or definitions of the Senior Loan Agreement with respect to such that would materially and adversely affect the Purchasers as compared to the lenders under the Senior Loan Agreement shall be effective herein only with the written consent of the Purchasers representing a majority of the outstanding principal amount of the Debentures.

(b) Financial Covenants. All capitalized terms used by not defined below have the meanings ascribed to them in the Senior Loan Agreement as in effect on the date hereof.

(i) Maintain a Fixed Charge Coverage Ratio measured for the trailing twelve month period as of the last day of each Fiscal Quarter specified below, of not less than the minimum required ratio set forth opposite the applicable Fiscal Quarter of Company set forth below:

Applicable Trailing Twelve Months Period Ended as of the following Fiscal Quarter	**Minimum Required Fixed Charge Coverage Ratio**
Q1 and Q2 2015	0.68 :1.00
Q3 and Q4 2015	0.85 :1.00
Q1 2016 and each Fiscal Quarter thereafter	0.935 :1.00

The foregoing Fixed Charge Coverage Ratio shall only be measured at the times the Fixed Charge Coverage Ratio under the Senior Loan Agreement is measured by the Senior Lender as provided in the Senior Loan Agreement.

(ii) Shall not make or incur any Non-Financed Capital Expenditure in any Fiscal Year which would cause the aggregate amount of Non-Financed Capital Expenditure made or incurred by Company in such Fiscal Year to exceed $1,000,000.

(iii) Achieve EBITDA, measured for the trailing twelve month period as of the last day of such Fiscal Quarter specified below, of not less than the minimum required amount set forth opposite the applicable Fiscal Quarter of Company set forth below:

Applicable Fiscal Quarter End	**Minimum Required EBITDA for Trailing Twelve Months Period**
Q4 2014	$-600,000
Q1 2015	$-100,000
Q2 2015	$400,000
Q3 2015	$900,000
Q4 2015	$1,400,000
Q1 2016	$1,650,000
Q2 2016	$1,900,000
Q3 2016	$2,150,000
Q4 2016	$2,400,000
Q1 2017	$2,650,000
Q2 2017	$2,900,000
Q3 2017	$3,150,000
Q4 2017 and each Fiscal Quarter Thereafter	$3,400,000

ARTICLE VI
AGENCY PROVISIONS

Section 6.1 Authorization and Action.

Each Purchaser hereby irrevocably appoints Marquette as its agent under the Security Agreement (the "Agent") and authorizes the Agent to take such action as agent on its behalf and to exercise such powers under the Security Agreement as are delegated to the Agent by the terms thereof, together with such powers as are reasonably incidental thereto. The duties of the Agent shall be mechanical and administrative in nature and the Agent shall not by reason of this Agreement, be a trustee or fiduciary for any Purchaser. The Agent shall have no duties or

responsibilities except those expressly set forth herein or in the Security Agreement. As to any matters not expressly provided for by this Agreement or the Security Agreement (including, without limitation, enforcement of Agent's security interest in any collateral securing the obligations owing to any of the Purchasers), the Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or so refraining from acting) upon the joint written instructions of Purchasers, and such instructions shall be binding upon the Purchasers and all holders of Debentures; provided, however, that the Agent shall not be required to take any action which exposes the Agent to personal liability or which is contrary to this Agreement or applicable law.

Section 6.2 Liability of Agent.

Neither the Agent nor any of its partners, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them under or in connection with this Agreement or the Security Agreement in the absence of its or their own gross negligence or willful misconduct. Without limitation of the generality of the foregoing, the Agent (a) may treat the payee of any Debenture as the holder thereof until the Agent receives written notice of the assignment or transfer thereof signed by such payee, which notice must be in form satisfactory to the Agent; (b) may consult with legal counsel (including counsel for the Company), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants, or experts; (c) makes no warranty or representation to any Purchaser and shall not be responsible to any Purchaser for any statements, warranties, or representations made in or in connection with this Agreement; (d) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants, or conditions of this Agreement on the part of the Company or to inspect the property (including the books and records) of the Company; (e) shall not be responsible to any Purchaser for the due execution, legality, validity, enforceability, genuineness, perfection, sufficiency, or value of this Agreement or any other instrument or document furnished pursuant thereto; and (f) shall incur no liability under or in respect of this Agreement or the Security Agreement by acting upon any notice, consent, certificate, monthly billing statement or other instrument or writing (which may be sent by telegram, telex, or facsimile transmission) believed by it to be genuine and signed or sent by the proper party or parties.

Section 6.3 Independent Credit and Collateral Decisions.

Each Purchaser acknowledges that it has, independently and without reliance upon the Agent or any other Purchaser and based on such documents and information as it has deemed appropriate, made its own credit and collateral analysis (including an analysis of the nature and value of any collateral, the enforceability of the Agent's security interest therein and the perfection of such documents and information as it shall deem appropriate at the time), and will continue to make its own credit decision in taking or not taking action under this Agreement. The Agent shall have no duty or responsibility to provide any Purchaser with any credit or other information concerning the affairs, financial condition or business of the Company which may come into the possession of the Agent or any of its Affiliates. Agent makes no express or implied warranty concerning the value of any collateral or the perfection or enforceability of it security

interest therein. Agent shall have no duty to protect any collateral or the security interest granted therein.

Section 6.4 Indemnification.

Purchasers agree to indemnify the Agent (to the extent not reimbursed by the Company), ratably according to the respective amounts of their portion of the face amount of the Debentures, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Agent in any way relating to or arising out of this Agreement or any action taken or omitted by the Agent under this Agreement, provided that neither the Company nor any Purchaser shall be liable for any portion of the foregoing resulting from the Agent's gross negligence or willful misconduct. Without limitation of the foregoing, each Purchaser agrees to reimburse the Agent (to the extent not reimbursed by the Company) promptly upon demand for its ratable share of any reasonable out-of-pocket expenses (including reasonable counsel fees) incurred by the Agent in connection with the preparation administration, or enforcement of or legal advice in respect of rights or responsibilities under, the Security Agreement.

Section 6.5 Successor Agent.

The Agent may resign at any time by giving at least 60 days' prior notice thereof to the Purchasers and the Company. Upon any such resignation, the Purchasers shall have the right by unanimous agreement to appoint a successor Agent. If no successor Agent shall have been so appointed by the Purchasers and shall have accepted such appointment within 30 days after the resigning Agent's giving of notice of resignation, then the resigning Agent may, on behalf of the Purchasers, appoint a successor Agent. Upon the acceptance of any appointment as Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the Agent, and the resigning Agent shall be discharged from its duties and obligations under this Agreement. After any resigning Agent's resignation hereunder as Agent, the provisions of this Article VI shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under this Agreement.

Section 6.6 Sharing of Payments, etc.

If any Purchaser shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of setoff, or otherwise) on account of any Debenture held by it in excess of its ratable share of payments on account of all of the Debentures obtained by all Purchasers at any time and remain continuing, such Purchaser shall be deemed to have purchased from the other holder such participation in the Debentures held by them as shall be necessary to cause such purchasing Purchaser to share the excess payment ratably with each of the other Purchasers, provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Purchaser, such purchase from each Purchaser shall be rescinded and each Purchaser shall repay to the purchasing Purchaser the purchase price to the extent of such recovery together with an amount equal to such Purchaser's ratable share (according to the proportion of (1) the amount of such Purchaser's required repayment to (2) the total amount so received from the purchase Purchaser) of any interest or other amount paid or payable by the

purchasing Purchaser in respect of the total amount so recovered. The Company agrees that any purchaser so purchasing a participation from another holder pursuant to this Section 6.6 may, to the fullest extent permitted by law, exercise all of its rights of payment (including the right of set-off) with respect to such participation as fully as if such holder were the direct creditor of the Company in the amount of such participation. Each Purchaser shall give the Agent written notice within five (5) days of any payments or other recoveries described above.

Section 6.7 Enforcement by Agent.

All rights of action under the Security Agreement may be instituted, maintained, pursued and/or enforced by Agent. Any suit or proceeding instituted by Agent in furtherance of such enforcement shall be brought in Agent's name without the necessity of joining any of the other Purchasers. In any event, the recovery of any judgment by Agent shall be for the ratable benefit of all of the Purchasers, subject to the reimbursement of expenses and costs of Agent. Notwithstanding the foregoing, in no event shall Agent be entitled to release any collateral pledged or guarantee of similar support agreement provided to secure the Company's obligations to the Purchasers and/or the Agent or waive, modify or amend the Security Agreement or any rights or obligations of any party thereunder without the prior written consent of each Purchaser.

Section 6.8 Pro Rata Treatment.

Except as specifically provided to the contrary herein, the rights and obligations of the Purchasers shall be pro rata on the basis of their percentage interest in the aggregate face amount of the Debentures.

ARTICLE VII
[RESERVED]

ARTICLE VIII
[RESERVED]

ARTICLE IX
[RESERVED]

ARTICLE X
TRANSFER RESTRICTIONS

Section 10.1 [Reserved]

Section 10.2 [Reserved]

Section 10.3 Participations

Any Purchaser shall have the right at its own cost to grant participations (to be evidenced by one or more agreements or certificates of participation) in the Securities held by the Purchaser at any time and from time to time to one or more other Persons; provided that (a) no such participation shall relieve the Purchaser of any of its obligations under this Agreement and (b) no such participant shall have any direct rights under this Agreement except as provided in this

Section. Any agreement pursuant to which such participation is granted shall provide that the Purchaser shall retain the sole right and responsibility to enforce the obligations of the Company under this Agreement and the other Purchase Documents including, without limitation, the right to approve any amendment, modification or waiver of any provision of the Purchase Documents, except that such agreement may provide that the Purchaser will not agree to any modification, amendment or waiver of the Purchase Documents that would (a) reduce the amount of or postpone any fixed date for payment of any obligation in which such participant has an interest (b) lower the applicable interest rate, or (c) release material collateral. Any party to which such a participation has been granted shall have the benefits of Section 13.2, up to an amount not exceeding the amount that would otherwise have been payable to the Purchasers. The Company authorizes the Purchasers to disclose to any participant or prospective participant under this Section any financial or other information pertaining to the Company.

Section 10.4 Assignments.

Any Purchaser may, at its own expense, from time to time, assign to other institutional investors part of its rights and obligations under this Agreement pursuant to written agreements executed by the Purchaser, such assignee investor or investors, and the Company (as applicable), which agreements shall specify in each instance the portion of the Securities which are to be assigned to each such assignee investor (the "Assignment Agreements"); provided, however, that unless the Company, the Purchaser and the assignee investor, in writing, agree to the contrary, (i) the aggregate amount of the original purchase price of the Securities being assigned to an assignee investor (or all assignee investors taken as a whole) other than the Affiliates of the Purchaser and the Company pursuant to each such assignment (or all of such assignments) shall in no event be more than 40%, and (ii) the Purchaser must obtain the consent of the Company to the identity of the assignee and the terms and conditions of the assignment, which consent will not be unreasonably withheld, conditioned or delayed to each such assignment (provided no such consent is required for any assignment to any Affiliate of the Purchaser or the Company). Upon the execution of an Assignment Agreement by the Purchaser thereunder, the assignee investor thereunder and the Company and satisfaction of all of the conditions set forth above and payment to the Purchaser by such assignee investor of the purchase price for the portion of the Securities being acquired by it, (i) such assignee investor shall thereupon become a party to this Agreement for all purposes of this Agreement with all the rights, powers and obligations afforded the Purchaser hereunder and (ii) the address for notices to such assignee lender shall be as specified in the Assignment Agreement executed by it. Concurrently with the execution and delivery of such Assignment Agreement, the Company shall execute and deliver new notes to the Purchaser and the assignee in form acceptable to the Purchaser and the assignee investor. Such new notes to constitute "Securities" for all purposes of this Agreement.

ARTICLE XI
PRIORITY OF DEBENTURES

Section 11.1 Subordination.

Notwithstanding anything to the contrary in this Agreement, the Debentures or the Security Agreement, the Indebtedness evidenced by the Debentures, including principal and interest, shall be subordinate and junior to the prior payment of the Senior Loans, together with

all obligations permitted hereunder that are issued in renewal, deferral, extension, refunding, amendment or modification of the Senior Loans pursuant to the Senior Lender Subordination Agreement.

Section 11.2 Liquidation, Etc.

(a) Except as otherwise provided in the Senior Lender Subordination Agreement, upon any distribution of assets of the Company in connection with any dissolution, winding up, liquidation or reorganization of the Company (whether in bankruptcy, insolvency, or receivership proceedings or upon an assignment for the benefit of creditors or otherwise), the holders of the Senior Loans shall first be entitled to receive payment in full of the principal thereof, premium, if any, and interest due thereon, and all costs and expenses (including attorneys' fees) related thereto, before the holders of the Debentures shall be entitled to receive any payment on account of the principal of or interest on or any other amount owing with respect to the Debentures (other than payment in shares of capital stock the Company as reorganized or readjusted, or securities of the Company or any other corporation provided for by a plan of reorganization or readjustment, which stock and securities are subordinated to the payment of the Senior Loans and securities received in lieu thereof which may at the time be outstanding). Under the circumstances provided herein, the holders of the Senior Loans shall have the right to receive and collect any distributions made with respect to the Debentures until such time as the Senior Loans are paid in full.

(b) Without in any way modifying the provisions of this Article XI or affecting the subordination effected hereby if such notice is not given, the Company shall give prompt written notice to Purchasers of any dissolution, winding up, liquidation or reorganization of the Company (whether in bankruptcy, insolvency or receivership proceedings or upon an assignment for the benefit of creditors or otherwise).

Section 11.3 Subrogation.

Upon the prior payment in full of the Senior Loans, the Purchasers shall be subrogated to the rights of the holders of the Senior Loans to receive payments or distributions of assets of the Company applicable to the Senior Loans until all amounts owing on the Debentures shall be paid in full, and for the purpose of such subrogation, no payments or distributions to the Purchasers otherwise payable or distributable to the holders of Senior Loans shall, as between the Company, their creditors other than the holders of Senior Loans, and Purchasers, be deemed to be payment by the Company to or on account of the Senior Loans, it being understood that the provisions of this Article XI are and are intended solely for the purpose of defining the relative rights of Purchasers, on the one hand, and the holders of the Senior Loans, on the other hand.

Section 11.4 Obligations of the Company Not Impaired.

(a) Nothing contained in this Article XI or in the Debentures is intended to or shall impair, as between the Company and Purchasers, the obligation of the Company, which is absolute and unconditional, to pay the Purchasers the principal of and interest on the Debentures as and when the same shall become due and payable in accordance with the terms of the Debentures, or is intended to or shall affect the relative rights of the

Purchasers other than with respect to the holders of the Senior Loans, nor, except as expressly provided in this Article XI, shall anything herein or therein prevent the Purchasers from exercising all remedies otherwise permitted by applicable law upon the occurrence of an Event of Default under this Agreement or under the Debentures.

(b) If any payment or distribution shall be received in respect of the Debentures in contravention of the terms of this Article XI, such payment or distribution shall be held in trust for the holders of the Senior Loans by the Purchasers, and shall be promptly delivered to such holders in the same form as received.

ARTICLE XII
RESTRICTIONS ON TRANSFER

Section 12.1 Legends; Restrictions on Transfer.

The Debentures have not been registered under the Securities Act or any state securities laws. The Debentures (except as permitted by this Article XII) shall bear a legend in substantially the following form:

THIS DEBENTURE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY APPLICABLE STATE SECURITIES LAW AND MAY NOT BE TRANSFERRED UNLESS (i) THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR SUCH APPLICABLE STATE SECURITIES LAWS, OR (ii) IN THE OPINION OF COUNSEL REASONABLY ACCEPTABLE TO NATURAL AMERICAN FOODS, INC. REGISTRATION UNDER THE SECURITIES ACT OR SUCH APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED IN CONNECTION WITH SUCH TRANSFER.

The provisions of this Article XII shall be binding upon all subsequent holders of any Debentures unless in the opinion of counsel to any such holder, specified in Section 12.2 below, such Debenture is no longer subject to the restrictions described herein.

Section 12.2 Notice of Intention to Transfer, Opinions of Counsel.

No Debenture shall be transferable except upon the conditions specified in this Article XII. Each holder of a Debenture, by acceptance thereof, agrees, prior to any transfer of such Debenture, to give written notice to the Company of such holder's intention to effect such transfer and briefly describe the manner of the proposed transfer. Such notice of intended transfer shall be accompanied by, if applicable, an opinion of counsel to such holder reasonably satisfactory to the Company, to the effect that registration under the Securities Act of such Debenture in connection with such proposed transfer is not required. If in the opinion of such counsel, the proposed transfer of such Debenture may be affected without registration of such Debenture under the Securities Act, such holder shall be entitled to transfer such Debenture in accordance with the terms of the notice delivered by such holder to the Company. If the proposed transfer of such Debenture may not be affected without registration of such Debenture under the Securities Act, the holder thereof shall not be entitled to transfer such Debenture, in the absence of an effective registration statement.

ARTICLE XIII
EVENTS OF DEFAULT; REMEDIES

Section 13.1 Events of Default.

The occurrence of any one of the following shall constitute an "Event of Default" under this Agreement:

(a) Default shall occur in the payment of interest on any Debenture when the same shall have become due; or

(b) Default shall occur in the making of any payment of the principal of any Debenture or the premium, if any, thereon at the expressed or any accelerated maturity date, or default shall occur under any covenant in Section 5.32 hereof; or

(c) Default shall be made in the payment of the principal or interest on any Indebtedness (other than a Debenture or any Senior Loan or any other obligation under the Senior Loan Documents) of the Company in excess of $250,000 and such default shall continue beyond the period of grace, if any, allowed with respect thereto; or

(d) Default or the happening of any event shall occur under any contract, agreement, lease, indenture or other instrument under which any Indebtedness (other than a Debenture or any Senior Loan or any other obligation under the Senior Loan Documents) in excess of $250,000 of the Company may be issued and such default or event shall not have been waived and shall continue for a period of time sufficient to permit the acceleration of the maturity of any such Indebtedness of the Company outstanding thereunder or

(e) Default shall occur in the observance or performance of any covenant or agreement contained in Section 5.2 or 5.7, Section 5.12 through 5.18 or Sections 5.20 through Section 5.30, and such default is not remedied within ten (10) Business Days after the earlier of (i) the date on which the Company first obtains knowledge of such Default and (ii) the date on which written notice thereof is given to the Company by any holder of a Debenture; or

(f) Default shall occur in the observance or performance of any other provision of this Agreement which is not remedied within thirty (30) days after the date on which written notice thereof is given to the Company by any holder of the Debenture; or

(g) Any material representation or warranty made by the Company herein, or made by the Company in any statement or certificate furnished by the Company in connection with the consummation of the issuance and delivery of the Debentures or furnished by the Company pursuant hereto, is untrue in any material respect as of the date of the issuance or making thereof; or

(h) Final judgment or judgments for the payment of money aggregating in excess of $250,000 or providing non-monetary relief resulting in a Material Adverse Effect on the Condition of the Company, is or are outstanding against the Company and/or against any property or assets of the Company and any one of such judgments has

remained unpaid, unvacated, unbonded or unstayed by appeal or otherwise for a period of ninety (90) days from the date of its entry; or

(i) The Company taken as a whole become insolvent or the Company becomes bankrupt or makes a general assignment for the benefit of creditors, or the Company applies for or consents to the appointment of a custodian, trustee, liquidator, or receiver for the Company or for the major part of its property; or

(j) A custodian, trustee, liquidator, or receiver is appointed for the Company or for the major part of the property of the Company and is not discharged within ninety (90) days after such appointment; or

(k) Bankruptcy, reorganization, arrangement or insolvency proceedings, or other proceedings for relief under any bankruptcy or similar law or laws for the relief of debtors, are instituted by or against the Company and, if instituted against the Company, are consented to or are not dismissed within ninety (90) days after such institution; or

(l) The Company (i) becomes the subject of any governmental investigation related to any felony offense, or is indicted by any Governmental Authority with respect to any felony offense, under federal or state law; provided, however, that the investigation which was commenced by the USAO NDIL and described in, and deferred pursuant to, the Deferred Prosecution Agreement, shall not be deemed a violation of this subsection (l) so long as any such investigation or prosecution continues to be deferred under the Deferred Prosecution Agreement and so long as the Company has not failed to cure a material breach under the Deferred Prosecution Agreement within the applicable cure period (if any) under the Deferred Prosecution Agreement, or (ii) becomes the subject of any investigation, prosecution, charge or action related to any offense or any violation of law related to the factual matters described in the Deferred Prosecution Agreement by any federal or state agency or department or other Governmental Authority other than the USAO NDIL; or

(m) (i) Company receives notice from the USAO NDIL that a material breach has occurred under any provision of the Deferred Prosecution Agreement and such material breach has not been cured within the applicable cure period (if any) under the Deferred Prosecution Agreement, (ii) the USAO NDIL commences or recommences any investigation or prosecution with respect to any matter or matters described in the factual statement of the Deferred Prosecution Agreement or (iii) the Deferred Prosecution Dismissal has not occurred on or before February 28, 2015.

Section 13.2 Acceleration of Maturities, Other Remedies and Indemnification.

(a) When any Event of Default described in paragraph (a) through (i), inclusive, or paragraphs (l) or (m) of Section 13.1 has happened and is continuing, the Purchasers holding a majority of the debt outstanding under the Debentures may, by notice to the Company, declare the entire principal and all interest accrued on the Debentures held by such Purchasers to be, and such Debentures shall thereupon become, forthwith due and payable, without any presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived. When any Event of Default described in paragraph (j) or (k) of Section 13.1 has

occurred, then the Debentures shall immediately become due and payable without presentment, demand or notice of any kind, all of which are hereby expressly waived. Upon any Debenture becoming due and payable as a result of any Event of Default as aforesaid, the Company will forthwith pay to the holders of such Debenture the entire principal and interest accrued on such Debenture and any premium due thereunder. No course of dealing on the part of any Purchaser or any Debenture holder nor any delay or failure on the part of any Purchaser or any Debenture holder to exercise any right shall operate as a waiver of such right or otherwise prejudice any Purchaser's or holder's rights, powers and remedies. The Company further agrees, to the extent permitted by law, to pay to the holder or holders of the Debentures all costs and expenses, including reasonable attorneys' fees, incurred by them in the collection of the Debentures upon any default hereunder or thereon.

(b) The Company agrees to indemnify each Purchaser and each officer, director, employee, agent, partner, stockholder and Affiliate of each Purchaser (collectively, the "Indemnified Parties") for, and hold each Indemnified Party harmless from and against, (i) subject to the limitation set forth below, any and all damages, losses, claims and other liabilities of any and every kind, including, without limitation, judgments and costs of settlement, and (ii) any and all out-of-pocket costs and expenses of any and every kind, including, without limitation, reasonable fees and disbursements of counsel for such Indemnified Parties (all of which expenses periodically shall be reimbursed as incurred), in each case, arising out of or suffered or incurred in connection with any misrepresentation or any breach of any warranty made by the Company in this Agreement or in any of the other Purchase Documents.

ARTICLE XIV
AMENDMENTS, WAIVERS AND CONSENTS

Section 14.1 Consent Required.

Any term, covenant, agreement or condition of this Agreement may, with the consent of the Company, be amended or compliance therewith may be waived (either generally or in a particular instance and either retroactively or prospectively), if the Company shall have obtained the consent in writing of Purchasers holding two-thirds of the principal amount of the Debentures remaining unpaid.

Section 14.2 Solicitation of Debenture Holders.

The Company will not, directly or indirectly, pay or cause to be paid by remuneration, whether by way of supplemental or additional interest, fee or otherwise, to any holder of a Debenture as consideration for or as an inducement to the entering into by any holder of a Debenture of any waiver or amendment of any of the terms and provisions of this Agreement unless such remuneration is concurrently paid, on the same terms, ratably to all the holders of the Debentures.

Section 14.3 Effect of Amendment or Waiver.

Any such amendment or waiver shall apply equally to all of the holders of the Debentures and shall be binding upon them, upon each future holder of a Debenture and upon the Company, whether or not such Debenture shall have been marked to indicate such amendment or waiver.

No such amendment or waiver shall extend to or affect any obligation not expressly amended or waived or impair any right consequent thereon.

ARTICLE XV
INTERPRETATION OF AGREEMENT; DEFINITIONS

Section 15.1 Definitions.

Unless the context otherwise requires, the terms hereinafter set forth when used herein shall have the following meanings and the following definitions shall be equally applicable to both the singular and plural forms of any of the terms herein defined:

"Affiliate" shall mean, with respect to any Person, any other Person directly or indirectly controlling (including but not limited to all directors and executive officers of such Person), controlled by, or under direct or indirect common control with such Person. A Person shall be deemed to control a corporation for the purposes of this definition if such Person possesses, directly or indirectly, the power (i) to vote 10% or more of the securities having ordinary voting power for the election of directors of such corporation or (ii) to direct or cause the direction of the management and policies of such corporation, whether through the ownership of voting securities, by contract or otherwise.

"Business Day" shall mean any day, other than a Saturday, Sunday or holiday, on which Senior Lender is open for all or substantially all of its domestic and international business (including dealings in foreign exchange) in Detroit, Michigan.

"Capital Lease" shall mean any lease of any property (whether real, personal or mixed) by a Person as lessee which, in conformity with GAAP, is, or is required to be accounted for as a capital lease on the balance sheet of such Person, together with any renewals of such leases (or entry into new leases) on substantially similar terms.

"Closing" shall have the meaning set forth in Section 1.3(c) hereof.

"Closing Date" shall have the meaning set forth in Section 1.3(c) hereof.

"Condition" shall have the meaning set forth in Section 2.1 hereof.

The term "control" (including the terms "controlling," "controlled by" and "under common control") shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of Voting Stock, by contract, or otherwise.

"Consolidated" or "Consolidating" (or "consolidated" or "consolidating") shall, when used with reference to any financial information pertaining to (or when used as a part of any defined term or statement pertaining to the financial condition of) the Company and its Subsidiaries, mean the accounts of the Company and its Subsidiaries (excluding any entity which may be consolidated with its parent solely by virtue of the application of Statement of Financial Accounting Standards No. 167 of the U.S. Financial Accounting Standards Board) determined on a consolidated or consolidating basis, as the case may be, all determined as to principles of

consolidation and, except as otherwise specifically required by the definition of such term or by such statements, as to such accounts, in accordance with GAAP.

"Debenture" and "Debentures" shall have the meaning set forth in Section 1.1(c) hereof.

"Default" shall mean any event or condition, the occurrence of which would, with the lapse of time or the giving of notice, or both, constitute an Event of Default as defined in Section 13.1.

"Deferred Prosecution Agreement" shall mean that certain Deferred Prosecution Agreement signed by the Company on or about February 11, 2013 and filed on or about February 15, 2013, between Company and the USAO NDIL, approved by the United States District Court for the Northern District of Illinois, Eastern Division.

"Deferred Prosecution Dismissal" shall mean the dismissal with prejudice of the information filed by the USAO NDIL against the Company pursuant to the Deferred Prosecution Agreement and the related expiration of the Deferred Prosecution Agreement.

"Disclosure Schedules" shall have the meaning set forth in Article II hereof.

"Environmental Laws" shall mean all applicable federal, state, local and foreign laws, statutes, ordinances, codes, rules, standards and regulations, now or hereafter in effect, and in each case as amended or supplemented from time to time, and any applicable judicial or administrative interpretation thereof, including any applicable judicial or administrative order, consent decree, order or judgment, imposing liability or standards of conduct for or relating to the regulation and protection of human health, safety, the environment and natural resources (including ambient air, surface water, groundwater, wetlands, land surface or subsurface strata, wildlife, aquatic species and vegetation). Environmental Laws include, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. §§ 9601 et seq.) ("CERCLA"); the Hazardous Materials Transportation Authorization Act of 1994 (49 U.S.C. §§ 5101 et seq.); the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §§ 136 et seq.); the Solid Waste Disposal Act (42 U.S.C. §§ 6901 et seq.); the Toxic Substance Control Act (15 U.S.C. §§ 2601 et seq.); the Clean Air Act (42 U.S.C. §§ 7401 et seq.); the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.); the Occupational Safety and Health Act (29 U.S.C. §§ 651 et seq.); and the Safe Drinking Water Act (42 U.S.C. §§ 300(f) et seq.), each as from time to time amended, and any and all regulations promulgated thereunder, and all analogous state, local and foreign counterparts or equivalents and any transfer of ownership notification or approval statutes.

"Equity Interests" means, with respect to any Person, any and all shares, share capital, interests, participations, warrants, options or other equivalents (however designated) of capital stock of a corporation and any and all equivalent ownership interests in a Person (other than a corporation).

"Event of Default" shall have the meaning set forth in Section 13.1 hereof.

"Fixed Charge Coverage Ratio" shall have the meaning provided in the Senior Loan Agreement.

"GAAP" shall mean as of any applicable date of determination, generally accepted accounting principles in the United States of America consistently applied, as in effect on the date of this Agreement, subject, in the case of interim financial statements, to the absence of footnotes and year-end audit adjustments.

"Governmental Authority" shall have the meaning set forth in Section 2.3 hereof.

"Indebtedness" shall have the meaning provided in the Senior Loan Agreement.

"Limited Liability Company Agreement" shall mean the Limited Liability Company Agreement of Holdings dated December 31, 2013.

"Material Adverse Effect" shall mean a material adverse effect on (a) the business or financial condition of the Company and its Subsidiaries taken as a whole, (b) the ability of Company to perform its obligations under this Agreement, the Debentures or any other Purchase Document to which it is a party, or (c) the validity or enforceability of this Agreement, any of the Debentures or any of the other Purchase Documents or the rights or remedies of the Purchasers hereunder or thereunder.

"Person" or "person" shall mean any individual, corporation, partnership, joint venture, limited liability company, association, trust, unincorporated association, joint stock company, government, municipality, political subdivision or agency, or other entity.

"Projections" means Company's forecasted (a) balance sheets, (b) profit and loss statements, and (c) cash flow statements, all prepared on a basis reasonably consistent with Company's historical financial statements, together with appropriate supporting details and a statement of underlying assumptions.

"Purchase Documents" shall have the meaning set forth in Section 2.3 hereof.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Security" shall have the same meaning as in Section 2(1) of the Securities Act.

"Security Agreement" shall have the meaning set forth in Section 1.1(d) hereof

"Senior Lender" shall mean HC Capital Holdings 0909A, LLC, and any other Person that becomes a "Senior Lender" as defined in the Senior Lender Subordination Agreement.

"Senior Lender Subordination Agreement" shall mean that certain Intercreditor and Subordination Agreement dated as of December 31, 2013, by and among, the Senior Lender and the Purchasers, as the same may be amended, restated or otherwise modified from time to time in accordance with the provisions of such Intercreditor and Subordination Agreement, including, any replacement Intercreditor and Subordination Agreement executed and delivered pursuant to Section 15 of such Intercreditor and Subordination Agreement.

"Senior Loans" shall mean the loans made by Senior Lender to the Company under the terms of the Senior Loan Agreement.

"Senior Loan Agreement" shall mean that certain Credit and Security Agreement by and between the Company and HC Capital Holdings 0909A, LLC, dated as of December 31, 2013, as the same may be amended, restated or otherwise modified from time to time in accordance with the provisions of the Senior Lender Subordination Agreement, and any other "Senior Credit Agreement" as defined in the Senior Lender Subordination Agreement.

"Senior Loan Documents" shall mean the documents and instruments executed in connection with the Senior Loans, each as amended, restated or otherwise modified from time to time.

"Subsidiary" shall mean a corporation or other entity of which more than fifty percent (50%) of the outstanding Voting Stock or other Equity Interests is owned by the Company, either directly or indirectly.

"Taxes" means any amounts paid by a Person to a Governmental Authority or accrued and which would be classified as taxes in accordance with GAAP (including, without limitation deferred Taxes).

"USAO NDIL" shall mean the Department of Justice, United States Attorney's Office for the Northern District of Illinois.

"Voting Stock" shall mean Securities of any class or classes the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the corporate directors (or Persons performing similar functions).

Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made for the purposes of this Agreement, the same shall be done in accordance with GAAP, to the extent applicable, except where such principles are inconsistent with the requirements of this Agreement.

ARTICLE XVI
MISCELLANEOUS

Section 16.1 Expenses: Stamp Tax Indemnity.

Concurrently with the Closing, the Company agrees to pay directly all of Purchasers' reasonable out-of-pocket expenses in connection with the entering into of this Agreement and the consummation of the transactions contemplated hereby including but not limited to the reasonable fees, expenses and disbursements of Purchasers' counsel. In addition, so long as a Purchaser holds a Debenture, the Company shall pay all such reasonable expenses of such Purchaser relating to any amendment, restatement, replacement, waiver or consent pursuant to the provisions hereof or the provisions of any of the Purchase Documents (whether or not the same are actually executed and delivered), including, without limitation, any amendments, restatements, replacements, waivers or consents resulting from any work-out, restructuring or similar proceedings relating to the performance by the Company of its obligations under this Agreement and the Debentures. The Company also agrees to pay and save each Purchaser harmless against any and all liability with respect to stamp and other Taxes, if any, which may be

payable in connection with the execution and delivery of this Agreement or the Debentures, whether or not the Debentures are then outstanding.

Section 16.2 Powers and Rights Not Waived, Remedies Cumulative.

No delay or failure on the part of a holder of a Debenture in the exercise of any power or right shall operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any other or further exercise thereof, or the exercise of any other power or right, and the rights and remedies of a holder of a Debenture are cumulative to and are not exclusive of any rights or remedies any such holder would otherwise have, and no waiver or consent, given or extended pursuant to Article XIV hereof shall extend to or affect any obligation or right not expressly waived or consented to.

Section 16.3 Notices.

All communications provided for hereunder shall be in writing and shall be delivered personally, or mailed by registered mail, or delivered by prepaid overnight air courier, or by facsimile communication, in each case addressed as follows:

(a) if to the Company: Natural American Foods, Inc.
10464 Bryan Highway
Onsted, Michigan 49265
Attention: Jack Irvin

With a copy to: Foley & Lardner LLP
777 East Wisconsin Avenue
Milwaukee, Wisconsin 53202-5367
Attention: Patricia Lane

(b) If to Purchasers:

Argosy Investment Partners III, L.P.
950 West Valley Road, Suite 2900
Wayne, Pennsylvania 19087
Fax: (610) 964-9524
Attention: Michael R. Bailey

with a copy to:

Horizon Capital Partners III, L.P.
c/o Horizon Partners Ltd.
3838 Tamiarni Trail N.
Suite 408
Naples, Florida 34103
Fax: (239) 261-0225
Attention: Robert M. Feerick

with a copy to:

Marquette Capital Fund I, LP
c/o Marquette Capital Partners LLC
60 South Sixth Street Suite 3510
Minneapolis, Minnesota 55402
Fax: (612) 661-3999
Attention: Thomas H. Jenkins and Maggie Yanez

with a copy to:

Fredrikson & Bryon, P.A.
200 S. 6th Street, Suite 4000
Minneapolis, MN 55402
Fax: (612) 492-7077
Attention: John A. Satorius and Leigh-Erin Irons

Section 16.4 Successors and Assigns.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns (subject to Article X hereof), except that the Company may not assign or transfer its rights hereunder or any interest herein or delegate its duties hereunder without the prior written consent of the Purchasers.

Section 16.5 Survival of Covenants and Representations.

All representations and warranties made by the Company herein and in any certificates delivered pursuant hereto, shall survive the Closing and the delivery of this Agreement for so long as any amounts remain unpaid on any Debenture. All covenants made by the Company herein shall survive the Closing and delivery of this Agreement and the Purchase Documents in accordance with their respective terms.

Section 16.6 Severability.

Should any part of this Agreement for any reason be declared invalid or unenforceable, such decision shall not affect the validity of any remaining portion, which remaining portion shall remain in force and effect as if this Agreement had been executed with the invalid or unenforceable portion thereof eliminated and it is hereby declared the intention of the parties hereto that they would have executed the remaining portion of this Agreement without including therein any such part, parts or portion which may for any reason be hereafter declared invalid or unenforceable.

Section 16.7 Not a Joint Venture.

Neither this Agreement nor any agreements, instruments, documents or transactions contemplated hereby (including the Purchase Documents) shall in any respect be interpreted, deemed or construed as making Purchasers a partner or joint venturer with the Company or as creating any similar relationship or entity, and the Company agrees that it will not make any

assertion, contention, claim or counterclaim to the contrary in any action, suit or other legal proceeding involving a Purchaser and the Company.

Section 16.8 Governing Law, Jurisdiction, Venue and Service.

THIS AGREEMENT SHALL BE INTERPRETED IN ACCORDANCE WITH THE INTERNAL LAWS AND DECISIONS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO CONFLICTS OF LAW PRINCIPLES.

Section 16.9 Arbitration.

Any dispute, controversy or claim arising out of or relating to this Agreement or any contract or agreement entered into pursuant hereto or the performance by the parties of its or their terms shall be settled by binding arbitration held in New York, New York in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect, except as specifically otherwise provided in this Article XVI. Notwithstanding the foregoing, each Purchaser may, in its discretion, apply to a court of competent jurisdiction for equitable relief from any violation or threatened violation of the covenants of a party.

Section 16.10 Arbitrators.

The panel to be appointed shall consist of one neutral arbitrator.

Section 16.11 Procedures; No Appeal.

The arbitrator shall allow such discovery as the arbitrator determines appropriate under the circumstances and shall resolve the dispute as expeditiously as practicable, and if reasonably practicable, within 120 days after the selection of the arbitrator. The arbitrator shall give the parties written notice of the decision, with the reasons therefor set out, and shall have 30 days thereafter to reconsider and modify such decision if any party so requests within 10 days after the decision. Thereafter, the decision of the arbitrator shall be final, binding, and nonappealable with respect to all persons, including (without limitation) persons who have failed or refused to participate in the arbitration process.

Section 16.12 Authority.

The arbitrator shall have authority to award relief under legal or equitable principles, including interim or preliminary relief, and to allocate responsibility for the costs of the arbitration and to award recovery of attorneys fees and expenses in such manner as is determined to be appropriate by the arbitrator.

Section 16.13 Entry of Judgment.

Judgment upon the award rendered by the arbitrator may be entered in any court having *In personam* and subject matter jurisdiction. The parties hereby submit to the *In personam* jurisdiction of the Federal and State courts in New York for the purpose of confirming any such award and entering judgment thereon.

Section 16.14 Confidentiality.

All proceedings under this Article XVI, and all evidence given or discovered pursuant hereto, shall be maintained in confidence by all parties.

Section 16.15 Continued Performance.

The fact that the dispute resolution procedures specified in this Article XVI shall have been or may be invoked shall not excuse any party from performing its obligations under this Agreement and during the pendency of any such procedure all parties shall continue to perform their respective obligations in good faith.

Section 16.16 Tolling.

All applicable statutes of limitation shall be tolled while the procedures specified in this Article XVI are pending. The parties will take such action, if any, required to effectuate such tolling.

Section 16.17 Waiver of Trial by Jury.

PURCHASERS AND THE COMPANY HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDINGS, CLAIMS OR COUNTER-CLAIMS, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, ARISING OUT OF OR IN ANY WAY RELATING TO THIS AGREEMENT OR THE OTHER PURCHASE DOCUMENTS.

Section 16.18 Captions; Counterparts.

The descriptive headings of the various Sections or parts of this Agreement are for convenience only and shall not affect the meaning or construction of any of the provisions hereof. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement and each of the other Purchase Documents may be executed and delivered by telecopier or other facsimile transmission with the same force and effect as if the same was a fully executed and delivered original manual counterpart.

Section 16.19 Limited License.

The Company hereby grants each Purchaser the right, following the Closing, to use the Company's name, logo and a brief description of the business of the Company and this transaction for such Purchaser's tombstone as other similar advertising.

Section 16.20 Entire Agreement; Announcements.

This Agreement and the other Purchase Documents constitute the entire agreement of the parties with regard to subject matter hereof and thereof each Purchaser shall be free, but shall not be required, to make a public announcement or announcements of the Closing of the Debentures

and shall be free to list the same and the Company in such Purchaser's marketing and promotional efforts and materials.

Section 16.21 Execution.

This agreement shall be effective when executed by all parties.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be executed and delivered by their duly authorized officers as of the date first written above.

NATURAL AMERICAN FOODS, INC.

By: _____
Name:
Title:

ARGOSY INVESTMENT PARTNERS III, L.P.

By: Argosy Associates III, L.P.,
its general partner

By: Argosy Associates III, Inc.,
its general partner

By:_____
Name: Michael R. Bailey
Vice President

MARQUETTE CAPITAL FUND I, LP

By: Marquette Capital Partners, LLC
its general partner

By:_____
Name: Thomas H. Jenkins
Title: Managing Member

HORIZON CAPITAL PARTNERS III, L.P.

By: Horizon Venture Associates III
a Wisconsin general partnership

By:_____
Name:
Title: General Partner

Exhibit 1.1(a)

Form of 10% Subordinated Debenture

See attached.

Exhibit 1.1(d)(1)

Security Agreement

See attached.

Schedule 2

Disclosure Schedule

Schedule 2.11

Liens

SECURITIES PURCHASE AGREEMENT

among

ARGOSY INVESTMENT PARTNERS III, L.P.,

HORIZON CAPITAL PARTNERS III, L.P.,

MARQUETTE CAPITAL FUND I, LP,

and

[BORROWERNATURAL AMERICAN FOODS, INC.]

[_____],

DECEMBER 31, 2013

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SECURITIES PURCHASE AGREEMENT

This **SECURITIES PURCHASE AGREEMENT** (as amended, restated or otherwise modified from time to time, the "Agreement") is entered into this [___]**31st** day of [___]**December**, 2013 by and among **ARGOSY INVESTMENT PARTNERS III, L.P.,** a Delaware limited partnership ("Argosy"), **HORIZON CAPITAL PARTNERS III, L.P.,** a Delaware limited partnership ("Horizon"), and **MARQUETTE CAPITAL FUND I, LP,** a Delaware limited partnership ("Marquette"), (individually a "Purchaser" and collectively "Purchasers") and [**BORROWER**]**NATURAL AMERICAN FOODS, INC.**[,], a Delaware corporation (the "Company").

WITNESSETH:

WHEREAS, [____]**WHEREAS,** based on the representations, warranties and covenants contained herein, Purchasers are willing to make the investment provided for herein;

NOW, THEREFORE, in mutual consideration of the premises and the respective representations, warranties, covenants and agreements contained herein, the parties agree as follows:

ARTICLE I
SALE AND PURCHASE OF DEBENTURES

Section 1.1 Debentures; Security.

(a) Subject to the terms and conditions of this Agreement and on the basis of the representations and warranties hereinafter set forth, the Company agrees to issue to Purchasers and Purchasers severally agree to acquire 10% Senior Subordinated Debentures substantially in the form of Exhibit 1.1(a) in the aggregate principal amount of [Three Million Dollars ($3,000,000) due on [____]**December 31, 2018** (as amended, restated or otherwise modified from time to time, individually a "Debenture" and collectively the "Debentures"), to be dated the date of issue and to bear interest at the rate of 10% per annum except as otherwise provided in the Debentures. The Debentures shall be in the following amounts:

Argosy	$ **1,330,800.00**
Marquette	$ **160,800.00**
Horizon	$ **1,580,400.00**
Total	$3,000,000.00

(b) [Reserved].

(c) The term "Debenture" and "Debentures" as used herein shall include the Debentures being delivered at the Closing and all Debentures issued in substitution or exchange for such Debentures in accordance with this Agreement. The terms which are capitalized herein shall have the meanings ascribed to them when first used or as set forth in Section 15.1 hereof unless the context shall otherwise require.

(d) The performance of the Company under this Agreement and the Debentures is secured in accordance with a Security Agreement dated on or about the date hereof between the Company and Marquette, as agent, substantially in the form of Exhibit 1.1(d)(1) (as amended, restated or otherwise modified from time to time, the "Security Agreement").

Section 1.2 [Reserved]

Section 1.3 Commitment; Closing Date.

(a) Subject to the terms and conditions of this Agreement and on the basis of the representations and warranties hereinafter set forth, the Company agrees to issue to Purchasers and Purchasers severally shall be deemed to have purchased from the Company the Debentures as provided in Sections 1.1 herein.

(b) [Reserved].

(c) The closing of this Agreement (the "Closing") shall be held on [ ]**December 31, 2013** (the "Closing Date"), at which time the Company shall deliver to Purchasers Debentures in the aggregate face amount of $3,000,000.

Section 1.4 Expenses.

The Company shall pay all reasonable and documented fees and out-of-pocket expenses of the Purchasers' legal counsel in connection with the transaction.

ARTICLE II
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company hereby represents and warrants to, and agrees with, the Purchasers as of the Closing Date, except as set forth on the Disclosure Schedule furnished to the Purchasers and attached hereto as Schedule 2 (the "Disclosure Schedule"), specifically identifying the relevant subsection hereof, as follows:

Section 2.1 Organization. Good Standing and Qualification.

The Company is a corporation duly organized and validly subsisting under the laws of the State of Delaware. (i) The Company has all requisite power and authority to carry on its business as now conducted and as proposed to be conducted and (ii) the Company has all requisite power and authority to enter into and perform this Agreement and the transactions contemplated hereby and is duly qualified to transact business and is in good standing in each jurisdiction in which the failure so to qualify could have a Material Adverse Effect on its business, properties, operations, financial condition or business prospects (for the Company taken as a whole, "Condition"). As of the Closing Date, the Company does not have any Subsidiaries.

Section 2.2 [Reserved].

Section 2.3 Authority:, Execution and Delivery; Requisite Consents; Nonviolation.

The Company has, and as of the Closing will have, all requisite power and authority to execute, deliver and perform this Agreement, the Debentures, the Security Agreement, and each other document or instrument executed by it, or any of its officers, in connection herewith or therewith or pursuant hereto or thereto (this Agreement, together with all of the foregoing agreements, documents and instruments, are sometimes collectively referred to herein as the "Purchase Documents"), and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance of this Agreement and the other Purchase Documents and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by all necessary action on the part of the Company. This Agreement and each of the other Purchase Documents that has been executed as of the date hereof are, and each of the Purchase Documents will be as of the Closing, duly executed and delivered by the Company and the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or other similar laws affecting the enforceability of creditors' rights in general or by general principles of equity. The execution, delivery and performance of this Agreement and the other Purchase Documents, the consummation by the Company of the transactions contemplated hereby and thereby (including, without limitation, the offer, sale and delivery by the Company of the Debentures) will not: (a) require the consent, license, permit, waiver, approval, authorization or other action of, by or with respect to, or registration, declaration or filing with, any court or governmental authority, department, commission, board, bureau, agency or instrumentality, domestic or foreign ("Governmental Authority"), or any other Person; (b) violate or conflict with any provision of the Articles of Incorporation or the By-laws of the Company; or (c) constitute a default (with or without notice or lapse of time or both) under, violate or conflict with, or give rise to a right of termination, cancellation or acceleration or to a loss of a material benefit under any (i) statute, law, ordinance, rule, regulation or policy of any Governmental Authority, (ii) permit, order or certificate, (iii) any order, judgment, writ, injunction or decision, or (iv) to the best knowledge of the Company, material contract, agreement, arrangement or understanding, written or oral, to which the Company is a party or by which the Company or its properties are bound.

Section 2.4 [Reserved].

Section 2.5 Registration Rights.

No Person has, and as of the Closing no Person shall have, demand, "piggyback" or other rights to cause the Company to file any registration statement under the Securities Act, relating to any of its securities or to participate in any such registration statement.

Section 2.6 No Brokers or Finders.

The Company has not entered into nor will enter into any agreement pursuant to which the Company or Purchasers will be liable, as a result of the transactions contemplated by this Agreement or any of the other Purchase Documents, for any claim of any person for any commission, fee or other compensation as finder or broker.

Section 2.7 Investment Company Act; Margin Stock.

The Company is not an "Investment Company" nor is the Company directly or indirectly controlled by or acting on behalf of any Person which is an "Investment Company" within the meaning of the Investment Company Act of 1940, as amended.

The Company is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System), and no part of the proceeds of the sale of the Debentures will be used to purchase or carry any such margin stock or to extend credit to others for the purpose of purchasing or carrying any such margin stock.

Section 2.8 [Reserved].

Section 2.9 Proprietary Information of Third Parties.

To the best knowledge of the Company, no third party has claimed or has reason to claim that any person employed by or affiliated with the Company has, in connection with such person's employment or affiliation with the Company (a) violated or may be violating any of the terms or conditions of his employment, non-competition or non-disclosure agreement with such third party, (b) disclosed or may be disclosing or utilized or may be utilizing any trade secret or proprietary information or documentation of such third party or (c) interfered or may be interfering in the employment relationship between such third party and any of its present or former employees. No third party has requested information from the Company which suggests that such a claim might be contemplated. To the best knowledge of the Company, no person employed by or affiliated with the Company has employed or proposes to employ any trade secret or any information or documentation proprietary to any former employer, and to the best knowledge of the Company, no person employed by or affiliated with the Company has violated any confidential relationship which such person may have had with any third party, in connection with the development, manufacture or sale of any product or proposed product or the development or sale of any service or proposed service of the Company, and the Company has no reason to believe there will be any such violation. To the best knowledge of the Company, none of the execution or delivery of this Agreement, or the carrying on of the business of the Company as officers, employees or agents by any officer, director or key employee of the Company, or the conduct or proposed conduct of the business of the Company, will conflict with or result in a breach of terms, conditions or provisions of or constitute a default under any contract, covenant or instrument under which any such person is obligated.

Section 2.10 [Reserved]

Section 2.11 Security Interest.

Upon the filing of UCC-1 financing statements in the appropriate jurisdictions, the security interests granted to the Purchasers under the Security Agreement shall constitute valid and perfected security interests in all of the assets of the Company to the extent that filing can perfect, subject only to the liens described in Schedule 2.1 1.

Section 2.12 [Reserved].

Section 2.13 [Small Business Concern.

The Company is a "small business concern" within the meaning of Section 107.50 of Title 13 of the United States Code of Federal Regulations and meets the size standards under 13 C.F.R. Section 121.301(c). The information set forth in the Small Business Administration Form 480, Form 652 and Part A of Form 1031 regarding the Company is accurate and complete. The Company is not presently engaged in any activities for which a small business investment company is prohibited from providing funds under 13 C.F.R. Section 107.720.]

Section 2.14 Incorporation of Representations.

The Company has made certain representations to the Senior Lender in the Senior Loan Agreement (the "Senior Loan Agreement Representations"). The Company hereby agrees that the Senior Loan Agreement Representations are incorporated herein and remade to the Purchasers as of the Closing Date, unless such Senior Loan Representations relate to an earlier date and then such Senor Loan Representations are remade as of such earlier date. All definitions in the Senior Loan Agreement in effect on the date hereof are also incorporated by reference.

Section 2.15 [Reserved].**Deferred Prosecution Agreement.**

Section 2.16 Definition of Knowledge.

As used in this Article II, the term "to the knowledge of the Company" and phrases of like import shall mean the actual knowledge of Rolf Richter and Jack Irvin, Jr. after due inquiry.

The execution, delivery and performance by Company of the Deferred Prosecution Agreement has been duly authorized by all necessary action on the part of Company. The information contained in the factual statement of the Deferred Prosecution Agreement is true and correct in all material respects. The Company is not aware of any information which would make any factual statement contained in the Deferred Prosecution Agreement misleading or inaccurate in any material respect. The Company is not in material breach of any of its covenants or obligations under the Deferred Prosecution Agreement.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF PURCHASERS

Purchasers hereby severally represent and warrant to the Company as follows:

Section 3.1 Status; Residence.

Argosy is a limited partnership duly organized and validly existing under the laws of the State of Delaware. Horizon is a limited partnership duly organized and validly existing under the laws of the State of Delaware. Marquette is a limited partnership duly organized and validly existing under the laws of the State of Delaware. Each Purchaser has the power to own and operate its properties, to carry on its business as now conducted and to enter into and to perform its obligations under this Agreement and any other document executed or delivered by such Purchaser in connection herewith. Argosy's principal place of business is located in the Commonwealth of

Pennsylvania. Horizon's principal place of business is located in the State of Florida. Marquette's principal place of business is located in the State of Minnesota.

Section 3.2 Authorization.

Each Purchaser has full legal right, power and authority to enter into and perform its obligations under this Agreement and any other document executed and delivered by such Purchaser in connection herewith, without the consent or approval of any other Person, firm, governmental agency or other legal entity. The execution and delivery of this Agreement and any other document executed and delivered by each Purchaser in connection herewith, and the performance by such Purchaser of its obligations hereunder and thereunder are within the powers of such Purchaser, have received all necessary governmental approvals, if any were required, and do not and will not contravene, violate or conflict with, constitute a default under, or result in the creation or imposition of any lien, charge, security interest or encumbrance of any nature upon any of the property or assets of such Purchaser pursuant to the terms of (a) the limited partnership agreement of such Purchaser, (b) any material agreement to which such Purchaser is a party or by which it or any of its properties is bound or (c) any provision of law or any applicable judgment, ordinance, regulation or order of any court or governmental agency. The officers executing this Agreement and any other document executed and delivered by such Purchaser in connection herewith, are duly authorized to act on behalf of each Purchaser.

Section 3.3 Validity and Binding Effect.

This Agreement and any other document executed and delivered by each Purchaser in connection herewith are the legal, valid and binding obligations of such Purchaser, enforceable against it in accordance with their respective terms, except as such enforceability may be limited by the effect of bankruptcy, insolvency or similar laws affecting creditors' rights generally or by general principles of equity.

Section 3.4 Accredited Investor; Investment Intent.

Each Purchaser is an "accredited investor" under Rule 501(a) under the Securities Act. Argosy and Marquette are Small Business Investment Companies, as that term is defined in Section 103 of the Small Business Investment Act of 1958, 15 U.S.C.A. Section 662 et seq. and each has a total capital of at least One Million Dollars ($1,000,000). Each Purchaser is acquiring the Debentures being acquired by it for its own account, for investment, and not with a view to the distribution or resale thereof in whole or in part, in violation of the Securities Act or any applicable state securities law.

Section 3.5 Investment Experience.

Each Purchaser is an investor in securities of companies of varying developmental stages and acknowledges that it can bear the economic risk of its investment for an indefinite period, and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Debentures.

Section 3.6 Disclosure of Information.

Each Purchaser represents that it has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of the Debentures and the business and financial condition of the Company. The foregoing, however, does not limit the right of Purchasers to rely on the representations and warranties of the Company in Article II herein.

Section 3.7 Restricted Securities.

Each Purchaser understands that the Debentures are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Securities Act, only in certain limited circumstances. In the absence of an effective registration statement covering the Debentures, or an available exemption from registration under the Securities Act, the Debentures must be held indefinitely. In this connection, each Purchaser represents that it is familiar with Commission Rule 144, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act.

Section 3.8 Further Limitations on Disposition.

Each Purchaser will not make any disposition of all or any portion of the Debentures unless and until the transferee has agreed in writing for the benefit of the Company to be bound by this Article III, and:

(a) There is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with such registration statement; or

(b) (i) The Purchaser seeking to make the disposition shall have notified the Company of the proposed disposition and shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, and (ii) if requested by the Company, such Purchaser shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, that such disposition will not require registration of such securities under the Securities Act.

ARTICLE IV
CONDITIONS PRECEDENT TO THE OBLIGATIONS OF PURCHASERS

Section 4.1 Closing.

The obligation of the Purchasers to accept the Debentures at the Closing shall be subject to the fulfillment on or before the Closing Date of each of the conditions set forth in Sections 4.1.1 through 4.1.9 below:

4.1.1 Representations and Warranties True; Satisfactory Proceedings; Secretary's Certificate.

The representations and warranties of the Company contained in this Agreement (including the Disclosure Schedule) or any other Purchase Document, shall have been true and correct when made and shall be true and correct as of the Closing Date as if made on such date, except to the extent such representations and warranties expressly relate to a specific date. The Company shall have duly performed all of the covenants and agreements to be performed by it hereunder on or prior to the Closing Date. All proceedings taken in connection with the transactions contemplated by this Agreement and the other Purchase Documents, and all documents necessary to the consummation thereof, shall be satisfactory in form and substance to each Purchaser and each Purchaser's counsel, and each Company shall have delivered to each Purchaser a certificate, dated the Closing Date, signed by the Secretary of the Company in a form acceptable to the Purchasers.

4.1.2 The Existence and Authority of the Company; UCC Filings; Lien Searches.

On or before the Closing Date, the Company shall have delivered to each Purchaser the following certificates and/or search results from the relevant public officials, in each case as of a date within fifteen (15) days of the Closing Date:

(a) The Articles of Incorporation of the Company, certified by the Secretary of State or other appropriate official in the jurisdiction where the Company is incorporated, together with the Bylaws of the Company in effect as of the Closing Date certified by the Secretary of the Company;

(b) certificate as to the legal existence and subsistence of the Company issued by the Secretary of State or other appropriate official in the jurisdiction where the Company is incorporated;

(c) UCC, tax and judgment searches against the Company from the States of Michigan and Delaware, the results of which shall be satisfactory to each Purchaser; and

(d) Copies of all filing receipts or acknowledgments issued by the relevant Governmental Authorities evidencing all filings and recordations necessary to perfect the security interests of the Purchasers in the assets of the Company.

4.1.3 Senior Loans. The Senior Loans shall have been consummated upon terms satisfactory to the Purchasers.

4.1.4 Delivery of Other Documents.

(a) On or before the Closing, the Company shall have delivered to Purchasers the following fully executed documents:

(i) the Debentures executed by the Company;

(ii) the Security Agreement executed by the Company;

~~(iii) [SBA Form 480, Form 652 and Form 1031;]~~

(iii) ~~(iv)~~ the Senior Lender Subordination Agreement (as defined in Section 4.1.8) executed by the Company and the Senior Lender; and

(iv) ~~(v)~~ a certified copy of the resolutions adopted by the Board of Directors (or similar body) of the Company authorizing and approving (a) the execution, performance and delivery of this Agreement, together with all agreements, instruments and documents ancillary thereto and (b) all other proceedings and transactions contemplated hereby.

4.1.5 Required Consents.

Any consents or approvals required to be obtained from any third party, including any holder of Indebtedness or any outstanding security of the Company, and any amendments of agreements which shall be necessary to permit the consummation of the transactions contemplated hereby on the Closing Date, shall have been obtained and all such consents or amendments shall be satisfactory in form and substance to each Purchaser.

4.1.6 Expenses.

The Company shall have reimbursed Purchasers for all fees as provided in Section 1.4 hereof and their reasonable expenses.

4.1.7 Equity Issuance.

~~[~~**Natural American Foods** Holdings**,** LLC~~]~~ ("Holdings") shall have granted a warrant to each Purchaser in form and substance satisfactory to such Purchaser (collectively, the "Warrants"), which are exercisable, in the aggregate, for 13% of Holdings' Class A Units as of the date of issuance (the "Warrant Shares").

4.1.8 Subordination Agreement.

The Purchasers and Senior Lender shall have executed a subordination agreement acknowledged by the Company in form and substance satisfactory to Purchasers (the "Senior Lender Subordination Agreement").

4.1.9 Release of Pledge Collateral.

The Senior Lender shall have released all cash collateral pledged by the Purchasers in favor of Senior Lender to each Purchaser in accordance with their respective interests therein.

Section 4.2 Fair Market Values.

The Company and Purchasers agree that the fair market value of the Debentures is $3,000,000.

ARTICLE V
COVENANTS OF THE COMPANY

From and after the Closing Date and continuing so long as any amount remains unpaid on any Debenture, the Company agrees to comply with each of the following dependent covenants:

Section 5.1 Use of Proceeds; Certain Prohibited Activities.

(a) [The Company will not engage in or use directly or indirectly the proceeds of the Debentures for any purpose for which a small business investment company is prohibited from providing funds under 13 C.F.R. Section 107.720.

(b) Without obtaining the prior written approval of Purchasers, the Company shall not, within one (1) year after the Closing Date, change the business activity of the Company to a business activity to which a small business investment company is prohibited from providing funds under 13 C.F.R. Section 107.720. The Company agrees that any such changes in its business activity without such prior written consent of Purchasers will constitute a material breach of the obligations of the Company under this Agreement (an "Activity Event of Default"). If an Activity Event of Default occurs, Purchasers have the right to demand, in writing, immediate repayment of the Debentures, together with accrued but unpaid interest, and the Company will immediately make such payment within three (3) days of receipt of a demand. The payment remedy is in addition to any and all other rights and remedies against the Company to which Purchasers may be entitled.]

Section 5.2 Payment of Debenture.

The Company shall perform and observe all of its obligations to the holder(s) of the Debentures set forth herein and in the Debentures.

Section 5.3 Compliance with Purchase Documents.

The Company shall perform and observe in all material respects all of its obligations under the Security Agreement and the other Purchase Documents.

Section 5.4 Corporate Existence. Etc.

Except as provided in [Section 5.32]**(a)**, the Company will preserve and keep in force and effect its corporate existence and good standing in the state of its incorporation, its qualification and good standing as a foreign corporation in each jurisdiction where such qualification is required by applicable law except where the failure to so qualify would not have a Material Adverse Effect on its Condition and all licenses and permits necessary to the proper conduct of its business except where the failure to have such licenses and permits would not have a Material Adverse Effect on its Condition.

Section 5.5 Maintenance Etc.

The Company will maintain, preserve and keep its properties and assets which are used in the conduct of its business (whether owned in fee or pursuant to a leasehold interest) in good repair

and working order and from time to time will make all necessary repairs, replacements, renewals and additions so that at all times the efficiency thereof shall be maintained except where the failure to maintain, keep and preserve such properties and assets in good repair and good working order could not reasonably be expected to have a Material Adverse Effect on its Condition.

Section 5.6 Nature of Business.

The Company will not engage in any business if, as a result, the general nature of the business which would then be engaged in by the Company would be substantially changed from the general nature of the business engaged in by the Company on the date of this Agreement. The Company shall not conduct its business in such a way as to become an "Investment Company" within the meaning of the Investment Company Act of 1940, as amended.

Section 5.7 Insurance.

The Company will maintain insurance coverage by financially sound and reputable insurers with respect to their properties and business in such forms and amounts and against such risks, casualties and contingencies as is usually carried by companies engaged in the same or similar business and similarly situated and will cause Purchasers to be named as loss payees on such casualty and business interruption insurance, if any, and as an additional insured on any liability policies. If any Event of Default shall have occurred and be continuing or the aggregate insurance proceeds exceed $500,000, Purchasers shall, subject to the rights of the Senior Lender, not have any obligation to remit or apply any such insurance proceeds to repair or replacement of any damaged property and may, in their sole discretion, apply such proceeds as a payment in respect of the obligations owing by the Company under this Agreement, the Debentures and/or any other Purchase Document, in inverse order of maturity.

Section 5.8 Taxes; Claims for Labor and Materials.

The Company will promptly pay and discharge (i) all lawful Taxes, assessments and governmental charges or levies imposed upon the property or business of the Company, (ii) all trade accounts payable in accordance with usual and customary business terms, and (iii) all claims for work, labor or materials, which if unpaid might become a lien or charge upon any property of the Company; provided, however, the Company shall not be required to pay any such Tax, assessment, charge, levy, account payable or claim if (a) the validity, applicability or amount thereof is being contested in good faith by appropriate actions or proceedings which will prevent the forfeiture or sale of any property of the Company or any material interference with the use thereof by the Company, and (b) the Company shall set aside on its books, reserves reasonably deemed by them to be adequate with respect thereto.

Section 5.9 Compliance with Laws, Agreements, etc.

The Company shall maintain its business operations and property owned or used in connection therewith in material compliance with (i) all applicable federal, state and local laws, regulations and ordinances, and such laws, regulations and ordinances of foreign jurisdictions, governing such business operations and the use and ownership of such property, and (ii) all agreements, licenses, franchises, indentures and mortgages to which the Company is a party or by

which the Company or any of its properties are bound except where the failure of the foregoing would not have a Material Adverse Effect. Without limiting the foregoing, the Company shall pay all material Indebtedness for borrowed money promptly and substantially in accordance with the terms thereof, except if payment thereof is being contested in good faith.

Section 5.10 [Reserved]

Section 5.11 Books and Records; Rights of Inspection.

The Company will keep proper books of record and account in which full and correct entries will be made of all dealings or transactions of or in relation to its business and affairs to enable financial statements to be prepared in accordance with GAAP. The Company shall permit representatives of Purchasers [and/or representatives of the United States Small Business Administration (the "SBA Representative")] to visit any of its properties and inspect its corporate books and financial records, and will discuss its accounts, affairs and finances with such representatives during reasonable business hours, at all such times as Purchasers [(or the SBA Representative)] may reasonably request. The Company will, upon reasonable request, cooperate fully with Purchasers, Purchasers' representatives and counsel in the preparation of any document or other material which may be required by the United States Small Business Administration or any other governmental agency as a predicate to or result of the transactions herein contemplated. The Company will furnish to Purchasers information requested by the United States Small Business Administration concerning the economic impact of Purchasers' investment including but not limited to information concerning Taxes paid and number of employees.

Section 5.12 Reports, Budgets, Press Releases.

(a) Financial Reports. The Company shall furnish to each Purchaser:

(i) As soon as available and in any event within thirty (30) days after the end of each month in each fiscal year, ~~a~~**an unaudited consolidated and consolidating balance sheet, income** statement~~ of income and a~~**,** statement of cash ~~flows of the Company for the monthly period then ended and for the period from the beginning of the then current fiscal year to the end of such monthly period, and a balance sheet of the Company as of the end of such monthly~~**flow, and statement of owner's equity covering the operations of the Company and its Subsidiaries, if any, during such period and compared to the prior** period, setting forth in each case in comparative form figures for the corresponding period in the preceding fiscal year, all in reasonable detail and certified by an authorized financial officer of the Company and prepared in accordance with GAAP, subject to normal year-end adjustments and footnotes; and

(ii) within 120 days after the last day of each fiscal year of the Company, an audited consolidated and consolidating annual financial statement of the Company, including a (A) balance sheet, (B) statement of income and expense, (C) statement of stockholders' equity and (D) statement of cash flow for such year, prepared in accordance with GAAP and setting forth in each case, in comparative form, the figures for the previous fiscal year, all in reasonable detail and, in the case of the audited annual report, accompanied by an unqualified opinion as to going concern of an independent certified public accountant satisfactory to the Purchasers. The annual financial statements shall be accompanied by a written statement from the

chief executive officers or senior financial officers of the Company demonstrating compliance with each of the financial covenants set forth in section 5.32(b), and further certifying that: (i) to the knowledge of the Company there exists no Event of Default or event which, with the giving of notice or passage of time or both, would constitute an Event of Default or if any such default exists, specifying the nature thereof, the period of existence thereof and what action is planned with respect thereto (provided that the Purchasers shall not be subject to any liability, nor shall the Purchasers be deemed to waive any right or remedy to which it may be entitled, as a result of any action taken or not taken subsequent to receipt of such statement regarding Events of Default); and (ii) nothing has come to the attention of the management of the Company that caused them to believe the Company was not in compliance with any terms, covenants, provisions or conditions of the Purchase Documents.

(b) Meetings. The Purchasers will be entitled to quarterly meetings with management of the Company at mutually agreeable times. At the request of the Purchasers, two of such quarterly meetings may be in person at the sole expense of the Purchasers.

(c) [Reserved].

(d) [Reserved].

(e) [Reserved]

(f) ~~[Reserved].~~ **Prior to the start of each Fiscal Year commencing with the 2015 Fiscal Year, copies of Company's Projections for such Fiscal Year on a monthly basis, certified by the chief financial officer of the Company as being such officer's good faith estimate of the financial performance of the Company during the period covered thereby.**

(g) Within forty five (45) days after and as of the end of each fiscal quarter ~~(or, from the Closing Date until [___], within thirty (30) days after and as of the end of each fiscal month)~~[1], a statement prepared and certified by the chief financial officer of the Company (or in such officer's absence, a responsible senior office of the Company (i) setting forth in reasonable detail all computations necessary to show compliance by the Company with the financial covenants contained in Section 5.32(b) of this Agreement as of the date of such financial statements **(to the extent such covenants are applicable)**, (ii) stating that as of the date thereof, no condition or event which constitutes an Event of Default or which with the running of time and/or the giving of notice would constitute an Event of Default has occurred and is continuing, or if any such event or condition has occurred and is continuing or exists, specifying in detail the nature and period of existence thereof and any action taken with respect thereto taken or contemplated to be taken by the Company and (iii) stating that the signer has reviewed this Agreement and that such certificate is based on an examination sufficient in such signer's opinion, to assure that such certificate is accurate in all material respects.

~~[1] To conform to financial covenant construct.~~

(h) Other Information. From time to time as soon as reasonably possible, copies of such other reports and such other information as Purchasers shall reasonably request.

Section 5.13 Incorporation of Covenants from Senior Loan Agreement by Reference.

Sections 7.1, 7.2, 7.3, 7.4, 7.8, 7.9, 7.11, 7.12 and ~~7.17~~**7.14** of the Senior Loan Agreement are hereby incorporated by reference, with all defined terms used in such Sections having the meanings ascribed to them in the Senior Loan Agreement**; provided that any amendment or modification of such sections or definitions of the Senior Loan Agreement with respect to such that would materially and adversely affect the Purchasers as compared to the lenders under the Senior Loan Agreement shall be effective herein only with the written consent of the Purchasers representing a majority of the outstanding principal amount of the Debentures; provided, further, that the payments permitted under Section 7.12(e) of the Senior Loan Agreement shall be subject to an annual cap of $500,000 per year with respect to any annual management or consulting fees and expense reimbursement (other than out-of-pocket expenses)**.

Section 5.14 ~~[Reserved]~~**Subordination of Management Agreement**~~[Reserved]~~**. To the extent any subordination agreement is entered into with any lender under the Senior Loan Agreement with respect to the Management Agreement (as defined in the Senior Loan Agreement), within 30 days after entry into such subordination agreement the Company and/or its affiliates will enter into a subordination agreement with the Purchasers in form and substance customary for subordinated indebtedness of the type represented by the Debentures.**

Section 5.16 [Reserved].

Section 5.17 ~~Section 5.16~~ [Reserved].

Section 5.18 ~~Section 5.17~~ [Reserved]

Section 5.19 ~~Section 5.18~~ [Reserved]

Section 5.20 ~~Section 5.19~~ [Reserved]

Section 5.21 ~~Section 5.20~~ Notice.

The Company shall promptly upon the discovery thereof give written notice to each Purchaser of (i) the occurrence of any default or Event of Default or event which, with the passage of time, would constitute an Event of Default, under this Agreement; (ii) the occurrence of any default or event of default or event which, with the passage of time, would constitute an event of default, under the Senior Loan Documents; (iii) the occurrence of any default or event of default under any other agreement providing for Indebtedness of the Company or under a Capital Lease for at least $50,000, and which default could cause the obligations under such agreement to be accelerated; (iv) any actions, suits or proceedings instituted by any Person against the Company or

materially affecting any of the assets of the Company involving claims in excess of $50,000; (v) any investigation initiated by, or any dispute between any Governmental Authority, on the one hand, and the Company, on the other hand, which investigation or dispute might interfere with the normal operations of the Company; (vi) any change or modification in existing contracts, agreements or commitments to which the Company is a party or is bound, which change or modification reasonably could be expected to have a Material Adverse Effect on the Condition of the Company; or (vii) any change in the laws applying in particular to the Company or the industry in which the Company competes which change reasonably could be expected to have a Material Adverse Effect on the Condition of the Company.

Section 5.22 ~~Section 5.21~~ [Reserved].

Section 5.23 ~~Section 5.22~~ [Reserved].

Section 5.24 ~~Section 5.23~~ [Reserved].

Section 5.25 ~~Section 5.24~~ Environment.

The Company shall be and remain in material compliance with the provisions of all Environmental Laws, except where the failure to so comply would not have a Material Adverse Effect; upon knowledge, notify Purchasers immediately of any notice of a hazardous discharge or environmental complaint received from any Governmental Authority or any other party; notify Purchasers immediately of any hazardous discharge from or affecting its premises; immediately contain and remove the same, in compliance with all Environmental Laws, except where the failure to so comply would not have a Material Adverse Effect; promptly pay any fine or penalty assessed in connection therewith subject to a right to reasonably contest same; permit Purchasers to inspect the premises, to conduct tests thereon, and to inspect all books, correspondence, and records pertaining thereto at reasonable times; and at any Purchaser's request, and at the expense of the Company, only if an Event of Default exists, provide a report of a qualified environmental engineer, satisfactory in scope, form, and content to such Purchaser, and such other and further assurances reasonably satisfactory to such Purchaser that any adverse environmental or safety condition has been corrected.

Section 5.26 ~~Section 5.25~~ [Reserved]

Section 5.27 ~~Section 5.26~~ Amendment of Agreements.

The Company shall not amend the Senior Loan Documents except to the extent that such amendment is permitted under the express terms of the Senior Lender Subordination Agreement.

Section 5.28 ~~Section 5.27~~ Auditors.

The Company shall retain an accounting firm agreeable to the Board of Directors for purposes of preparing the consolidated audited financial statements of the Company.

Section 5.29 ~~Section 5.28~~ Amendment to Articles of Incorporation.

The Company shall not amend its Articles of Incorporation without receiving the consent required under the Articles of Incorporation.

Section 5.30 ~~Section 5.29~~ [Reserved]

Section 5.31 Preemptive Rights.

Subject to the provisions of this Section 5.30, in the event the Company issues additional indebtedness for borrowed money consisting of "Subordinated Debt" as defined in the Senior Lender Subordination Agreement (other than any indebtedness as lessee under a capitalized lease or incurred in the ordinary course of business) subsequent to the Closing, the Purchasers will have the right to purchase from the Company, during a reasonable time to be fixed by the Board of Directors (which will not be less than 20 days), up to $3,000,000 in the aggregate during the term of this Agreement of such indebtedness at a price or prices and on other terms not less favorable to the Purchasers than the price or prices and other terms at which such indebtedness is proposed to be issued. Each Purchaser will have the right to purchase its pro rata portion, based on such Purchaser's unpaid principal under such Purchaser's Debenture divided by the aggregate unpaid principal under all Debentures, of such indebtedness.

~~Section 5.30 [Reserved]~~ **The Company will provide written notice to each Purchaser setting forth the time within, and the price and other terms and conditions upon which, the Purchaser may purchase such additional indebtedness. Any indebtedness which the Company proposes to issue which is not purchased by the Purchasers pursuant to this Section 5.30 may be issued or sold by the Company after the expiration of the period during which the Purchasers shall have the preemptive right to purchase, but the Company shall not sell or issue any such indebtedness after 90 days following the original period without renewed compliance with this Section 5.30.**

Section 5.32 ~~Section 5.31~~ Further Assurances.

The Company will take all actions reasonably requested by Purchasers to effect the transactions contemplated by this Agreement and the other Purchase Documents.

Section 5.33 ~~Section 5.32~~ Affirmative Covenants.

So long as any amount remains unpaid on any Debenture, the Company agrees to comply with each of the following covenants:

(a) The covenants referenced in Sections ~~[~~6.3, 6.4, 6.5, 6.9, 6.10, 6.11 and 6.17~~]~~ of the Senior Loan Agreement are hereby incorporated by reference, with all defined terms therein to have the meanings ascribed to them in Schedule 1.1 of the Senior Loan Agreement~~.~~**; provided that any amendment or modification of such sections or definitions of the Senior Loan Agreement with respect to such that would materially and adversely affect the Purchasers as compared to the lenders under the Senior Loan Agreement shall be effective herein only with the written consent of the Purchasers representing a majority of the outstanding principal amount of the Debentures.**

(b) Financial Covenants. All capitalized terms used by not defined below have the meanings ascribed to them in the Senior Loan Agreement as in effect on the date hereof.

(i) *Maintain a Fixed Charge Coverage Ratio* **measured for the trailing twelve month period as of the last day of each Fiscal Quarter specified below, of not less than the minimum required ratio set forth opposite the applicable Fiscal Quarter of Company set forth below:**

Applicable Trailing Twelve Months Period Ended as of the following Fiscal Quarter	Minimum Required Fixed Charge Coverage Ratio
Q1 and Q2 2015	0.68 :1.00
Q3 and Q4 2015	0.85 :1.00
Q1 2016 and each Fiscal Quarter thereafter	0.935 :1.00

~~(b) *Maintain a Fixed Charge Coverage Ratio* of not less than [[___]to 1.00,] measured monthly on a fiscal year-to-date basis on the last day of each month through [_____] (with the first such monthly fiscal year-to-date measurement occurring for the three-month period ended [_____]) and from and after [_____] measured quarterly on a trailing twelve-month basis as at the end of each Fiscal Quarter (with the first such quarterly trailing twelve-month measurement occurring for the Fiscal Quarter ended [_____]).~~

The foregoing Fixed Charge Coverage Ratio shall only be measured at the times the Fixed Charge Coverage Ratio under the Senior Loan Agreement is measured by the Senior Lender as provided in the Senior Loan Agreement.[2]

(ii) Shall not make or incur any Non-Financed Capital Expenditure in any Fiscal Year which would cause the aggregate amount of Non-Financed Capital Expenditure made or incurred by Company in such Fiscal Year to exceed $1,000,000.

(iii) Achieve EBITDA, measured for the trailing twelve month period as of the last day of such Fiscal Quarter specified below, of not less than the minimum required amount set forth opposite the applicable Fiscal Quarter of Company set forth below:

Applicable Fiscal Quarter End	Minimum Required EBITDA for

[2] ~~To be set at 15% cushion to Senior Loan Agreement levels.~~

	Trailing Twelve Months Period
Q4 2014	$-600,000
Q1 2015	$-100,000
Q2 2015	$400,000
Q3 2015	$900,000
Q4 2015	$1,400,000
Q1 2016	$1,650,000
Q2 2016	$1,900,000
Q3 2016	$2,150,000
Q4 2016	$2,400,000
Q1 2017	$2,650,000
Q2 2017	$2,900,000
Q3 2017	$3,150,000
Q4 2017 and each Fiscal Quarter Thereafter	$3,400,000

ARTICLE VI
AGENCY PROVISIONS

Section 6.1 Authorization and Action.

Each Purchaser hereby irrevocably appoints Marquette as its agent under the Security Agreement (the "Agent") and authorizes the Agent to take such action as agent on its behalf and to exercise such powers under the Security Agreement as are delegated to the Agent by the terms thereof, together with such powers as are reasonably incidental thereto. The duties of the Agent shall be mechanical and administrative in nature and the Agent shall not by reason of this Agreement, be a trustee or fiduciary for any Purchaser. The Agent shall have no duties or responsibilities except those expressly set forth herein or in the Security Agreement. As to any matters not expressly provided for by this Agreement or the Security Agreement (including, without limitation, enforcement of Agent's security interest in any collateral securing the obligations owing to any of the Purchasers), the Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or so refraining from acting) upon the joint written instructions of Purchasers, and such instructions shall be binding upon the Purchasers and all holders of

Debentures; provided, however, that the Agent shall not be required to take any action which exposes the Agent to personal liability or which is contrary to this Agreement or applicable law.

Section 6.2 Liability of Agent.

Neither the Agent nor any of its partners, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them under or in connection with this Agreement or the Security Agreement in the absence of its or their own gross negligence or willful misconduct. Without limitation of the generality of the foregoing, the Agent (a) may treat the payee of any Debenture as the holder thereof until the Agent receives written notice of the assignment or transfer thereof signed by such payee, which notice must be in form satisfactory to the Agent; (b) may consult with legal counsel (including counsel for the Company), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants, or experts; (c) makes no warranty or representation to any Purchaser and shall not be responsible to any Purchaser for any statements, warranties, or representations made in or in connection with this Agreement; (d) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants, or conditions of this Agreement on the part of the Company or to inspect the property (including the books and records) of the Company; (e) shall not be responsible to any Purchaser for the due execution, legality, validity, enforceability, genuineness, perfection, sufficiency, or value of this Agreement or any other instrument or document furnished pursuant thereto; and (f) shall incur no liability under or in respect of this Agreement or the Security Agreement by acting upon any notice, consent, certificate, monthly billing statement or other instrument or writing (which may be sent by telegram, telex, or facsimile transmission) believed by it to be genuine and signed or sent by the proper party or parties.

Section 6.3 Independent Credit and Collateral Decisions.

Each Purchaser acknowledges that it has, independently and without reliance upon the Agent or any other Purchaser and based on such documents and information as it has deemed appropriate, made its own credit and collateral analysis (including an analysis of the nature and value of any collateral, the enforceability of the Agent's security interest therein and the perfection of such documents and information as it shall deem appropriate at the time), and will continue to make its own credit decision in taking or not taking action under this Agreement. The Agent shall have no duty or responsibility to provide any Purchaser with any credit or other information concerning the affairs, financial condition or business of the Company which may come into the possession of the Agent or any of its Affiliates. Agent makes no express or implied warranty concerning the value of any collateral or the perfection or enforceability of it security interest therein. Agent shall have no duty to protect any collateral or the security interest granted therein.

Section 6.4 Indemnification.

Purchasers agree to indemnify the Agent (to the extent not reimbursed by the Company), ratably according to the respective amounts of their portion of the face amount of the Debentures, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Agent in any way relating to or arising out of this

Agreement or any action taken or omitted by the Agent under this Agreement, provided that neither the Company nor any Purchaser shall be liable for any portion of the foregoing resulting from the Agent's gross negligence or willful misconduct. Without limitation of the foregoing, each Purchaser agrees to reimburse the Agent (to the extent not reimbursed by the Company) promptly upon demand for its ratable share of any reasonable out-of-pocket expenses (including reasonable counsel fees) incurred by the Agent in connection with the preparation administration, or enforcement of or legal advice in respect of rights or responsibilities under, the Security Agreement.

Section 6.5 Successor Agent.

The Agent may resign at any time by giving at least 60 days' prior notice thereof to the Purchasers and the Company. Upon any such resignation, the Purchasers shall have the right by unanimous agreement to appoint a successor Agent. If no successor Agent shall have been so appointed by the Purchasers and shall have accepted such appointment within 30 days after the resigning Agent's giving of notice of resignation, then the resigning Agent may, on behalf of the Purchasers, appoint a successor Agent. Upon the acceptance of any appointment as Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the Agent, and the resigning Agent shall be discharged from its duties and obligations under this Agreement. After any resigning Agent's resignation hereunder as Agent, the provisions of this Article VI shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under this Agreement.

Section 6.6 Sharing of Payments, etc.

If any Purchaser shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of setoff, or otherwise) on account of any Debenture held by it in excess of its ratable share of payments on account of all of the Debentures obtained by all Purchasers at any time and remain continuing, such Purchaser shall be deemed to have purchased from the other holder such participation in the Debentures held by them as shall be necessary to cause such purchasing Purchaser to share the excess payment ratably with each of the other Purchasers, provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Purchaser, such purchase from each Purchaser shall be rescinded and each Purchaser shall repay to the purchasing Purchaser the purchase price to the extent of such recovery together with an amount equal to such Purchaser's ratable share (according to the proportion of (1) the amount of such Purchaser's required repayment to (2) the total amount so received from the purchase Purchaser) of any interest or other amount paid or payable by the purchasing Purchaser in respect of the total amount so recovered. The Company agrees that any purchaser so purchasing a participation from another holder pursuant to this Section 6.6 may, to the fullest extent permitted by law, exercise all of its rights of payment (including the right of set-off) with respect to such participation as fully as if such holder were the direct creditor of the Company in the amount of such participation. Each Purchaser shall give the Agent written notice within five (5) days of any payments or other recoveries described above.

Section 6.7 Enforcement by Agent.

All rights of action under the Security Agreement may be instituted, maintained, pursued and/or enforced by Agent. Any suit or proceeding instituted by Agent in furtherance of such enforcement shall be brought in Agent's name without the necessity of joining any of the other Purchasers. In any event, the recovery of any judgment by Agent shall be for the ratable benefit of all of the Purchasers, subject to the reimbursement of expenses and costs of Agent. Notwithstanding the foregoing, in no event shall Agent be entitled to release any collateral pledged or guarantee of similar support agreement provided to secure the Company's obligations to the Purchasers and/or the Agent or waive, modify or amend the Security Agreement or any rights or obligations of any party thereunder without the prior written consent of each Purchaser.

Section 6.8 Pro Rata Treatment.

Except as specifically provided to the contrary herein, the rights and obligations of the Purchasers shall be pro rata on the basis of their percentage interest in the aggregate face amount of the Debentures.

ARTICLE VII
[RESERVED]

ARTICLE VIII
[RESERVED]

ARTICLE IX
[RESERVED]

ARTICLE X
TRANSFER RESTRICTIONS

Section 10.1 [Reserved]

Section 10.2 [Reserved]

Section 10.3 Participations

Any Purchaser shall have the right at its own cost to grant participations (to be evidenced by one or more agreements or certificates of participation) in the Securities held by the Purchaser at any time and from time to time to one or more other Persons; provided that (a) no such participation shall relieve the Purchaser of any of its obligations under this Agreement and (b) no such participant shall have any direct rights under this Agreement except as provided in this Section. Any agreement pursuant to which such participation is granted shall provide that the Purchaser shall retain the sole right and responsibility to enforce the obligations of the Company under this Agreement and the other Purchase Documents including, without limitation, the right to approve any amendment, modification or waiver of any provision of the Purchase Documents, except that such agreement may provide that the Purchaser will not agree to any modification, amendment or waiver of the Purchase Documents that would (a) reduce the amount of or postpone any fixed date for payment of any obligation in which such participant has an interest (b) lower the applicable interest rate, or (c) release material collateral. Any party to which such a participation has been granted shall have the benefits of Section 13.2, up to an amount not exceeding the amount

that would otherwise have been payable to the Purchasers. The Company authorizes the Purchasers to disclose to any participant or prospective participant under this Section any financial or other information pertaining to the Company.

Section 10.4 Assignments.

Any Purchaser may, at its own expense, from time to time, assign to other institutional investors part of its rights and obligations under this Agreement pursuant to written agreements executed by the Purchaser, such assignee investor or investors, and the Company (as applicable), which agreements shall specify in each instance the portion of the Securities which are to be assigned to each such assignee investor (the "Assignment Agreements"); provided, however, that unless the Company, the Purchaser and the assignee investor, in writing, agree to the contrary, (i) the aggregate amount of the original purchase price of the Securities being assigned to an assignee investor (or all assignee investors taken as a whole) other than the Affiliates of the Purchaser and the Company pursuant to each such assignment (or all of such assignments) shall in no event be more than 40%, and (ii) the Purchaser must obtain the consent of the Company to the identity of the assignee and the terms and conditions of the assignment, which consent will not be unreasonably withheld, **conditioned or delayed** to each such assignment (provided no such consent is required for any assignment to any Affiliate of the Purchaser or the Company). Upon the execution of an Assignment Agreement by the Purchaser thereunder, the assignee investor thereunder and the Company and satisfaction of all of the conditions set forth above and payment to the Purchaser by such assignee investor of the purchase price for the portion of the Securities being acquired by it, (i) such assignee investor shall thereupon become a party to this Agreement for all purposes of this Agreement with all the rights, powers and obligations afforded the Purchaser hereunder and (ii) the address for notices to such assignee lender shall be as specified in the Assignment Agreement executed by it. Concurrently with the execution and delivery of such Assignment Agreement, the Company shall execute and deliver new notes to the Purchaser and the assignee in form acceptable to the Purchaser and the assignee investor. Such new notes to constitute "Securities" for all purposes of this Agreement.

ARTICLE XI
PRIORITY OF DEBENTURES

Section 11.1 Subordination.

Notwithstanding anything to the contrary in this Agreement, the Debentures or the Security Agreement, the Indebtedness evidenced by the Debentures, including principal and interest, shall be subordinate and junior to the prior payment of the Senior Loans, together with all obligations permitted hereunder that are issued in renewal, deferral, extension, refunding, amendment or modification of the Senior Loans pursuant to the Senior Lender Subordination Agreement.

Section 11.2 Liquidation, Etc.

(a) Except as otherwise provided in the Senior Lender Subordination Agreement, upon any distribution of assets of the Company in connection with any dissolution, winding up, liquidation or reorganization of the Company (whether in bankruptcy, insolvency, or receivership proceedings or upon an assignment for the benefit of creditors or otherwise), the

holders of the Senior Loans shall first be entitled to receive payment in full of the principal thereof, premium, if any, and interest due thereon, and all costs and expenses (including attorneys' fees) related thereto, before the holders of the Debentures shall be entitled to receive any payment on account of the principal of or interest on or any other amount owing with respect to the Debentures (other than payment in shares of capital stock the Company as reorganized or readjusted, or securities of the Company or any other corporation provided for by a plan of reorganization or readjustment, which stock and securities are subordinated to the payment of the Senior Loans and securities received in lieu thereof which may at the time be outstanding). Under the circumstances provided herein, the holders of the Senior Loans shall have the right to receive and collect any distributions made with respect to the Debentures until such time as the Senior Loans are paid in full.

(b) Without in any way modifying the provisions of this Article XI or affecting the subordination effected hereby if such notice is not given, the Company shall give prompt written notice to Purchasers of any dissolution, winding up, liquidation or reorganization of the Company (whether in bankruptcy, insolvency or receivership proceedings or upon an assignment for the benefit of creditors or otherwise).

Section 11.3 Subrogation.

Upon the prior payment in full of the Senior Loans, the Purchasers shall be subrogated to the rights of the holders of the Senior Loans to receive payments or distributions of assets of the Company applicable to the Senior Loans until all amounts owing on the Debentures shall be paid in full, and for the purpose of such subrogation, no payments or distributions to the Purchasers otherwise payable or distributable to the holders of Senior Loans shall, as between the Company, their creditors other than the holders of Senior Loans, and Purchasers, be deemed to be payment by the Company to or on account of the Senior Loans, it being understood that the provisions of this Article XI are and are intended solely for the purpose of defining the relative rights of Purchasers, on the one hand, and the holders of the Senior Loans, on the other hand.

Section 11.4 Obligations of the Company Not Impaired.

(a) Nothing contained in this Article XI or in the Debentures is intended to or shall impair, as between the Company and Purchasers, the obligation of the Company, which is absolute and unconditional, to pay the Purchasers the principal of and interest on the Debentures as and when the same shall become due and payable in accordance with the terms of the Debentures, or is intended to or shall affect the relative rights of the Purchasers other than with respect to the holders of the Senior Loans, nor, except as expressly provided in this Article XI, shall anything herein or therein prevent the Purchasers from exercising all remedies otherwise permitted by applicable law upon the occurrence of an Event of Default under this Agreement or under the Debentures.

(b) If any payment or distribution shall be received in respect of the Debentures in contravention of the terms of this Article XI, such payment or distribution shall be held in trust for the holders of the Senior Loans by the Purchasers, and shall be promptly delivered to such holders in the same form as received.

ARTICLE XII
RESTRICTIONS ON TRANSFER

Section 12.1 Legends; Restrictions on Transfer.

The Debentures have not been registered under the Securities Act or any state securities laws. The Debentures (except as permitted by this Article XII) shall bear a legend in substantially the following form:

THIS DEBENTURE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY APPLICABLE STATE SECURITIES LAW AND MAY NOT BE TRANSFERRED UNLESS (i) THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR SUCH APPLICABLE STATE SECURITIES LAWS, OR (ii) IN THE OPINION OF COUNSEL REASONABLY ACCEPTABLE TO ~~[BORROWER~~NATURAL AMERICAN FOODS, INC.~~]~~ REGISTRATION UNDER THE SECURITIES ACT OR SUCH APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED IN CONNECTION WITH SUCH TRANSFER.

The provisions of this Article XII shall be binding upon all subsequent holders of any Debentures unless in the opinion of counsel to any such holder, specified in Section 12.2 below, such Debenture is no longer subject to the restrictions described herein.

Section 12.2 Notice of Intention to Transfer, Opinions of Counsel.

No Debenture shall be transferable except upon the conditions specified in this Article XII. Each holder of a Debenture, by acceptance thereof, agrees, prior to any transfer of such Debenture, to give written notice to the Company of such holder's intention to effect such transfer and briefly describe the manner of the proposed transfer. Such notice of intended transfer shall be accompanied by, if applicable, an opinion of counsel to such holder reasonably satisfactory to the Company, to the effect that registration under the Securities Act of such Debenture in connection with such proposed transfer is not required. If in the opinion of such counsel, the proposed transfer of such Debenture may be affected without registration of such Debenture under the Securities Act, such holder shall be entitled to transfer such Debenture in accordance with the terms of the notice delivered by such holder to the Company. If the proposed transfer of such Debenture may not be affected without registration of such Debenture under the Securities Act, the holder thereof shall not be entitled to transfer such Debenture, in the absence of an effective registration statement.

ARTICLE XIII
EVENTS OF DEFAULT; REMEDIES

Section 13.1 Events of Default.

The occurrence of any one of the following shall constitute an "Event of Default" under this Agreement:

(a) Default shall occur in the payment of interest on any Debenture when the same shall have become due; or

(b) Default shall occur in the making of any payment of the principal of any Debenture or the premium, if any, thereon at the expressed or any accelerated maturity date, or default shall occur under any covenant in Section 5.32 hereof; or

(c) Default shall be made in the payment of the principal or interest on any Indebtedness (other than a Debenture or any Senior Loan or any other obligation under the Senior Loan Documents) of the Company in excess of $250,000 and such default shall continue beyond the period of grace, if any, allowed with respect thereto; or

(d) Default or the happening of any event shall occur under any contract, agreement, lease, indenture or other instrument under which any Indebtedness (other than a Debenture or any Senior Loan or any other obligation under the Senior Loan Documents) in excess of $250,000 of the Company may be issued and such default or event shall not have been waived and shall continue for a period of time sufficient to permit the acceleration of the maturity of any such Indebtedness of the Company outstanding thereunder or

(e) Default shall occur in the observance or performance of any covenant or agreement contained in Section 5.2 or 5.7, Section 5.12 through 5.18 or Sections 5.20 through Section 5.30, and such default is not remedied within ten (10) Business Days after the earlier of (i) the date on which the Company first obtains knowledge of such Default and (ii) the date on which written notice thereof is given to the Company by any holder of a Debenture; or

(f) Default shall occur in the observance or performance of any other provision of this Agreement which is not remedied within thirty (30) days after the date on which written notice thereof is given to the Company by any holder of the Debenture; or

(g) Any material representation or warranty made by the Company herein, or made by the Company in any statement or certificate furnished by the Company in connection with the consummation of the issuance and delivery of the Debentures or furnished by the Company pursuant hereto, is untrue in any material respect as of the date of the issuance or making thereof; or

(h) Final judgment or judgments for the payment of money aggregating in excess of $250,000 or providing non-monetary relief resulting in a Material Adverse Effect on the Condition of the Company, is or are outstanding against the Company and/or against any property or assets of the Company and any one of such judgments has remained unpaid, unvacated, unbonded or unstayed by appeal or otherwise for a period of ninety (90) days from the date of its entry; or

(i) The Company taken as a whole become insolvent or the Company becomes bankrupt or makes a general assignment for the benefit of creditors, or the Company applies for or consents to the appointment of a custodian, trustee, liquidator, or receiver for the Company or for the major part of its property; or

(j) A custodian, trustee, liquidator, or receiver is appointed for the Company or for the major part of the property of the Company and is not discharged within ninety (90) days after such appointment; or

(k) Bankruptcy, reorganization, arrangement or insolvency proceedings, or other proceedings for relief under any bankruptcy or similar law or laws for the relief of debtors, are instituted by or against the Company and, if instituted against the Company, are consented to or are not dismissed within ninety (90) days after such institution~~.~~**; or**

(l) The Company (i) becomes the subject of any governmental investigation related to any felony offense, or is indicted by any Governmental Authority with respect to any felony offense, under federal or state law; provided, however, that the investigation which was commenced by the USAO NDIL and described in, and deferred pursuant to, the Deferred Prosecution Agreement, shall not be deemed a violation of this subsection (l) so long as any such investigation or prosecution continues to be deferred under the Deferred Prosecution Agreement and so long as the Company has not failed to cure a material breach under the Deferred Prosecution Agreement within the applicable cure period (if any) under the Deferred Prosecution Agreement, or (ii) becomes the subject of any investigation, prosecution, charge or action related to any offense or any violation of law related to the factual matters described in the Deferred Prosecution Agreement by any federal or state agency or department or other Governmental Authority other than the USAO NDIL; or

(m) (i) Company receives notice from the USAO NDIL that a material breach has occurred under any provision of the Deferred Prosecution Agreement and such material breach has not been cured within the applicable cure period (if any) under the Deferred Prosecution Agreement, (ii) the USAO NDIL commences or recommences any investigation or prosecution with respect to any matter or matters described in the factual statement of the Deferred Prosecution Agreement or (iii) the Deferred Prosecution Dismissal has not occurred on or before February 28, 2015.

Section 13.2 Acceleration of Maturities~~,~~, Other Remedies and Indemnification.

(a) When any Event of Default described in paragraph (a) through (i), inclusive, **or paragraphs (l) or (m)** of Section 13.1 has happened and is continuing, the Purchasers holding a majority of the debt outstanding under the Debentures may, by notice to the Company, declare the entire principal and all interest accrued on the Debentures held by such Purchasers to be, and such Debentures shall thereupon become, forthwith due and payable, without any presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived. When any Event of Default described in paragraph (j) or (k) of Section 13.1 has occurred, then the Debentures shall immediately become due and payable without presentment, demand or notice of any kind, all of which are hereby expressly waived. Upon any Debenture becoming due and payable as a result of any Event of Default as aforesaid, the Company will forthwith pay to the holders of such Debenture the entire principal and interest accrued on such Debenture and any premium due thereunder. No course of dealing on the part of any Purchaser or any Debenture holder nor any delay or failure on the part of any Purchaser or any Debenture holder to exercise any right shall operate as a waiver of such right or otherwise prejudice any Purchaser's

or holder's rights, powers and remedies. The Company further agrees, to the extent permitted by law, to pay to the holder or holders of the Debentures all costs and expenses, including reasonable attorneys' fees, incurred by them in the collection of the Debentures upon any default hereunder or thereon.

(b) The Company agrees to indemnify each Purchaser and each officer, director, employee, agent, partner, stockholder and Affiliate of each Purchaser (collectively, the "Indemnified Parties") for, and hold each Indemnified Party harmless from and against, (i) subject to the limitation set forth below, any and all damages, losses, claims and other liabilities of any and every kind, including, without limitation, judgments and costs of settlement, and (ii) any and all out-of-pocket costs and expenses of any and every kind, including, without limitation, reasonable fees and disbursements of counsel for such Indemnified Parties (all of which expenses periodically shall be reimbursed as incurred), in each case, arising out of or suffered or incurred in connection with any misrepresentation or any breach of any warranty made by the Company in this Agreement or in any of the other Purchase Documents.

ARTICLE XIV
AMENDMENTS, WAIVERS AND CONSENTS

Section 14.1 Consent Required.

Any term, covenant, agreement or condition of this Agreement may, with the consent of the Company, be amended or compliance therewith may be waived (either generally or in a particular instance and either retroactively or prospectively), if the Company shall have obtained the consent in writing of Purchasers holding two-thirds of the principal amount of the Debentures remaining unpaid.

Section 14.2 Solicitation of Debenture Holders.

The Company will not, directly or indirectly, pay or cause to be paid by remuneration, whether by way of supplemental or additional interest, fee or otherwise, to any holder of a Debenture as consideration for or as an inducement to the entering into by any holder of a Debenture of any waiver or amendment of any of the terms and provisions of this Agreement unless such remuneration is concurrently paid, on the same terms, ratably to all the holders of the Debentures.

Section 14.3 Effect of Amendment or Waiver.

Any such amendment or waiver shall apply equally to all of the holders of the Debentures and shall be binding upon them, upon each future holder of a Debenture and upon the Company, whether or not such Debenture shall have been marked to indicate such amendment or waiver. No such amendment or waiver shall extend to or affect any obligation not expressly amended or waived or impair any right consequent thereon.

ARTICLE XV
INTERPRETATION OF AGREEMENT; DEFINITIONS

Section 15.1 Definitions.

Unless the context otherwise requires, the terms hereinafter set forth when used herein shall have the following meanings and the following definitions shall be equally applicable to both the singular and plural forms of any of the terms herein defined:

"Affiliate" shall mean, with respect to any Person, any other Person directly or indirectly controlling (including but not limited to all directors and executive officers of such Person), controlled by, or under direct or indirect common control with such Person. A Person shall be deemed to control a corporation for the purposes of this definition if such Person possesses, directly or indirectly, the power (i) to vote 10% or more of the securities having ordinary voting power for the election of directors of such corporation or (ii) to direct or cause the direction of the management and policies of such corporation, whether through the ownership of voting securities, by contract or otherwise.

"Business Day" shall mean any day, other than a Saturday, Sunday or holiday, on which Senior Lender is open for all or substantially all of its domestic and international business (including dealings in foreign exchange) in Detroit, Michigan.

"Capital Lease" shall mean any lease of any property (whether real, personal or mixed) by a Person as lessee which, in conformity with GAAP, is, or is required to be accounted for as a capital lease on the balance sheet of such Person, together with any renewals of such leases (or entry into new leases) on substantially similar terms.

"Closing" shall have the meaning set forth in Section 1.3(c) hereof.

"Closing Date" shall have the meaning set forth in Section 1.3(c) hereof.

"Condition" shall have the meaning set forth in Section 2.1 hereof.

The term "control" (including the terms "controlling," "controlled by" and "under common control") shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of Voting Stock, by contract, or otherwise.

"Consolidated" or "Consolidating" (or "consolidated" or "consolidating") shall, when used with reference to any financial information pertaining to (or when used as a part of any defined term or statement pertaining to the financial condition of) the Company and its Subsidiaries, mean the accounts of the Company and its Subsidiaries (excluding any entity which may be consolidated with its parent solely by virtue of the application of Statement of Financial Accounting Standards No. 167 of the U.S. Financial Accounting Standards Board) determined on a consolidated or consolidating basis, as the case may be, all determined as to principles of consolidation and, except as otherwise specifically required by the definition of such term or by such statements, as to such accounts, in accordance with GAAP.

"Debenture" and "Debentures" shall have the meaning set forth in Section 1.1(c) hereof.

"Default" shall mean any event or condition, the occurrence of which would, with the lapse of time or the giving of notice, or both, constitute an Event of Default as defined in Section 13.1.

"Deferred Prosecution Agreement" shall mean that certain Deferred Prosecution Agreement signed by the Company on or about February 11, 2013 and filed on or about February 15, 2013, between Company and the USAO NDIL, approved by the United States District Court for the Northern District of Illinois, Eastern Division.

"Deferred Prosecution Dismissal" shall mean the dismissal with prejudice of the information filed by the USAO NDIL against the Company pursuant to the Deferred Prosecution Agreement and the related expiration of the Deferred Prosecution Agreement.

"Disclosure Schedules" shall have the meaning set forth in Article II hereof.

"Environmental Laws" shall mean all applicable federal, state, local and foreign laws, statutes, ordinances, codes, rules, standards and regulations, now or hereafter in effect, and in each case as amended or supplemented from time to time, and any applicable judicial or administrative interpretation thereof, including any applicable judicial or administrative order, consent decree, order or judgment, imposing liability or standards of conduct for or relating to the regulation and protection of human health, safety, the environment and natural resources (including ambient air, surface water, groundwater, wetlands, land surface or subsurface strata, wildlife, aquatic species and vegetation). Environmental Laws include, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. §§ 9601 et seq.) ("CERCLA"); the Hazardous Materials Transportation Authorization Act of 1994 (49 U.S.C. §§ 5101 et seq.); the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §§ 136 et seq.); the Solid Waste Disposal Act (42 U.S.C. §§ 6901 et seq.); the Toxic Substance Control Act (15 U.S.C. §§ 2601 et seq.); the Clean Air Act (42 U.S.C. §§ 7401 et seq.); the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.); the Occupational Safety and Health Act (29 U.S.C. §§ 651 et seq.); and the Safe Drinking Water Act (42 U.S.C. §§ 300(f) et seq.), each as from time to time amended, and any and all regulations promulgated thereunder, and all analogous state, local and foreign counterparts or equivalents and any transfer of ownership notification or approval statutes.

"Equity Interests" means, with respect to any Person, any and all shares, share capital, interests, participations, warrants, options or other equivalents (however designated) of capital stock of a corporation and any and all equivalent ownership interests in a Person (other than a corporation).

"Event of Default" shall have the meaning set forth in Section 13.1 hereof.

"Fixed Charge Coverage Ratio" shall have the meaning provided in the Senior Loan Agreement.

"GAAP" shall mean as of any applicable date of determination, generally accepted accounting principles in the United States of America **consistently applied**, as in effect on the date of this Agreement, subject, in the case of interim financial statements, to the absence of footnotes and year-end audit adjustments.

"Governmental Authority" shall have the meaning set forth in Section 2.3 hereof.

"Indebtedness" shall have the meaning provided in the Senior Loan Agreement.

"Limited Liability Company Agreement" shall mean the Limited Liability Company Agreement of Holdings dated ~~[_____, ____].~~**December 31, 2013.**

"Material Adverse Effect" shall mean a material adverse effect on (a) the business or financial condition of the Company and its Subsidiaries taken as a whole, (b) the ability of Company to perform its obligations under this Agreement, the Debentures or any other Purchase Document to which it is a party, or (c) the validity or enforceability of this Agreement, any of the Debentures or any of the other Purchase Documents or the rights or remedies of the Purchasers hereunder or thereunder.

"Person" or "person" shall mean any individual, corporation, partnership, joint venture, limited liability company, association, trust, unincorporated association, joint stock company, government, municipality, political subdivision or agency, or other entity.

"Projections" means Company's forecasted (a) balance sheets, (b) profit and loss statements, and (c) cash flow statements, all prepared on a basis reasonably consistent with Company's historical financial statements, together with appropriate supporting details and a statement of underlying assumptions.

"Purchase Documents" shall have the meaning set forth in Section 2.3 hereof.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Security" shall have the same meaning as in Section 2(1) of the Securities Act.

"Security Agreement" shall have the meaning set forth in Section 1.1(d) hereof

"Senior Lender" shall mean HC Capital Holdings 0909A, LLC, and any other Person that becomes a "Senior Lender" as defined in the Senior Lender Subordination Agreement.

"Senior Lender Subordination Agreement" shall mean that certain Intercreditor and Subordination Agreement dated as of ~~[_____],~~**December 31,** 2013, by and among, the Senior Lender and the Purchasers, as the same may be amended, restated or otherwise modified from time to time in accordance with the provisions of such Intercreditor and Subordination Agreement, including, any replacement Intercreditor and Subordination Agreement executed and delivered pursuant to Section 15 of such Intercreditor and Subordination Agreement.

"Senior Loans" shall mean the loans made by Senior Lender to the Company under the terms of the Senior Loan Agreement.

"Senior Loan Agreement" shall mean that certain Credit and Security Agreement by and between the Company and HC Capital Holdings 0909A, LLC, dated as of ~~[_____],~~**December 31,** 2013, as the same may be amended, restated or otherwise modified from time to time in accordance with the provisions of the Senior Lender Subordination Agreement, and any other "Senior Credit Agreement" as defined in the Senior Lender Subordination Agreement.

"Senior Loan Documents" shall mean the documents and instruments executed in connection with the Senior Loans, each as amended, restated or otherwise modified from time to time.

"Subsidiary" shall mean a corporation or other entity of which more than fifty percent (50%) of the outstanding Voting Stock or other Equity Interests is owned by the Company, either directly or indirectly.

"Taxes" means any amounts paid by a Person to a Governmental Authority or accrued and which would be classified as taxes in accordance with GAAP (including, without limitation deferred Taxes).

"USAO NDIL" shall mean the Department of Justice, United States Attorney's Office for the Northern District of Illinois.

"Voting Stock" shall mean Securities of any class or classes the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the corporate directors (or Persons performing similar functions).

Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made for the purposes of this Agreement, the same shall be done in accordance with GAAP, to the extent applicable, except where such principles are inconsistent with the requirements of this Agreement.

ARTICLE XVI
MISCELLANEOUS

Section 16.1 Expenses: Stamp Tax Indemnity.

Concurrently with the Closing, the Company agrees to pay directly all of Purchasers' reasonable out-of-pocket expenses in connection with the entering into of this Agreement and the consummation of the transactions contemplated hereby including but not limited to the reasonable fees, expenses and disbursements of Purchasers' counsel. In addition, so long as a Purchaser holds a Debenture, the Company shall pay all such reasonable expenses of such Purchaser relating to any amendment, restatement, replacement, waiver or consent pursuant to the provisions hereof or the provisions of any of the Purchase Documents (whether or not the same are actually executed and delivered), including, without limitation, any amendments, restatements, replacements, waivers or consents resulting from any work-out, restructuring or similar proceedings relating to the performance by the Company of its obligations under this Agreement and the Debentures. The Company also agrees to pay and save each Purchaser harmless against any and all liability with respect to stamp and other Taxes, if any, which may be payable in connection with the execution and delivery of this Agreement or the Debentures, whether or not the Debentures are then outstanding.

Section 16.2 Powers and Rights Not Waived, Remedies Cumulative.

No delay or failure on the part of a holder of a Debenture in the exercise of any power or right shall operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any other or further exercise thereof, or the exercise of any other power or right, and the rights and remedies of a holder of a Debenture are cumulative to and are not exclusive of any rights or remedies any such holder would otherwise have, and no waiver or consent, given or extended pursuant to Article XIV hereof shall extend to or affect any obligation or right not expressly waived or consented to.

Section 16.3 Notices.

All communications provided for hereunder shall be in writing and shall be delivered personally, or mailed by registered mail, or delivered by prepaid overnight air courier, or by facsimile communication, in each case addressed as follows:

(a) if to the Company: ~~[BORROWER, INC.]~~ **Natural American Foods, Inc.**

10464 Bryan Highway
Onsted, Michigan 49265
Attention: Jack Irvin

With a copy to: Foley & Lardner LLP
777 East Wisconsin Avenue
Milwaukee, Wisconsin 53202-5367
Attention: Patricia Lane

(b) If to Purchasers:

~~[~~Argosy Investment Partners III, L.P.
950 West Valley Road, Suite 2900
Wayne, Pennsylvania 19087
Fax: (610) 964-9524
Attention: Michael R. Bailey~~]~~

with a copy to:

~~[McCausland, Keen & Buckman Radnor Court~~
~~259 North Radnor-Chester Road, Suite 160~~
~~Radnor, Pennsylvania 19087-5240~~
~~Fax: (610) 341-1099~~
~~Attention: Robert H. Young, Jr].~~

~~[~~Horizon Capital Partners III, L.P.
c/o Horizon Partners Ltd.
3838 Tamiarni Trail N.
Suite 408
Naples, Florida 34103
Fax: (239) 261-0225
Attention: Robert M. Feerick~~]~~

with a copy to:

~~Foley & Lardner LLP~~
~~777 E. Wisconsin Avenue~~
~~Milwaukee, Wisconsin 53202~~
~~Fax: (414) 297-4900~~
~~Attention: Joseph B. Tyson, Jr.~~
Marquette Capital Fund I, LP
c/o Marquette Capital Partners LLC
60 South Sixth Street Suite ~~3230~~ **3510**
Minneapolis, Minnesota 55402
~~Fax: (612) 661-3999~~
~~Attention: [ ]~~

~~with a copy to:~~

~~[Marquette Capital Fund I, LP~~
~~c/o Marquette Capital Partners LLC~~
~~60 South Sixth Street Suite 3230~~
~~Minneapolis, Minnesota 55402~~
Fax: (612) 661-3999
Attention: Thomas H. Jenkins~~,~~ **and Maggie Yanez**
~~Managing Member]~~

with a copy to:

~~[~~Fredrikson & Bryon, P.A.
~~4000 Pillsbury Center~~
200 S. 6th Street**, Suite 4000**
Minneapolis, MN 55402
Fax: (612) 492-7077
Attention: John A. Satorius~~]~~ **and Leigh-Erin Irons**

Section 16.4 Successors and Assigns.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns (subject to Article X hereof), except that the Company may not assign or transfer its rights hereunder or any interest herein or delegate its duties hereunder without the prior written consent of the Purchasers.

Section 16.5 Survival of Covenants and Representations.

All representations and warranties made by the Company herein and in any certificates delivered pursuant hereto, shall survive the Closing and the delivery of this Agreement for so long as any amounts remain unpaid on any Debenture. All covenants made by the Company herein shall

survive the Closing and delivery of this Agreement and the Purchase Documents in accordance with their respective terms.

Section 16.6 Severability.

Should any part of this Agreement for any reason be declared invalid or unenforceable, such decision shall not affect the validity of any remaining portion, which remaining portion shall remain in force and effect as if this Agreement had been executed with the invalid or unenforceable portion thereof eliminated and it is hereby declared the intention of the parties hereto that they would have executed the remaining portion of this Agreement without including therein any such part, parts or portion which may for any reason be hereafter declared invalid or unenforceable.

Section 16.7 Not a Joint Venture.

Neither this Agreement nor any agreements, instruments, documents or transactions contemplated hereby (including the Purchase Documents) shall in any respect be interpreted, deemed or construed as making Purchasers a partner or joint venturer with the Company or as creating any similar relationship or entity, and the Company agrees that it will not make any assertion, contention, claim or counterclaim to the contrary in any action, suit or other legal proceeding involving a Purchaser and the Company.

Section 16.8 Governing Law, Jurisdiction, Venue and Service.

THIS AGREEMENT SHALL BE INTERPRETED IN ACCORDANCE WITH THE INTERNAL LAWS AND DECISIONS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO CONFLICTS OF LAW PRINCIPLES.

Section 16.9 Arbitration.

Any dispute, controversy or claim arising out of or relating to this Agreement or any contract or agreement entered into pursuant hereto or the performance by the parties of its or their terms shall be settled by binding arbitration held in ~~[~~New York, New York~~]~~ in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect, except as specifically otherwise provided in this Article XVI. Notwithstanding the foregoing, each Purchaser may, in its discretion, apply to a court of competent jurisdiction for equitable relief from any violation or threatened violation of the covenants of a party.

Section 16.10 Arbitrators.

The panel to be appointed shall consist of one neutral arbitrator.

Section 16.11 Procedures~~;~~, No Appeal.

The arbitrator shall allow such discovery as the arbitrator determines appropriate under the circumstances and shall resolve the dispute as expeditiously as practicable, and if reasonably practicable, within 120 days after the selection of the arbitrator. The arbitrator shall give the parties written notice of the decision, with the reasons therefor set out, and shall have 30 days thereafter to

reconsider and modify such decision if any party so requests within 10 days after the decision. Thereafter, the decision of the arbitrator shall be final, binding, and nonappealable with respect to all persons, including (without limitation) persons who have failed or refused to participate in the arbitration process.

Section 16.12 Authority.

The arbitrator shall have authority to award relief under legal or equitable principles, including interim or preliminary relief, and to allocate responsibility for the costs of the arbitration and to award recovery of attorneys fees and expenses in such manner as is determined to be appropriate by the arbitrator.

Section 16.13 Entry of Judgment.

Judgment upon the award rendered by the arbitrator may be entered in any court having *In personam* and subject matter jurisdiction. The parties hereby submit to the *In personam* jurisdiction of the Federal and State courts in New York for the purpose of confirming any such award and entering judgment thereon.

Section 16.14 Confidentiality.

All proceedings under this Article XVI, and all evidence given or discovered pursuant hereto, shall be maintained in confidence by all parties.

Section 16.15 Continued Performance.

The fact that the dispute resolution procedures specified in this Article XVI shall have been or may be invoked shall not excuse any party from performing its obligations under this Agreement and during the pendency of any such procedure all parties shall continue to perform their respective obligations in good faith.

Section 16.16 Tolling.

All applicable statutes of limitation shall be tolled while the procedures specified in this Article XVI are pending. The parties will take such action, if any, required to effectuate such tolling.

Section 16.17 Waiver of Trial by Jury.

PURCHASERS AND THE COMPANY HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDINGS, CLAIMS OR COUNTER-CLAIMS, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, ARISING OUT OF OR IN ANY WAY RELATING TO THIS AGREEMENT OR THE OTHER PURCHASE DOCUMENTS.

Section 16.18 Captions; Counterparts.

The descriptive headings of the various Sections or parts of this Agreement are for convenience only and shall not affect the meaning or construction of any of the provisions hereof.

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement and each of the other Purchase Documents may be executed and delivered by telecopier or other facsimile transmission with the same force and effect as if the same was a fully executed and delivered original manual counterpart.

Section 16.19 Limited License.

The Company hereby grants each Purchaser the right, following the Closing, to use the Company's name, logo and a brief description of the business of the Company and this transaction for such Purchaser's tombstone as other similar advertising.

Section 16.20 Entire Agreement; Announcements.

This Agreement and the other Purchase Documents constitute the entire agreement of the parties with regard to subject matter hereof and thereof each Purchaser shall be free, but shall not be required, to make a public announcement or announcements of the Closing of the Debentures and shall be free to list the same and the Company in such Purchaser's marketing and promotional efforts and materials.

Section 16.21 Execution.

This agreement shall be effective when executed by all parties.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be executed and delivered by their duly authorized officers as of the date first written above.

~~[BORROWER, INC.]~~**NATURAL AMERICAN FOODS, INC.**

By: _____

Name:
Title:

ARGOSY INVESTMENT PARTNERS III, L.P.

By: Argosy Associates III, L.P.,
its general partner

By: Argosy Associates III, Inc.,
its general partner

By:_____
Name: Michael R. Bailey
Vice President

~~MARQUETTE CAPITAL FUND I, LP~~

~~By: Marquette Capital Partners, LLC~~
~~its general partner~~

~~By:_____~~
~~Name: Thomas H. Jenkins~~
~~Title: Managing Member~~

~~HORIZON CAPITAL PARTNERS III, L.P.~~

~~By: Horizon Venture Associates III~~
~~a Wisconsin general partnership~~

~~By:_____~~
~~Name:~~
~~Title: General Partner~~

MARQUETTE CAPITAL FUND I, LP

By: Marquette Capital Partners, LLC
its general partner

By:
Name: Thomas H. Jenkins
Title: Managing Member

HORIZON CAPITAL PARTNERS III, L.P.

By: Horizon Venture Associates III
a Wisconsin general partnership

By: _____
Name:
Title: General Partner

Exhibit 1.1(a)

Form of 10% Subordinated Debenture

See attached.

Exhibit 1.1(d)(1)

Security Agreement

See attached.

Schedule 2

Disclosure Schedule

Schedule 2.11

Liens

SECURITY AGREEMENT

THIS SECURITY AGREEMENT, dated as of December 31, 2013, is from NATURAL AMERICAN FOODS, INC., a Delaware corporation, (the "Debtor"), to and for the benefit of MARQUETTE CAPITAL FUND I, LP, a Delaware limited partnership ("MCF" or the "Secured Party"), for itself and as agent for certain other secured parties, as hereinafter identified.

RECITALS

The Debtor acknowledges the following:

A. Pursuant to a Securities Purchase Agreement dated as of the date hereof (such agreement, as amended, revised, supplemented or restated from time to time, the "Loan Agreement") by and between the Debtor and the Secured Parties, the Secured Parties have agreed to make a senior subordinated loan to the Debtor, on the terms and subject to the conditions set forth in the Loan Agreement.

B. The Secured Parties require, as a condition of entering into the Loan Agreement with the Debtor, that the Debtor shall have granted the security interests and undertaken the obligations contemplated by this Agreement.

AGREEMENTS

In consideration of the Recitals, to induce the Secured Parties to extend credit under the Loan Agreement and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree:

1. Definitions. Capitalized terms not defined herein have the meanings ascribed to them in the Loan Agreement. As used in this Agreement, the following terms have the following meanings:

"Accounts" means "Accounts", including health-care-insurance receivables, as defined in the Uniform Commercial Code, including, without limitation the aggregate unpaid obligations of customers and other account debtors to the Debtor arising out of the sale or lease of goods or rendition of services by the Debtor on an open account or deferred payment basis.

"Agent" means MCF or any successor person who serves as Agent hereunder pursuant to the applicable agreements among the Secured Parties.

"Chattel Paper" means a record or records that evidence both a monetary obligation owed to the Debtor and a security interest in specific goods, a security interest in specific goods and software used in the goods, a security interest in specific goods and license of software used in the goods, a lease of specific goods or a lease of specific goods and license of software used in the goods.

"Collateral" means all of the Debtor's right, title and interest in and to all tangible and intangible assets of any type or description, including the following, whether now owned and existing or hereafter created or acquired, wherever located, together with all additions and

accessions and all proceeds and products thereof: all Accounts, Chattel Paper, Instruments, Investment Property, Equipment, Inventory, General Intangibles, Deposit Accounts, documents, letter of credit rights, any supporting obligations relating to the foregoing, any insurance coverage relating to the foregoing and all books and records of the Debtor.

> Notwithstanding the foregoing, the term "Collateral" shall not include rights or interests under or with respect to any general intangible, contract, lease, license agreement, license, permit or authorization to the extent any such general intangible, contract, lease, license agreement, license, permit or authorization, by its terms or by law, prohibits the assignment of, or the granting of a lien over the rights of a grantor thereunder or which would be invalid or unenforceable upon any such assignment or grant (the "Restricted Assets"), provided that (A) the proceeds of any Restricted Asset shall continue to be deemed to be "Collateral", and (B) this provision shall not limit the grant of any security interest on or assignment of any Restricted Asset to the extent that the Uniform Commercial Code or any other applicable law provides that such grant of security interest or assignment is effective irrespective of any prohibitions to such grant provided in any Restricted Asset (or the underlying documents related thereto). Concurrently with any such Restricted Asset being entered into or arising after the date hereof, Debtor shall be obligated to use commercially reasonable efforts to obtain any waiver or consent (in form and substance acceptable to Secured Party) necessary to allow such Restricted Asset to constitute Collateral hereunder if the failure of such Debtor to have such Restricted Asset would have a material adverse effect upon Debtor. In addition, "Collateral" shall not include any personal property (other than Restricted Assets) that was acquired by Debtor with the proceeds of financing provided by another person (or any refinancing of such a financing so long as (I) the amount of the indebtedness or other obligation under such refinancing does not exceed the indebtedness or other obligation existing immediately prior to such refinancing and (II) the scope of the property securing such financing is not increased), any related financing agreement and any proceeds of the foregoing to the extent that, in each case, such financing agreement prohibits the grant by Debtor of a lien in the property so financed, but only to the extent, and for so long as, the applicable agreement described in the foregoing clause is not terminated or rendered ineffective by the Uniform Commercial Code or any other applicable law. Notwithstanding the foregoing, in no event shall the value (based on purchase price) of the assets excluded from the definition of "Collateral" under the provisions of this paragraph exceed $100,000 in the aggregate at any one time.

"Consigned Inventory" means finished goods Inventory which is stored at customers' facilities.

"Copyrights" means the copyrights, whether statutory or common law, registered or unregistered, and copyright applications now or hereafter owned by the Debtor, including without limitation those copyrights, copyright registrations and copyright applications listed in Exhibit A, and (a) all renewals and extensions thereof, (b) all income, royalties, damages and payments now or hereafter due and/or payable under and with respect thereto, including without

limitations payments under all Licenses (including without limitation the Licenses listed in Exhibit A) entered into connection therewith and damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof and (d) copyrights, copyright registrations and copyright applications and any other rights corresponding thereto throughout the world.

"Deposit Account" means a demand, time, savings, passbook, or similar account maintained with a bank, savings and loan association, savings bank, credit union or trust company, but excluding investment property and any account evidenced by an instrument.

"Equipment" means all machinery, equipment and fixtures owned by the Debtor and, to the extent legally assignable and permitted under the lease or other applicable agreement, all leases and agreements for use of machinery, equipment and fixtures leased by the Debtor, and all modifications, alterations, repairs, substitutions and replacements thereof or thereto.

"Event of Default" means the occurrence of any of the following: (a) an Event of Default under the Loan Agreement, (b) any representation made by the Debtor in this Agreement is false in any material respect on the date as of which made or as of which the same is to be effective or (c) the Debtor fails to timely comply with any of its obligations under this Agreement and any applicable cure period.

"General Intangibles" means "General Intangibles" as defined in the Uniform Commercial Code, but not limited to, causes of action, contract rights, payment intangibles, rights to insurance claims and proceeds, tax refunds, claims for tax refunds, rights of indemnification, contribution and subrogation, partnership interests and limited liability company membership interests, software and all Intellectual Property.

"HC Capital" means HC Capital Holdings 0909A, LLC.

"Instrument" means a negotiable instrument owned by the Debtor or any other writing owned by the Debtor which evidences a right to the payment of a monetary obligation, is not itself a security agreement or lease and is of a type that in the ordinary course of business is transferred by delivery with any necessary endorsement or assignment.

"Intellectual Property" means the Patents, Copyrights, Trademarks, Trade Secrets and Licenses.

"Intellectual Property Security Agreement" means that certain Patent Trademark and Security Agreement dated as of the date hereof by and between the Debtor and the Secured Parties."

"Intercreditor Agreement" means that certain Intercreditor and Subordination Agreement dated as of the date hereof between HC Capital and the Secured Parties.

"Inventory" means all of the Debtor's inventory, including all goods held for sale, lease or demonstration or to be furnished under contracts of service, all goods leased to others, trade-ins and repossessions, raw materials, work in process and materials or supplies used or consumed in the Debtor's business.

"Investment Property" means "Investment Property" as defined in the Uniform Commercial Code.

"Licenses" means license agreements with any other Person with respect to a patent, patent application, trademark, trademark registration, trademark application, copyright or copyright application whether the Debtor is a licensor or licensee under any such license agreement, including without limitation the license agreements listed in Exhibit A and (a) all renewals, extensions, supplements and continuations thereof, (b) income, royalties, damages and payments now or hereafter due and/or payable to the Debtor with respect thereto and damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof and (d) all other rights corresponding thereto throughout the world.

"Patents" means the patents and patent applications, and the inventions and improvements described and claimed therein now or hereafter owned by the Debtor, including without limitation those patents and patent applications listed in Exhibit A, and (a) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (b) all income royalties, damages and payments now or hereafter due and/or payable under and with respect thereto, including without limitation, payments under all Licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof and (d) patents, patent applications and any other rights corresponding thereto throughout the world.

"Permitted Liens" has the meaning set forth in the Senior Loan Agreement.

"Person" means any natural person, corporation, limited liability company, joint venture, partnership, association, trust or other entity or any government or political subdivision or any agency, department or instrumentality thereof.

"Secured Obligations" means all obligations owed by the Debtor to the Secured Parties pursuant to the Loan Agreement, together with all obligations of the Debtor regarding payment and performance of each and every other debt, liability and obligation of every type and description which the Debtor may now or at any time hereafter owe to Secured Parties, or any of them, whether such debt, liability or obligation now exists or is hereafter created or incurred, howsoever the same may be evidenced, and whether the same is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or sole, joint, several or joint and several.

"Secured Parties" means MCF, Horizon Capital Partners III, L.P., and Argosy Investment Partners III, L.P.

"Trademarks" means trademarks (including trade names and service marks), trademark registrations, and trademark applications now or hereafter owned by the Debtor, including without limitation those trademarks and trademark applications listed on Exhibit A, and (a) all renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including without limitation payments under all Licenses (including without limitation the Licenses listed in Exhibit A) entered into in connection therewith and damages and payments for past or future infringements thereof, (c) the right to sue for past,

present and future infringements and dilutions thereof, (d) trademarks, trademark registrations, trademark applications and any other rights corresponding thereto throughout the world and (e) all of the goodwill of the Debtor's business connected with and symbolized by the foregoing.

"Trade Secrets" means common law and statutory trade secrets and all other confidential or proprietary or useful information and all know-how obtained by or used in or contemplated at any time for use in the business of the Debtor, whether or not such trade secret has been reduced to a writing or other tangible form, including all documents embodying, incorporating or referring in any way to such trade secret, all trade secret licenses including each trade secret license described in Exhibit A attached hereto, and including the right to sue for and to enjoin in to collect damages for the actual or threatened misappropriation of any trade secret and for the breach or enforcement of any such trade secret license.

"Uniform Commercial Code" means the New York Uniform Commercial Code as in effect from time to time.

2. Grant of Security Interest. The Debtor grants MCF, as Agent for Secured Parties pursuant to the Loan Agreement, a security interest in the Collateral, whether now owned or hereafter created or acquired, to secure the payment and performance of the Secured Obligations, whether voluntary or involuntary, direct or indirect, absolute or contingent, liquidated or unliquidated, whether or not jointly owned with others, and whether or not from time to time decreased or extinguished and later increased, created or incurred (including the payment of amounts that would become due but for the operation of the automatic stay under Section 362 of the United States Bankruptcy Code, or otherwise), and all or any portion of such obligations or liabilities that are paid, to the extent all or any part of such payment is avoided or recovered directly or indirectly from the Secured Parties as a preference, fraudulent transfer or otherwise.

3. Representations and Warranties of the Debtor. The Debtor represents and warrants to the Secured Parties that:

(a) The Debtor owns or has rights in (and, in the case of after-acquired property, will own or have rights in) or has the power to transfer the Collateral, and its title to the Collateral is free of all liens or encumbrances other than Permitted Liens and no financing statement (other than those in favor of the Secured Parties and the holders of Permitted Liens) is on file covering any of the Collateral.

(b) Each Account and Chattel Paper constituting Collateral as of this date arose from the performance of services by a Debtor or from a bona fide sale or lease of goods which have been delivered or shipped to the account debtor and for which the Debtor has genuine invoices, shipping documents or receipts.

(c) Each Account and Chattel Paper constituting Collateral is genuine and enforceable against the account debtor according to its terms, subject to applicable bankruptcy laws, and complies in all material respects with all applicable laws and regulations. The amount represented by the Debtor to the Secured Parties as owed by each account debtor is the amount actually owing and is not subject to setoff, credit, allowance or adjustment, except discount for prompt payment, nor has any account debtor returned the goods or disputed its liability. The

Debtor has no knowledge, other than as disclosed in writing to the Secured Parties, of the existence of any facts which might materially impair the credit standing of any account debtor. Other than as disclosed in writing to the Secured Parties, there has been no default under the terms of any Collateral and the Debtor has not taken action to foreclose any security interest in favor of the Debtor or otherwise enforce the payment of the amount due.

(d) Exhibit A attached hereto contains a correct and complete list and description of all Intellectual Property owned by the Debtor. The representations and warranties contained in the Intellectual Property Security Agreement are true and correct on and as of the date hereof.

(e) Debtor's jurisdiction of incorporation is Delaware. Debtor's organizational identification number is 5452401. Debtor's place of business or, if more than one, its chief executive office, and the place where they keep their records concerning Accounts and all originals of Chattel Paper, is 10464 Bryan Highway, Onsted, Michigan, 49265.

(f) All Equipment and Inventory is located at the locations set forth in Exhibit B attached hereto except for Inventory in transit in the ordinary course of the Debtor's business. As of the date of this Agreement, no Inventory is stored with a bailee, warehouseman, processor or similar Person except as identified on Exhibit B and the location of all Consigned Inventory is identified on Exhibit B.

(g) Exhibit C contains the description of all real estate to which any Collateral is affixed.

(h) The representations and warranties contained in the Loan Agreement are true and correct on and as of the date hereof

4. The Debtor Remains Liable. Anything contained herein to the contrary notwithstanding, (a) the Debtor shall remain liable under any contracts and agreements included in the Collateral, to the extent set forth therein, to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by the Secured Parties of any rights hereunder shall not release the Debtor from any of its duties or obligations under the contracts and agreements included in the Collateral, and (c) the Secured Parties shall not have any obligation or liability under any contracts and agreements included in the Collateral by reason of this Agreement, nor shall the Secured Parties be obligated to perform any of the obligations or duties of the Debtor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

5. Further Assurances.

(a) The Debtor agrees that from time to time, at the expense of the Debtor, which such expense the Debtor acknowledges to be joint and several, the Debtor will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, in the judgment of any of the Secured Parties, in order to perfect and protect any security interest granted or purported to be granted hereby or to enable the Secured Parties to exercise and enforce any rights and remedies hereunder with respect to any Collateral. Without limiting the generality of the foregoing, the Debtor will: (i) mark conspicuously each

item of Chattel Paper and, at the request of the Agent, each of its records pertaining to the Collateral, with a legend, in form and substance satisfactory to the Secured Parties, indicating that such Collateral is subject to the security interest granted hereby, (ii) at the request of the Agent, deliver and pledge to the Agent hereunder, unless in the possession of HC Capital, all Instruments and all original counterparts of Chattel Paper constituting Collateral for which possession is required for perfection, duly endorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance satisfactory to the Secured Parties, (iii) at the request of the Agent, cooperate with the Agent in obtaining a control agreement in form and substance satisfactory to the Agent with respect to Collateral consisting of Investment Property, Deposit Accounts, letter of credit rights and electronic Chattel Paper, (iv) execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices, as may be necessary or desirable, in the judgment of the Agent, in order to perfect and preserve the security interests granted or purported to be granted hereby, (v) at any reasonable time and upon reasonable notice, upon request by the Agent, exhibit the Collateral to and allow inspection of the Collateral by any Secured Party, and (vi) at the request of a Secured Party, appear in and defend any action or proceeding that may affect the Debtor's title to or such Secured Party's security interest in all or any part of the Collateral.

(b) The Debtor hereby authorizes any Secured Party to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral without the signature of the Debtor.

(c) The Debtor will furnish to each Secured Party from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as any Secured Party may reasonably request, all in reasonable detail.

6. Certain Covenants of the Debtor. The Debtor shall:

(a) not use or permit any Collateral to be used unlawfully or in violation of any provision of this Agreement or any applicable statute, regulation or ordinance or any policy of insurance covering the Collateral, except where such violation would not reasonably be expected to have a material adverse effect upon the financial condition or business operations of the Debtor;

(b) notify the Secured Parties of any change in the Debtor's name, identity, organizational structure or state of incorporation or organization at least 30 days prior to such change;

(c) give the Secured Parties at least 30 days' prior written notice of any change in the Debtor's chief place of business, chief executive office or the office where the Debtor keeps its records regarding the Accounts and all originals of all Chattel Paper;

(d) if a Secured Party gives value to enable the Debtor to acquire rights in or the use of any Collateral, use such value for such purposes; and

(e) pay promptly when due all property and other taxes, assessments and governmental charges or levies imposed upon, and all claims (including claims for labor,

materials and supplies) against, the Collateral, except to the extent the validity thereof is being contested in good faith.

7. Special Covenants With Respect to Equipment and Inventory. The Debtor shall:

(a) keep the Equipment and Inventory (other than Inventory in-transit in the ordinary course of business) at the places therefor specified on Exhibit B annexed hereto or, upon 30 days' prior written notice to the Secured Parties, at such other places in jurisdictions where all action that may be necessary or desirable, in the judgment of the Secured Parties, in order to perfect and protect any security interest granted or purported to be granted hereby, or to enable the Secured Parties to exercise and enforce its rights and remedies hereunder, with respect to such Equipment and Inventory shall have been taken;

(b) before shipping any Consigned Inventory, obtain from the consignee a consignment agreement satisfactory in form and content to the Agent and file with the appropriate filing offices a financing statement containing a description of the Consigned Inventory to be shipped and naming the consignee as debtor, the Debtor as Secured Parties or consignor and the Secured Parties as assignee. The Debtor owns and will continue to own all Consigned Inventory until the applicable customer has paid or become obligated to pay in full the purchase price for the Consigned Inventory to the Debtor;

(c) cause the Equipment necessary in the Debtor's operations to be maintained and preserved in the same condition, repair and working order as when new, ordinary wear and tear excepted, and in accordance with the Debtor's past practices, and make or cause to be made all repairs, replacements and other improvements in connection therewith that are necessary or desirable to such end. The Debtor shall promptly furnish to the Secured Parties a statement respecting any loss or damage in an amount exceeding $25,000 to any of the Equipment; and

(d) keep correct and accurate records of the Inventory, itemizing and describing the kind, type and quantity of Inventory, the Debtor's cost therefor and (where applicable) the current list prices for the Inventory.

8. Insurance. The Debtor shall, at its own expense, maintain insurance with respect to the Equipment and Inventory against loss by fire, extended coverage perils and such other hazards as the Agent shall reasonably require, in amounts not less than the replacement cost of such Equipment and Inventory with reasonable deductible amounts. All insurance policies shall be issued by an insurance company or companies reasonably acceptable to the Agents.

The Debtor shall cause the issuer of each insurance policy to issue a certificate of insurance naming the Agent as an additional insured, lender's loss payee and mortgagee and containing an agreement by the insurer that the policy shall not be terminated or modified without at least 30 days' prior written notice to the Agent, and the Debtor shall deliver each such certificate to the Agent. In the event of any loss or casualty which is covered by insurance, the Debtor shall give immediate notice of such loss or casualty to the Agent and the Debtor grants to the Agent the right to make proof of such loss or damage if the Debtor fails to promptly provide such proof to the issuer of the insurance policy. If an Event of Default has occurred and is

continuing, the Agent is authorized and empowered by and on behalf of the Debtor to settle, adjust or compromise any claims for loss, damage or destruction under any such insurance policy.

The insurance proceeds from a loss exceeding $50,000 shall be paid to the Agent and used, at the option of the Agent, to either repay the Secured Obligations or to repair or replace the damaged property with respect to which such proceeds were received. All insurance proceeds shall be paid to the Agent and, if initially received by the Debtor, shall be immediately turned over to the Agent if the loss is greater than $50,000. The Debtor authorizes the Agent to endorse in the name of the Debtor any instrument evidencing such proceeds.

All insurance proceeds received by the Agent shall either be applied to the Secured Obligations in such order and amounts as elected by the Agent or applied to repair or replace the damaged or destroyed property with respect to which such proceeds were received. If such proceeds shall be applied to such repair or replacement, the Agent shall disburse such proceeds to the Debtor from time to time for expenditures made in repairing or replacing the damaged or destroyed property with respect to which such proceeds were received upon receipt of (a) an application of the Debtor so requesting such application and (b) a certificate of an authorized officer of the Debtor showing the cash expenditures made or due to be made for such purposes and stating that the expenditures do not exceed the fair value to the Debtor of such repairs or replacement, together with such other documentation or evidence as the Agent may request.

9. Special Covenants With Respect to Accounts.

(a) The Debtor shall keep its chief place of business and chief executive office and the office where it keeps its records concerning the Accounts, and all originals of all Chattel Paper, at the location therefor specified in section 3(e) or, upon at least 30 days' prior written notice to the Secured Parties, at such other location in a jurisdiction where all action that may be necessary or desirable, in the judgment of the Agent, in order to perfect and protect any security interest granted or purported to be granted hereby, or to enable the Secured Parties to exercise and enforce their rights and remedies hereunder, with respect to the Accounts shall have been taken. The Debtor will hold and preserve such records and Chattel Paper and will permit representatives of the Secured Parties at any time during normal business hours to inspect and make abstracts from such records and Chattel Paper, and the Debtor agrees to render to the Secured Parties, at the Debtor's cost and expense, such clerical and other assistance as may be reasonably requested with regard thereto.

(b) Except as otherwise provided in this subsection (b), the Debtor shall continue to collect, at its own expense, all amounts due or to become due to the Debtor under the Accounts. In connection with such collections, the Debtor shall take, at the Agent's direction, such action as the Debtor or the Agent may deem necessary or advisable to enforce collection of amounts due or to become due under the Accounts; provided, however, that the Agent shall have the right at any time to notify the account debtors or obligors under any Accounts of the assignment of such Accounts to the Agent and to direct such account debtors or obligors to make payment of all amounts due or to become due to the Debtor thereunder directly to the Agent, to notify each Person maintaining a lockbox or similar arrangement to which account debtors or obligors under any Accounts have been directed to make payment to remit all amounts

representing collections on checks and other payment items from time to time sent to or deposited in such lockbox or other arrangement directly to the Agent and, upon such notification and at the expense of the Debtor, to enforce collection of any such Accounts and to adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as the Debtor might have done. Effective upon written notice from the Agent following an Event of Default, (i) all amounts and proceeds (including checks and other instruments) received by the Debtor in respect of the Accounts shall be received in trust for the benefit of the Secured Parties hereunder, shall be segregated from other funds of the Debtor and shall be forthwith paid over or delivered to the Agent in the same form as so received (with any necessary endorsement) to be held as cash Collateral and applied as provided by section 19, and (ii) the Debtor shall not adjust, settle or compromise the amount or payment of any Account, or release wholly or partly any account debtor or obligor thereof, or allow any credit or discount thereon.

10. Transfers and Other Liens. The Debtor shall not:

(a) sell, assign (by operation of law or otherwise) or otherwise dispose of any of the Collateral, except as permitted by the Loan Agreement; or

(b) except for Permitted Liens, create or suffer to exist any lien upon or with respect to any of the Collateral.

11. Agent Appointed Attorney-in-Fact. The Debtor hereby irrevocably appoints the Agent as the Debtor's attorney-in-fact, with full authority in the place and stead of the Debtor and in the name of the Debtor, the Agent or otherwise, from time to time in the Agent's discretion, to take any action and to execute any instrument that the Agent may deem necessary or advisable to accomplish the purposes of this Agreement, including, upon the occurrence and during the continuation of an Event of Default:

(a) to obtain and adjust insurance required to be maintained by the Debtor or paid to any Secured Party pursuant to section 8;

(b) to ask for, demand, collect, sue for, recover, compound, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Collateral;

(c) to receive, endorse and collect any drafts or other instruments, documents and Chattel Paper in connection with clauses (a) and (b) above;

(d) to file any claims or take any action or institute any proceedings that the Agent may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce the rights of the Secured Parties with respect to any of the Collateral;

(e) to pay or discharge taxes or liens (other than Permitted Liens) levied or placed upon or threatened against the Collateral, the legality or validity thereof and the amounts necessary to discharge the same to be determined by the Agent in its sole discretion, any such payments made by the Agent shall constitute Secured Obligations hereunder, due and payable immediately without demand;

(f) to sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against Debtor, assignments, verifications and notices in connection with Accounts and other documents relating to the Collateral; and

(g) to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Agent were the absolute owner thereof for all purposes, and to do, at the Agent's option, and the Debtor's expense, at any time or from time to time, all acts and things that the Agent deems necessary to protect, preserve or realize upon the Collateral and the Agent's security interest therein in order to effect the intent of this Agreement, all as fully and effectively as the Debtor might do.

12. Agent May Perform. If the Debtor fails to perform any agreement contained herein, the Agent may itself perform, or cause performance of, such agreement, and the expenses of the Agent incurred in connection therewith shall be jointly and severally payable by the Debtor, shall bear interest at a rate equal to the applicable interest rate under the Loan Agreement until paid and shall constitute Secured Obligations hereunder.

13. Standard of Care. The powers conferred on the Agent and other Secured Parties hereunder are solely to protect their interest in the Collateral and shall not impose any duty to exercise any such powers. Except for the exercise of reasonable care in the custody of any Collateral in its possession and the accounting for moneys actually received by it hereunder, the Secured Parties shall have no duty as to any Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral. The Agent or any Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of Collateral in its possession if such Collateral is accorded treatment substantially equal to that which such Agent or Secured Party accords its own property. The Agent or any Secured Party shall comply with any applicable state or federal law requirements in connection with the disposition of the Collateral and such compliance will not be considered adversely to affect the commercial reasonableness of such disposition.

14. Remedies. Upon and at any time following the occurrence of an Event of Default, unless and until the same shall have been waived in writing as provided herein, the Agent, on behalf of all of the Secured Parties, may exercise in respect of the Collateral, in addition to all other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a Secured Parties on default under the Uniform Commercial Code as in effect in any relevant jurisdiction (the "Code") (whether or not the Code applies to the affected Collateral), and also may (a) require the Debtor to, and the Debtor hereby agrees that it will at its expense and upon request of the Agent forthwith, assemble all or part of the Collateral as directed by the Agent and make it available to the Agent at a place to be designated by the Agent that is reasonably convenient to the Agent and the Debtor, (b) enter onto the property where any Collateral is located and take possession thereof with or without judicial process, (c) exercise any and all of its rights under any control agreement relating to any Deposit Account, any item of Investment Property, any letter of credit right or any item of electronic Chattel Paper, including transferring any Deposit Account or item of Investment Property into the name, or possession of, Agent and giving any control notices, entitlement notices or entitlement orders, (d) prior to the disposition of the Collateral, store, process, repair or recondition the Collateral or otherwise prepare the Collateral for disposition in any manner to the extent requested by the Agent;

provided, however, the Agent shall have no obligation to process, repair or recondition the collateral prior to disposition, and (e) without notice except as specified below, with or without having taken possession, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any of the Agent's offices or elsewhere, for cash, on credit or for future delivery, at such time or times and at such price or prices and upon such other terms as the Agent may deem commercially reasonable. The Agent may specifically disclaim any warranties of title or the like at any such sale. Any Secured Party may be the purchaser of any or all of the Collateral at any such sale. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of the Debtor, and the Debtor hereby waives (to the extent permitted by applicable law) all rights of redemption, stay and/or appraisal which it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted. The Debtor agrees that, to the extent notice of sale shall be required by law, at least ten days' notice to the Debtor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. The Debtor hereby waives any claims against the Agent or Secured Parties arising by reason of the fact that the price at which any Collateral may have been sold at such a private sale was less than the price which might have been obtained at a public sale, even if the Agent accepts the first offer received and does not offer such Collateral to more than one offeree.

The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

15. No Marshalling. The Secured Parties have no obligation to, and the Debtor waives any right it may have to require the Secured Parties to, marshal any assets in favor of the Debtor, or against or in payment of any of the Secured Obligations.

16. Sales on Credit. If any of the Collateral is sold upon credit, the Debtor will be credited only with payments actually made by the purchaser, received by the Secured Parties and applied to the Secured Obligations. In the event that the purchaser fails to pay for the Collateral, the Agent may resell the Collateral and the Secured Obligations will be credited with the proceeds of such sale.

17. Deficiency Judgments. If the proceeds of any sale or other disposition of the Collateral are insufficient to pay all the Secured Obligations, the Debtor shall be liable for the deficiency and the fees of any attorneys employed by the Secured Parties to collect such deficiency. If it is determined by an authority of competent jurisdiction that a disposition by any of the Secured Parties did not occur in a commercially reasonable manner, the Secured Parties may obtain a deficiency from the Debtor for the difference between the amount of the Secured Obligations foreclosed and the amount that a commercially reasonable sale would have yielded.

18. Retention of Collateral. The Secured Parties will not be considered to have offered to retain the Collateral in satisfaction of the Secured Obligations unless the Secured Parties has entered into a written agreement with the Debtor to that effect.

19. Application of Proceeds. Except as expressly provided elsewhere in this Agreement and in the Intercreditor Agreement, all proceeds received by the Secured Parties in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied by the Secured Parties, unless otherwise required by law, to the Secured Obligations in such amounts and order as the Secured Parties in their sole discretion may determine.

20. Continuing Security Interest. This Agreement shall create a continuing security interest in the Collateral and shall (a) remain in full force and effect until the payment in full of the Secured Obligations, (b) be binding upon the Debtor, its successors and assigns, and (c) inure, together with the rights and remedies hereunder, to the benefit of the Secured Parties and their successors, transferees and assigns. Upon the final payment in full of all Secured Obligations and the termination of all of the Secured Parties' commitments related thereto, the security interest granted hereby shall terminate and all rights to the Collateral shall revert to the Debtor. Upon any such termination, the Agent will, at the Debtor's expense, execute and deliver to the Debtor such documents as the Debtor shall reasonably request to evidence such termination.

21. Amendments; No Waiver. No amendment, modification, termination or waiver of any provision of this Agreement, and no consent to any departure by the Debtor therefrom, shall in any event be effective unless the same shall be in writing and signed by the Secured Parties and the Debtor. Any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. No other act, including but not limited to a failure to exercise or a delay in exercising any right, power or privilege hereunder, on the part of the Secured Parties shall be deemed to be a waiver of such right, power or privilege or an acquiescence of any Default or Event of Default.

22. Notices. All notices provided for herein shall be in writing and shall be sent in the manner and to the addresses and shall be effective as provided in the Loan Agreement.

23. Severability. In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

24. Headings. Section and subsection headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose or be given any substantive effect.

25. Savings Clause. Notwithstanding anything contained herein to the contrary, the Debtor shall not be obligated to take any action which would conflict with, or result in a violation of, the Intercreditor Agreement.

26. Conformance of Provisions with HC Capital. In the event that any of the provisions, covenants, or representations and warranties herein are inconsistent with or more onerous than those contained in that certain Credit and Security Agreement dated on or about the date hereof between Debtor and HC Capital as amended from time to time, the provisions,

covenants, and representations and warranties of this Agreement shall be deemed modified to apply mutatis mutandis to the parties hereto.

27. Governing Law; Terms. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE DEBTOR HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES, EXCEPT TO THE EXTENT THAT THE CODE PROVIDES THAT THE PERFECTION OF THE SECURITY INTEREST HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR COLLATERAL ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK; PROVIDED THAT THE SECURED PARTIES SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned have executed this Security Agreement as of the date first written above.

NATURAL AMERICAN FOODS, INC.

By: _____
Name: _____
Its:_____

MARQUETTE CAPITAL FUND I, LP

By: Marquette Capital Partners, LLC
its general partner

By:_____
Name: Thomas H. Jenkins
Title: Managing Member

EXHIBIT A[1]

Patents, Copyrights and Trademarks

Patents & Copyrights:

Trademarks:

[1] Foley to update all schedules

EXHIBIT B

Location of Equipment and Inventory

EXHIBIT C

Description of Real Estate to Which Collateral Is Affixed

SECURITY AGREEMENT

THIS SECURITY AGREEMENT, dated as of ~~[_____],~~**December 31, 2013,** is from ~~[BORROWER~~**NATURAL AMERICAN FOODS**, INC.~~]~~, a Delaware corporation, (the "Debtor"), to and for the benefit of MARQUETTE CAPITAL FUND I, LP, a Delaware limited partnership ("MCF" or the "Secured Party"), for itself and as agent for certain other secured parties, as hereinafter identified.

RECITALS

The Debtor acknowledges the following:

A. Pursuant to a Securities Purchase Agreement dated as of the date hereof (such agreement, as amended, revised, supplemented or restated from time to time, the "Loan Agreement") by and between the Debtor and the Secured Parties, the Secured Parties have agreed to make a senior subordinated loan to the Debtor, on the terms and subject to the conditions set forth in the Loan Agreement.

B. The Secured Parties require, as a condition of entering into the Loan Agreement with the Debtor, that the Debtor shall have granted the security interests and undertaken the obligations contemplated by this Agreement.

AGREEMENTS

In consideration of the Recitals, to induce the Secured Parties to extend credit under the Loan Agreement and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree:

1. Definitions. Capitalized terms not defined herein have the meanings ascribed to them in the Loan Agreement. As used in this Agreement, the following terms have the following meanings:

"Accounts" means "Accounts", including health-care-insurance receivables, as defined in the Uniform Commercial Code, including, without limitation the aggregate unpaid obligations of customers and other account debtors to the Debtor arising out of the sale or lease of goods or rendition of services by the Debtor on an open account or deferred payment basis.

"Agent" means MCF or any successor person who serves as Agent hereunder pursuant to the applicable agreements among the Secured Parties.

"Chattel Paper" means a record or records that evidence both a monetary obligation owed to the Debtor and a security interest in specific goods, a security interest in specific goods and software used in the goods, a security interest in specific goods and license of software used in the goods, a lease of specific goods or a lease of specific goods and license of software used in the goods.

"Collateral" means all of the Debtor's right, title and interest in and to all tangible and intangible assets of any type or description, including the following, whether now owned and

existing or hereafter created or acquired, wherever located, together with all additions and accessions and all proceeds and products thereof: all Accounts, Chattel Paper, Instruments, Investment Property, Equipment, Inventory, General Intangibles, Deposit Accounts, documents, letter of credit rights, any supporting obligations relating to the foregoing, any insurance coverage relating to the foregoing and all books and records of the Debtor.

Notwithstanding the foregoing, the term "Collateral" shall not include rights or interests under or with respect to any general intangible, contract, lease, license agreement, license, permit or authorization to the extent any such general intangible, contract, lease, license agreement, license, permit or authorization, by its terms or by law, prohibits the assignment of, or the granting of a lien over the rights of a grantor thereunder or which would be invalid or unenforceable upon any such assignment or grant (the "Restricted Assets"), provided that (A) the proceeds of any Restricted Asset shall continue to be deemed to be "Collateral", and (B) this provision shall not limit the grant of any security interest on or assignment of any Restricted Asset to the extent that the Uniform Commercial Code or any other applicable law provides that such grant of security interest or assignment is effective irrespective of any prohibitions to such grant provided in any Restricted Asset (or the underlying documents related thereto). Concurrently with any such Restricted Asset being entered into or arising after the date hereof, Debtor shall be obligated to use commercially reasonable efforts to obtain any waiver or consent (in form and substance acceptable to Secured Party) necessary to allow such Restricted Asset to constitute Collateral hereunder if the failure of such Debtor to have such Restricted Asset would have a material adverse effect upon Debtor. In addition, "Collateral" shall not include any personal property (other than Restricted Assets) that was acquired by Debtor with the proceeds of financing provided by another person (or any refinancing of such a financing so long as (I) the amount of the indebtedness or other obligation under such refinancing does not exceed the indebtedness or other obligation existing immediately prior to such refinancing and (II) the scope of the property securing such financing is not increased), any related financing agreement and any proceeds of the foregoing to the extent that, in each case, such financing agreement prohibits the grant by Debtor of a lien in the property so financed, but only to the extent, and for so long as, the applicable agreement described in the foregoing clause is not terminated or rendered ineffective by the Uniform Commercial Code or any other applicable law. Notwithstanding the foregoing, in no event shall the value (based on purchase price) of the assets excluded from the definition of "Collateral" under the provisions of this paragraph exceed $100,000 in the aggregate at any one time.

"Consigned Inventory" means finished goods Inventory which is stored at customers' facilities.

"Copyrights" means the copyrights, whether statutory or common law, registered or unregistered, and copyright applications now or hereafter owned by the Debtor, including without limitation those copyrights, copyright registrations and copyright applications listed in Exhibit A, and (a) all renewals and extensions thereof, (b) all income, royalties, damages and payments now or hereafter due and/or payable under and with respect thereto, including without limitations

payments under all Licenses (including without limitation the Licenses listed in Exhibit A) entered into connection therewith and damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof and (d) copyrights, copyright registrations and copyright applications and any other rights corresponding thereto throughout the world.

"Deposit Account" means a demand, time, savings, passbook, or similar account maintained with a bank, savings and loan association, savings bank, credit union or trust company, but excluding investment property and any account evidenced by an instrument.

"Equipment" means all machinery, equipment and fixtures owned by the Debtor and, to the extent legally assignable and permitted under the lease or other applicable agreement, all leases and agreements for use of machinery, equipment and fixtures leased by the Debtor, and all modifications, alterations, repairs, substitutions and replacements thereof or thereto.

"Event of Default" means the occurrence of any of the following: (a) an Event of Default under the Loan Agreement, (b) any representation made by the Debtor in this Agreement is false in any material respect on the date as of which made or as of which the same is to be effective or (c) the Debtor fails to timely comply with any of its obligations under this Agreement and any applicable cure period.

"General Intangibles" means "General Intangibles" as defined in the Uniform Commercial Code, but not limited to, causes of action, contract rights, payment intangibles, rights to insurance claims and proceeds, tax refunds, claims for tax refunds, rights of indemnification, contribution and subrogation, partnership interests and limited liability company membership interests, software and all Intellectual Property.

"HC Capital" means HC Capital Holdings 0909A, LLC.

"Instrument" means a negotiable instrument owned by the Debtor or any other writing owned by the Debtor which evidences a right to the payment of a monetary obligation, is not itself a security agreement or lease and is of a type that in the ordinary course of business is transferred by delivery with any necessary endorsement or assignment.

"Intellectual Property" means the Patents, Copyrights, Trademarks, Trade Secrets and Licenses.

"Intellectual Property Security Agreement" means that certain Patent Trademark and Security Agreement dated as of the date hereof by and between the Debtor and the Secured Parties."

"Intercreditor Agreement" means that certain Intercreditor and Subordination Agreement dated as of the date hereof between HC Capital and the Secured Parties.

"Inventory" means all of the Debtor's inventory, including all goods held for sale, lease or demonstration or to be furnished under contracts of service, all goods leased to others, trade-ins and repossessions, raw materials, work in process and materials or supplies used or consumed in the Debtor's business.

"Investment Property" means "Investment Property" as defined in the Uniform Commercial Code.

"Licenses" means license agreements with any other Person with respect to a patent, patent application, trademark, trademark registration, trademark application, copyright or copyright application whether the Debtor is a licensor or licensee under any such license agreement, including without limitation the license agreements listed in Exhibit A and (a) all renewals, extensions, supplements and continuations thereof, (b) income, royalties, damages and payments now or hereafter due and/or payable to the Debtor with respect thereto and damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof and (d) all other rights corresponding thereto throughout the world.

"Patents" means the patents and patent applications, and the inventions and improvements described and claimed therein now or hereafter owned by the Debtor, including without limitation those patents and patent applications listed in Exhibit A, and (a) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (b) all income royalties, damages and payments now or hereafter due and/or payable under and with respect thereto, including without limitation, payments under all Licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof and (d) patents, patent applications and any other rights corresponding thereto throughout the world.

"*Permitted Liens" has the meaning set forth in the Senior Loan Agreement.*

"Person" means any natural person, corporation, limited liability company, joint venture, partnership, association, trust or other entity or any government or political subdivision or any agency, department or instrumentality thereof.

"Secured Obligations" means all obligations owed by the Debtor to the Secured Parties pursuant to the Loan Agreement, together with all obligations of the Debtor regarding payment and performance of each and every other debt, liability and obligation of every type and description which the Debtor may now or at any time hereafter owe to Secured Parties, or any of them, whether such debt, liability or obligation now exists or is hereafter created or incurred, howsoever the same may be evidenced, and whether the same is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or sole, joint, several or joint and several.

"Secured Parties" means MCF, Horizon Capital Partners III, L.P., and Argosy Investment Partners III, L.P.

~~"*Permitted Liens" has the meaning set forth in the Senior Loan Agreement.*~~

"Trademarks" means trademarks (including trade names and service marks), trademark registrations, and trademark applications now or hereafter owned by the Debtor, including without limitation those trademarks and trademark applications listed on Exhibit A, and (a) all renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including without limitation payments under all Licenses (including without limitation the Licenses listed in Exhibit A) entered into in connection therewith and damages and

payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements and dilutions thereof, (d) trademarks, trademark registrations, trademark applications and any other rights corresponding thereto throughout the world and (e) all of the goodwill of the Debtor's business connected with and symbolized by the foregoing.

"Trade Secrets" means common law and statutory trade secrets and all other confidential or proprietary or useful information and all know-how obtained by or used in or contemplated at any time for use in the business of the Debtor, whether or not such trade secret has been reduced to a writing or other tangible form, including all documents embodying, incorporating or referring in any way to such trade secret, all trade secret licenses including each trade secret license described in Exhibit A attached hereto, and including the right to sue for and to enjoin in to collect damages for the actual or threatened misappropriation of any trade secret and for the breach or enforcement of any such trade secret license.

"Uniform Commercial Code" means the New York Uniform Commercial Code as in effect from time to time.

2. Grant of Security Interest. The Debtor grants MCF, as Agent for Secured Parties pursuant to the Loan Agreement, a security interest in the Collateral, whether now owned or hereafter created or acquired, to secure the payment and performance of the Secured Obligations, whether voluntary or involuntary, direct or indirect, absolute or contingent, liquidated or unliquidated, whether or not jointly owned with others, and whether or not from time to time decreased or extinguished and later increased, created or incurred (including the payment of amounts that would become due but for the operation of the automatic stay under Section 362 of the United States Bankruptcy Code, or otherwise), and all or any portion of such obligations or liabilities that are paid, to the extent all or any part of such payment is avoided or recovered directly or indirectly from the Secured Parties as a preference, fraudulent transfer or otherwise.

3. Representations and Warranties of the Debtor. The Debtor represents and warrants to the Secured Parties that:

(a) The Debtor owns or has rights in (and, in the case of after-acquired property, will own or have rights in) or has the power to transfer the Collateral, and its title to the Collateral is free of all liens or encumbrances other than Permitted Liens and no financing statement (other than those in favor of the Secured Parties and the holders of Permitted Liens) is on file covering any of the Collateral.

(b) Each Account and Chattel Paper constituting Collateral as of this date arose from the performance of services by a Debtor or from a bona fide sale or lease of goods which have been delivered or shipped to the account debtor and for which the Debtor has genuine invoices, shipping documents or receipts.

(c) Each Account and Chattel Paper constituting Collateral is genuine and enforceable against the account debtor according to its terms, subject to applicable bankruptcy laws, and complies in all material respects with all applicable laws and regulations. The amount represented by the Debtor to the Secured Parties as owed by each account debtor is the amount actually owing and is not subject to setoff, credit, allowance or adjustment, except discount for

prompt payment, nor has any account debtor returned the goods or disputed its liability. The Debtor has no knowledge, other than as disclosed in writing to the Secured Parties, of the existence of any facts which might materially impair the credit standing of any account debtor. Other than as disclosed in writing to the Secured Parties, there has been no default under the terms of any Collateral and the Debtor has not taken action to foreclose any security interest in favor of the Debtor or otherwise enforce the payment of the amount due.

(d) Exhibit A attached hereto contains a correct and complete list and description of all Intellectual Property owned by the Debtor. The representations and warranties contained in the Intellectual Property Security Agreement are true and correct on and as of the date hereof.

(e) Debtor's jurisdiction of incorporation is Delaware. Debtor's organizational identification number is ~~[371576].~~**5452401.** Debtor's place of business or, if more than one, its chief executive office, and the place where they keep their records concerning Accounts and all originals of Chattel Paper, is 10464 Bryan Highway, Onsted, Michigan, 49265.

(f) All Equipment and Inventory is located at the locations set forth in Exhibit B attached hereto except for Inventory in transit in the ordinary course of the Debtor's business. As of the date of this Agreement, no Inventory is stored with a bailee, warehouseman, processor or similar Person except as identified on Exhibit B and the location of all Consigned Inventory is identified on Exhibit B.

(g) Exhibit C contains the description of all real estate to which any Collateral is affixed.

(h) The representations and warranties contained in the Loan Agreement are true and correct on and as of the date hereof

4. The Debtor Remains Liable. Anything contained herein to the contrary notwithstanding, (a) the Debtor shall remain liable under any contracts and agreements included in the Collateral, to the extent set forth therein, to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by the Secured Parties of any rights hereunder shall not release the Debtor from any of its duties or obligations under the contracts and agreements included in the Collateral, and (c) the Secured Parties shall not have any obligation or liability under any contracts and agreements included in the Collateral by reason of this Agreement, nor shall the Secured Parties be obligated to perform any of the obligations or duties of the Debtor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

5. Further Assurances.

(a) The Debtor agrees that from time to time, at the expense of the Debtor, which such expense the Debtor acknowledges to be joint and several, the Debtor will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, in the judgment of any of the Secured Parties, in order to perfect and protect any security interest granted or purported to be granted hereby or to enable the Secured Parties to exercise and enforce any rights and remedies hereunder with respect to any Collateral. Without

limiting the generality of the foregoing, the Debtor will: (i) mark conspicuously each item of Chattel Paper and, at the request of the Agent, each of its records pertaining to the Collateral, with a legend, in form and substance satisfactory to the Secured Parties, indicating that such Collateral is subject to the security interest granted hereby, (ii) at the request of the Agent, deliver and pledge to the Agent hereunder, unless in the possession of HC Capital, all Instruments and all original counterparts of Chattel Paper constituting Collateral for which possession is required for perfection, duly endorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance satisfactory to the Secured Parties, (iii) at the request of the Agent, cooperate with the Agent in obtaining a control agreement in form and substance satisfactory to the Agent with respect to Collateral consisting of Investment Property, Deposit Accounts, letter of credit rights and electronic Chattel Paper, (iv) execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices, as may be necessary or desirable, in the judgment of the Agent, in order to perfect and preserve the security interests granted or purported to be granted hereby, (v) at any reasonable time and upon reasonable notice, upon request by the Agent, exhibit the Collateral to and allow inspection of the Collateral by any Secured Party, and (vi) at the request of a Secured Party, appear in and defend any action or proceeding that may affect the Debtor's title to or such Secured Party's security interest in all or any part of the Collateral.

(b) The Debtor hereby authorizes any Secured Party to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral without the signature of the Debtor.

(c) The Debtor will furnish to each Secured Party from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as any Secured Party may reasonably request, all in reasonable detail.

6. Certain Covenants of the Debtor. The Debtor shall:

(a) not use or permit any Collateral to be used unlawfully or in violation of any provision of this Agreement or any applicable statute, regulation or ordinance or any policy of insurance covering the Collateral, except where such violation would not reasonably be expected to have a material adverse effect upon the financial condition or business operations of the Debtor;

(b) notify the Secured Parties of any change in the Debtor's name, identity, organizational structure or state of incorporation or organization at least 30 days prior to such change;

(c) give the Secured Parties at least 30 days' prior written notice of any change in the Debtor's chief place of business, chief executive office or the office where the Debtor keeps its records regarding the Accounts and all originals of all Chattel Paper;

(d) if a Secured Party gives value to enable the Debtor to acquire rights in or the use of any Collateral, use such value for such purposes; and

(e) pay promptly when due all property and other taxes, assessments and governmental charges or levies imposed upon, and all claims (including claims for labor, materials

and supplies) against, the Collateral, except to the extent the validity thereof is being contested in good faith.

7. Special Covenants With Respect to Equipment and Inventory. The Debtor shall:

(a) keep the Equipment and Inventory (other than Inventory in-transit in the ordinary course of business) at the places therefor specified on Exhibit B annexed hereto or, upon 30 days' prior written notice to the Secured Parties, at such other places in jurisdictions where all action that may be necessary or desirable, in the judgment of the Secured Parties, in order to perfect and protect any security interest granted or purported to be granted hereby, or to enable the Secured Parties to exercise and enforce its rights and remedies hereunder, with respect to such Equipment and Inventory shall have been taken;

(b) before shipping any Consigned Inventory, obtain from the consignee a consignment agreement satisfactory in form and content to the Agent and file with the appropriate filing offices a financing statement containing a description of the Consigned Inventory to be shipped and naming the consignee as debtor, the Debtor as Secured Parties or consignor and the Secured Parties as assignee. The Debtor owns and will continue to own all Consigned Inventory until the applicable customer has paid or become obligated to pay in full the purchase price for the Consigned Inventory to the Debtor;

(c) cause the Equipment necessary in the Debtor's operations to be maintained and preserved in the same condition, repair and working order as when new, ordinary wear and tear excepted, and in accordance with the Debtor's past practices, and make or cause to be made all repairs, replacements and other improvements in connection therewith that are necessary or desirable to such end. The Debtor shall promptly furnish to the Secured Parties a statement respecting any loss or damage in an amount exceeding $25,000 to any of the Equipment; and

(d) keep correct and accurate records of the Inventory, itemizing and describing the kind, type and quantity of Inventory, the Debtor's cost therefor and (where applicable) the current list prices for the Inventory.

8. Insurance. The Debtor shall, at its own expense, maintain insurance with respect to the Equipment and Inventory against loss by fire, extended coverage perils and such other hazards as the Agent shall reasonably require, in amounts not less than the replacement cost of such Equipment and Inventory with reasonable deductible amounts. All insurance policies shall be issued by an insurance company or companies reasonably acceptable to the Agents.

The Debtor shall cause the issuer of each insurance policy to issue a certificate of insurance naming the Agent as an additional insured, lender's loss payee and mortgagee and containing an agreement by the insurer that the policy shall not be terminated or modified without at least 30 days' prior written notice to the Agent, and the Debtor shall deliver each such certificate to the Agent. In the event of any loss or casualty which is covered by insurance, the Debtor shall give immediate notice of such loss or casualty to the Agent and the Debtor grants to the Agent the right to make proof of such loss or damage if the Debtor fails to promptly provide such proof to the issuer of the insurance policy. If an Event of Default has occurred and is continuing, the Agent is

authorized and empowered by and on behalf of the Debtor to settle, adjust or compromise any claims for loss, damage or destruction under any such insurance policy.

The insurance proceeds from a loss exceeding $50,000 shall be paid to the Agent and used, at the option of the Agent, to either repay the Secured Obligations or to repair or replace the damaged property with respect to which such proceeds were received. All insurance proceeds shall be paid to the Agent and, if initially received by the Debtor, shall be immediately turned over to the Agent if the loss is greater than $50,000. The Debtor authorizes the Agent to endorse in the name of the Debtor any instrument evidencing such proceeds.

All insurance proceeds received by the Agent shall either be applied to the Secured Obligations in such order and amounts as elected by the Agent or applied to repair or replace the damaged or destroyed property with respect to which such proceeds were received. If such proceeds shall be applied to such repair or replacement, the Agent shall disburse such proceeds to the Debtor from time to time for expenditures made in repairing or replacing the damaged or destroyed property with respect to which such proceeds were received upon receipt of (a) an application of the Debtor so requesting such application and (b) a certificate of an authorized officer of the Debtor showing the cash expenditures made or due to be made for such purposes and stating that the expenditures do not exceed the fair value to the Debtor of such repairs or replacement, together with such other documentation or evidence as the Agent may request.

9. Special Covenants With Respect to Accounts.

(a) The Debtor shall keep its chief place of business and chief executive office and the office where it keeps its records concerning the Accounts, and all originals of all Chattel Paper, at the location therefor specified in section 3(~~a~~e) or, upon at least 30 days' prior written notice to the Secured Parties, at such other location in a jurisdiction where all action that may be necessary or desirable, in the judgment of the Agent, in order to perfect and protect any security interest granted or purported to be granted hereby, or to enable the Secured Parties to exercise and enforce their rights and remedies hereunder, with respect to the Accounts shall have been taken. The Debtor will hold and preserve such records and Chattel Paper and will permit representatives of the Secured Parties at any time during normal business hours to inspect and make abstracts from such records and Chattel Paper, and the Debtor agrees to render to the Secured Parties, at the Debtor's cost and expense, such clerical and other assistance as may be reasonably requested with regard thereto.

(b) Except as otherwise provided in this subsection (b), the Debtor shall continue to collect, at its own expense, all amounts due or to become due to the Debtor under the Accounts. In connection with such collections, the Debtor shall take, at the Agent's direction, such action as the Debtor or the Agent may deem necessary or advisable to enforce collection of amounts due or to become due under the Accounts; provided, however, that the Agent shall have the right at any time to notify the account debtors or obligors under any Accounts of the assignment of such Accounts to the Agent and to direct such account debtors or obligors to make payment of all amounts due or to become due to the Debtor thereunder directly to the Agent, to notify each Person maintaining a lockbox or similar arrangement to which account debtors or obligors under any Accounts have been directed to make payment to remit all amounts representing collections on checks and other payment items from time to time sent to or deposited

in such lockbox or other arrangement directly to the Agent and, upon such notification and at the expense of the Debtor, to enforce collection of any such Accounts and to adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as the Debtor might have done. Effective upon written notice from the Agent following an Event of Default, (i) all amounts and proceeds (including checks and other instruments) received by the Debtor in respect of the Accounts shall be received in trust for the benefit of the Secured Parties hereunder, shall be segregated from other funds of the Debtor and shall be forthwith paid over or delivered to the Agent in the same form as so received (with any necessary endorsement) to be held as cash Collateral and applied as provided by section 19, and (ii) the Debtor shall not adjust, settle or compromise the amount or payment of any Account, or release wholly or partly any account debtor or obligor thereof, or allow any credit or discount thereon.

10. Transfers and Other Liens. The Debtor shall not:

(a) sell, assign (by operation of law or otherwise) or otherwise dispose of any of the Collateral, except as permitted by the Loan Agreement; or

(b) except for Permitted Liens, create or suffer to exist any lien upon or with respect to any of the Collateral.

11. Agent Appointed Attorney-in-Fact. The Debtor hereby irrevocably appoints the Agent as the Debtor's attorney-in-fact, with full authority in the place and stead of the Debtor and in the name of the Debtor, the Agent or otherwise, from time to time in the Agent's discretion, to take any action and to execute any instrument that the Agent may deem necessary or advisable to accomplish the purposes of this Agreement, including, upon the occurrence and during the continuation of an Event of Default:

(a) to obtain and adjust insurance required to be maintained by the Debtor or paid to any Secured Party pursuant to section 8;

(b) to ask for, demand, collect, sue for, recover, compound, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Collateral;

(c) to receive, endorse and collect any drafts or other instruments, documents and Chattel Paper in connection with clauses (a) and (b) above;

(d) to file any claims or take any action or institute any proceedings that the Agent may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce the rights of the Secured Parties with respect to any of the Collateral;

(e) to pay or discharge taxes or liens (other than Permitted Liens) levied or placed upon or threatened against the Collateral, the legality or validity thereof and the amounts necessary to discharge the same to be determined by the Agent in its sole discretion, any such payments made by the Agent shall constitute Secured Obligations hereunder, due and payable immediately without demand;

(f) to sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against Debtor, assignments, verifications and notices in connection with Accounts and other documents relating to the Collateral; and

(g) to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Agent were the absolute owner thereof for all purposes, and to do, at the Agent's option, and the Debtor's expense, at any time or from time to time, all acts and things that the Agent deems necessary to protect, preserve or realize upon the Collateral and the Agent's security interest therein in order to effect the intent of this Agreement, all as fully and effectively as the Debtor might do.

12. Agent May Perform. If the Debtor fails to perform any agreement contained herein, the Agent may itself perform, or cause performance of, such agreement, and the expenses of the Agent incurred in connection therewith shall be jointly and severally payable by the Debtor, shall bear interest at a rate equal to the applicable interest rate under the Loan Agreement until paid and shall constitute Secured Obligations hereunder.

13. Standard of Care. The powers conferred on the Agent and other Secured Parties hereunder are solely to protect their interest in the Collateral and shall not impose any duty to exercise any such powers. Except for the exercise of reasonable care in the custody of any Collateral in its possession and the accounting for moneys actually received by it hereunder, the Secured Parties shall have no duty as to any Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral. The Agent or any Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of Collateral in its possession if such Collateral is accorded treatment substantially equal to that which such Agent or Secured Party accords its own property. The Agent or any Secured Party shall comply with any applicable state or federal law requirements in connection with the disposition of the Collateral and such compliance will not be considered adversely to affect the commercial reasonableness of such disposition.

14. Remedies. Upon and at any time following the occurrence of an Event of Default, unless and until the same shall have been waived in writing as provided herein, the Agent, on behalf of all of the Secured Parties, may exercise in respect of the Collateral, in addition to all other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a Secured Parties on default under the Uniform Commercial Code as in effect in any relevant jurisdiction (the "Code") (whether or not the Code applies to the affected Collateral), and also may (a) require the Debtor to, and the Debtor hereby agrees that it will at its expense and upon request of the Agent forthwith, assemble all or part of the Collateral as directed by the Agent and make it available to the Agent at a place to be designated by the Agent that is reasonably convenient to the Agent and the Debtor, (b) enter onto the property where any Collateral is located and take possession thereof with or without judicial process, (c) exercise any and all of its rights under any control agreement relating to any Deposit Account, any item of Investment Property, any letter of credit right or any item of electronic Chattel Paper, including transferring any Deposit Account or item of Investment Property into the name, or possession of, Agent and giving any control notices, entitlement notices or entitlement orders, (d) prior to the disposition of the Collateral, store, process, repair or recondition the Collateral or otherwise prepare the Collateral for disposition in any manner to the extent requested by the Agent; provided, however, the Agent shall have no

obligation to process, repair or recondition the collateral prior to disposition, and (e) without notice except as specified below, with or without having taken possession, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any of the Agent's offices or elsewhere, for cash, on credit or for future delivery, at such time or times and at such price or prices and upon such other terms as the Agent may deem commercially reasonable. The Agent may specifically disclaim any warranties of title or the like at any such sale. Any Secured Party may be the purchaser of any or all of the Collateral at any such sale. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of the Debtor, and the Debtor hereby waives (to the extent permitted by applicable law) all rights of redemption, stay and/or appraisal which it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted. The Debtor agrees that, to the extent notice of sale shall be required by law, at least ten days' notice to the Debtor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. The Debtor hereby waives any claims against the Agent or Secured Parties arising by reason of the fact that the price at which any Collateral may have been sold at such a private sale was less than the price which might have been obtained at a public sale, even if the Agent accepts the first offer received and does not offer such Collateral to more than one offeree.

The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

15. No Marshalling. The Secured Parties have no obligation to, and the Debtor waives any right it may have to require the Secured Parties to, marshal any assets in favor of the Debtor, or against or in payment of any of the Secured Obligations.

16. Sales on Credit. If any of the Collateral is sold upon credit, the Debtor will be credited only with payments actually made by the purchaser, received by the Secured Parties and applied to the Secured Obligations. In the event that the purchaser fails to pay for the Collateral, the Agent may resell the Collateral and the Secured Obligations will be credited with the proceeds of such sale.

17. Deficiency Judgments. If the proceeds of any sale or other disposition of the Collateral are insufficient to pay all the Secured Obligations, the Debtor shall be liable for the deficiency and the fees of any attorneys employed by the Secured Parties to collect such deficiency. If it is determined by an authority of competent jurisdiction that a disposition by any of the Secured Parties did not occur in a commercially reasonable manner, the Secured Parties may obtain a deficiency from the Debtor for the difference between the amount of the Secured Obligations foreclosed and the amount that a commercially reasonable sale would have yielded.

18. Retention of Collateral. The Secured Parties will not be considered to have offered to retain the Collateral in satisfaction of the Secured Obligations unless the Secured Parties has entered into a written agreement with the Debtor to that effect.

19. Application of Proceeds. Except as expressly provided elsewhere in this Agreement and in the Intercreditor Agreement, all proceeds received by the Secured Parties in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied by the Secured Parties, unless otherwise required by law, to the Secured Obligations in such amounts and order as the Secured Parties in their sole discretion may determine.

20. Continuing Security Interest. This Agreement shall create a continuing security interest in the Collateral and shall (a) remain in full force and effect until the payment in full of the Secured Obligations, (b) be binding upon the Debtor, its successors and assigns, and (c) inure, together with the rights and remedies hereunder, to the benefit of the Secured Parties and their successors, transferees and assigns. Upon the final payment in full of all Secured Obligations and the termination of all of the Secured Parties' commitments related thereto, the security interest granted hereby shall terminate and all rights to the Collateral shall revert to the Debtor. Upon any such termination, the Agent will, at the Debtor's expense, execute and deliver to the Debtor such documents as the Debtor shall reasonably request to evidence such termination.

21. Amendments; No Waiver. No amendment, modification, termination or waiver of any provision of this Agreement, and no consent to any departure by the Debtor therefrom, shall in any event be effective unless the same shall be in writing and signed by the Secured Parties and the Debtor. Any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. No other act, including but not limited to a failure to exercise or a delay in exercising any right, power or privilege hereunder, on the part of the Secured Parties shall be deemed to be a waiver of such right, power or privilege or an acquiescence of any Default or Event of Default.

22. Notices. All notices provided for herein shall be in writing and shall be sent in the manner and to the addresses and shall be effective as provided in the Loan Agreement.

23. Severability. In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

24. Headings. Section and subsection headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose or be given any substantive effect.

25. Savings Clause. Notwithstanding anything contained herein to the contrary, the Debtor shall not be obligated to take any action which would conflict with, or result in a violation of, the Intercreditor Agreement.

26. Conformance of Provisions with HC Capital. In the event that any of the provisions, covenants, or representations and warranties herein are inconsistent with or more onerous than those contained in that certain Credit and Security Agreement dated on or about the date hereof between Debtor and HC Capital as amended from time to time, the provisions,

covenants, and representations and warranties of this Agreement shall be deemed modified to apply mutatis mutandis to the parties hereto.

27. Governing Law; Terms. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE DEBTOR HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES, EXCEPT TO THE EXTENT THAT THE CODE PROVIDES THAT THE PERFECTION OF THE SECURITY INTEREST HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR COLLATERAL ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK; PROVIDED THAT THE SECURED PARTIES SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned have executed this Security Agreement as of the date first written above.

~~[BORROWER, INC.]~~**NATURAL AMERICAN FOODS, INC.**

By: _____
Name:
Its:_____

~~MARQUETTE CAPITAL FUND I, LP~~

~~By MARQUETTE CAPITAL PARTNERS, LLC, its general partner~~

~~By: _____~~
~~Its: _____~~

MARQUETTE CAPITAL FUND I, LP

By: Marquette Capital Partners, LLC
its general partner

By:_____
Name: Thomas H. Jenkins
Title: Managing Member

EXHIBIT A[1]

Patents, Copyrights and Trademarks

Patents & Copyrights:

Trademarks:

[1] Foley to update all schedules

EXHIBIT B

Location of Equipment and Inventory

EXHIBIT C

Description of Real Estate to Which Collateral Is Affixed

EXHIBIT 8

THIS WARRANT AND ANY SECURITIES ACQUIRED UPON EXERCISE OF THIS WARRANT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS, AND NONE OF THIS WARRANT, SUCH SECURITIES OR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, TRANSFERRED, PLEDGED OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT OR SUCH LAWS OR AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT AND SUCH LAWS.

THIS WARRANT AND THE SECURITIES ACQUIRED UPON EXERCISE OF THIS WARRANT ARE SUBJECT TO THE CONDITIONS ON TRANSFER AND OTHER TERMS AND CONDITIONS SPECIFIED BELOW AND IN THE LIMITED LIABILITY COMPANY AGREEMENT OF THE ISSUER HEREOF (THE "COMPANY"), DATED AS OF DECEMBER 31, 2013, AS AMENDED FROM TIME TO TIME. UPON WRITTEN REQUEST, A COPY OF SUCH CONDITIONS WILL BE FURNISHED BY THE COMPANY TO THE HOLDER HEREOF WITHOUT CHARGE.

WARRANT

Date of Issuance: December 31, 2013 Certificate No. W-**[_]**

FOR VALUE RECEIVED, Natural American Foods Holdings, LLC, a Delaware limited liability company (the "Company"), hereby grants to **[_____]** or its registered assigns (the "Registered Holder") the right to purchase **[___]**[1] (as may be adjusted from time to time hereunder) Class A Units of the Company (the "Exercise Units") at a price per unit of $0.01 (the "Exercise Price"). This Warrant is one of a number of warrants issued by the Company in connection with the transactions contemplated by the Plan of Reorganization (collectively, the "Warrants"). Certain capitalized terms used herein are defined in Section 4 hereof. The amount and kind of securities purchasable pursuant to the rights granted hereunder are subject to adjustment pursuant to the provisions contained in this Warrant.

This Warrant is subject to the following provisions:

Section 1. Exercise of Warrant.

1A. Exercise Period and Amount. The Registered Holder or the Purchaser (as defined below) may exercise, in whole or in part, the purchase rights for the Exercise Units represented by this Warrant at any time and from time to time after the Date of Issuance of this Warrant to and including the Expiration Date.

1B. Exercise Procedure.

(i) This Warrant will be deemed to have been exercised when the Company has received all of the following items (the "Exercise Time"):

[1] Arogsy to receive warrants exercisable for 662,908 Class A Units, Marquette to receive warrants exercisable for 751,296 Class A Units, and Horizon to receive warrants exercisable for 80,049 Class A Units.

(a) a completed Exercise Agreement, as described in Section 1C below (the "Exercise Agreement"), executed by the Person exercising all or part of the purchase rights represented by this Warrant (the "Purchaser");

(b) the original copy of this Warrant;

(c) if this Warrant is not registered in the name of the Purchaser, an assignment or assignments in the form set forth on Exhibit I hereto properly executed and evidencing the assignment of this Warrant from the Registered Holder to the Purchaser, in compliance with the provisions set forth in Section 6 hereof;

(d) a joinder to the LLC Agreement, executed by the Purchaser, accepting and agreeing to be bound by all terms and conditions of the LLC Agreement; and

(e) a wire transfer of immediately available funds in an amount equal to the product of the Exercise Price multiplied by the number of Exercise Units being purchased upon such exercise (the "Aggregate Exercise Price").

(ii) As an alternative to the payment method for the exercise of this Warrant as provided in Section 1B(i)(e), the Purchaser may exchange all or part of the purchase rights represented by this Warrant by surrendering this Warrant to the Company, together with a duly executed Exercise Agreement marked to reflect "Net Issue Exercise" and specifying the aggregate number of Exercise Units for which the Purchaser is exchanging this Warrant (or a portion thereof), in which case the Company shall withhold and not issue to the Purchaser a number of Exercise Units (to be withheld from the number of Exercise Units specified in such Exercise Agreement) with an aggregate Fair Market Value equal to the Aggregate Exercise Price of the number of Exercise Units specified in such Exercise Agreement (and such withheld units shall no longer be issuable under this Warrant).

(iii) Certificates for Exercise Units purchased upon exercise of this Warrant, if such Exercise Units are certificated, will be delivered by the Company to the Purchaser within five Business Days after the date of the Exercise Time. Unless this Warrant has expired or all of the purchase rights represented hereby have been exercised, the Company will prepare a new Warrant, substantially identical hereto, representing the rights formerly represented by this Warrant which have not expired or been exercised and will, within such five Business Day period, deliver such new Warrant to the Person designated for delivery in the Exercise Agreement.

(iv) Exercise Units will be deemed to have been issued to the Purchaser at the Exercise Time, and the Purchaser will be deemed for all purposes to have become the record holder of such Exercise Units at the Exercise Time.

(v) The issuance of certificates for Exercise Units, if any, will be made without charge to the Registered Holder or the Purchaser for any issuance tax in respect thereof or other cost incurred by the Company in connection with such exercise and the related issuance of Exercise Units. Each Exercise Unit will, upon exercise of this Warrant in accordance with the terms hereof and payment of the Exercise Price therefor, be fully paid and nonassessable by the Company and free from all liens and charges with respect to the issuance thereof, other than as contemplated by the LLC Agreement. Each certificate, if any, representing any such Exercise Units shall include a legend substantially in the form set forth in Section 12.9 of the LLC

Agreement, and shall be subject to the restrictions on transfer imposed under the terms of the LLC Agreement and applicable state and federal securities law.

(vi) The Company will not close its books against the transfer of this Warrant or of any Exercise Unit issued or issuable upon the exercise of this Warrant in any manner which interferes with the timely exercise of this Warrant in accordance with the terms hereof.

(vii) The Company shall give the Registered Holder at least ten days' advance written notice of the Company's intent to consummate a Sale of the Company, an IPO, or a transfer of Class A Units resulting in the rights of Co-Sale Rights Holders set forth in Section 12.3 of the LLC Agreement being triggered (a "Co-Sale"), or make any payment or other distribution to holders of Class A Units in respect of such Class A Units. If an exercise of any portion of this Warrant is to be made in connection with such Sale of the Company, IPO, Co-Sale or distribution, the exercise of any portion of this Warrant may, at the election of the holder hereof, be conditioned upon the consummation of such Sale of the Company, IPO or Co-Sale or the payment of any such distribution, in which case such exercise shall not be deemed to be effective until the consummation of such Sale of the Company, IPO or Co-Sale or payment of such distribution. In addition, in connection with a Co-Sale, the Company agrees to reasonably cooperate with the Registered Holder to minimize any material and adverse tax consequences which such Registered Holder may experience in connection with such exercise to participate in a Co-Sale (including by potentially allowing such Registered Holder to participate in such Co-Sale without the exercise of this Warrant, to the extent agreed to by the transferee in such Co-Sale).

(viii) The Company shall at all times reserve and keep available out of its authorized but unissued Class A Units, solely for the purpose of issuance upon the exercise of the Warrants, such number of Class A Units issuable upon the exercise of all outstanding Warrants. All Class A Units that are so issuable shall, when issued in accordance with the terms of this Warrant, be duly and validly issued, fully paid and nonassessable by the Company and free from all liens and charges with respect to the issuance thereof, other than as contemplated by the LLC Agreement. The Company shall take all such actions as may be reasonably necessary to assure that all such Class A Units may be so issued without violation of any applicable law or governmental regulation or any requirements of any domestic securities exchange upon which Class A Units may be listed (except for official notice of issuance which shall be immediately delivered by the Company upon each such issuance).

(ix) Upon any exercise of this Warrant, the Company may require customary investment representations from the Registered Holder and/or the Purchaser to assure that the issuance of Class A Units hereunder shall not require registration or qualification under the Securities Act or any state securities laws.

1C. Exercise Agreement. Upon any exercise of this Warrant, the Exercise Agreement will be in the form set forth on Exhibit II hereto, except that if the Exercise Units are not to be issued in the name of the Person in whose name this Warrant is registered, the Exercise Agreement will also state the name of the Person to whom the certificates for the Exercise Units are to be issued and will be accompanied by a properly executed assignment (as required by Section 6 hereof), and, if the number of Exercise Units to be issued does not include all the Exercise Units purchasable hereunder, the Exercise Agreement will also state the name of the

Person to whom a new Warrant for the unexercised portion of the rights hereunder is to be delivered (and, if such Person is not the Person in whose name this Warrant is then registered, will be accompanied by a properly executed assignment (as required by Section 6)). Such Exercise Agreement will be dated the actual date of execution thereof.

Section 2. Adjustment of Number of Exercise Units. In order to prevent dilution of the rights granted under this Warrant, the number of Exercise Units shall be subject to adjustment from time to time as provided in this Section 2.

2A. Adjustment of Number of Exercise Units upon Issuance of Class A Units. If and whenever on or after the Date of Issuance the Company issues or sells, or in accordance with Section 2B is deemed to have issued or sold, any Class A Units for a consideration per unit less than the Fair Market Value per Class A Unit at the time of issuance or sale (not including the issuance of any Class A Units (i) pursuant to the exercise of Warrants issued on the Date of Issuance, (ii) under any incentive equity plan approved by the Company's board of managers for employees and other services providers of the Company and its subsidiaries, (iii) in exchange for the securities or assets of another Person as a part of a Sale of the Company, or (iv) upon the conversion or exercise of any securities of the Company or options or rights to acquire securities of the Company outstanding on the date hereof or issued as part of an exempt issuance listed herein or after compliance with the provisions of this Section 2), then upon such issue or sale the number of Exercise Units issuable upon exercise of this Warrant will be increased by multiplying such number by a fraction (A) the numerator of which is the Fair Market Value per Class A Unit at the time of such issue or sale, and (B) the denominator of which is determined by dividing (1) the sum of (x) the product derived by multiplying the Fair Market Value per Class A Unit at the time of such issue or sale by the number of Class A Units outstanding on a Fully Diluted Basis immediately prior to such issue or sale plus (y) the aggregate consideration, if any, received by the Company upon such issue or sale by (2) the number of Class A Units outstanding on a Fully Diluted Basis immediately after such issue or sale.

2B. Effect on Exercise Units of Certain Events. For purposes of determining the adjusted Exercise Units under Section 2A above, the following will be applicable:

(i) Issuance of Unit Equivalents. If the Company in any manner grants or issues Unit Equivalents and the lowest price per Class A Unit for which any one Class A Unit of the Company or analogous economic right is issuable upon the exercise of any such Unit Equivalent is less than the Fair Market Value per Class A Unit at the time of the granting or issuing of such Unit Equivalent, then such Class A Units will be deemed to have been issued and sold by the Company for such price per Class A Unit. For purposes of this paragraph, the "lowest price per Class A Unit for which any one Class A Unit or analogous economic right is issuable" will be equal to the sum of the lowest amounts of consideration (if any) received or receivable by the Company with respect to any one Class A Unit or analogous economic right upon the exercise of the Unit Equivalent (whether by conversion, exchange or otherwise) or other similar indication of the price per Class A Unit as of the time of granting (such as the floor value for equity appreciation rights). No further adjustment of the Exercise Units will be made upon the actual issue of such Class A Units or upon the exercise of any rights under the Unit Equivalents.

(ii) Change in Unit Equivalent Price or Conversion Rate. If the purchase price provided for in any Unit Equivalent, the additional consideration, if any, payable upon the issue, conversion or exchange of any Unit Equivalent, or the rate at which any Unit Equivalent is convertible into or exchangeable for Class A Units changes at any time, the Exercise Units in effect at the time of such change will be readjusted to the Exercise Units that would have been in effect at such time had such Unit Equivalent provided for such changed purchase price, additional consideration or changed conversion rate, as the case may be, at the time initially granted, issued or sold.

(iii) Treatment of Expired and Unexercised Unit Equivalents. Upon the expiration of any Unit Equivalent or the termination of any right to convert or exchange any Unit Equivalent without the exercise of such Unit Equivalent, the Exercise Units then in effect will be adjusted to the Exercise Units which would have been in effect at the time of such expiration or termination had such Unit Equivalent, to the extent outstanding immediately prior to such expiration or termination, never been issued.

(iv) Calculation of Consideration Received. If any Class A Units or Unit Equivalents are issued or sold or deemed to have been issued or sold for cash, the consideration received therefor will be deemed to be the net amount received by the Company. In case any Class A Units or Unit Equivalents are issued or sold for a consideration other than cash, the amount of the consideration other than cash received by the Company will be the Fair Market Value of such consideration. In case any Class A Units or Unit Equivalents are issued to the owners of the non-surviving entity in connection with any merger in which the Company is the surviving entity, the amount of consideration therefor will be deemed to be the Fair Market Value of such portion of the net assets and business of the non-surviving entity as is attributable to such Class A Units or Unit Equivalents, as the case may be.

(v) Integrated Transactions. In case any Unit Equivalent is issued in connection with the issue or sale of other securities of the Company, together comprising one integrated transaction in which no specific consideration is allocated to such Unit Equivalent by the parties thereto, the Unit Equivalent will be deemed to have been issued without consideration.

(vi) Record Date. If the Company takes a record of the holders of Class A Units for the purpose of entitling them (A) to receive a dividend or other distribution payable in Class A Units or Unit Equivalents or (B) to subscribe for or purchase Class A Units or Unit Equivalents, then such record date will be deemed to be the date of the issue or sale of the Class A Units deemed to have been issued or sold upon the declaration of such dividend or the making of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.

2C. Subdivision or Combination of Class A Units. Without duplication of Section 2A, if the Company at any time subdivides (by any unit split, unit dividend, recapitalization or otherwise) its outstanding Class A Units into a greater number of units, the number of Exercise Units in effect immediately prior to such subdivision will be proportionately increased and the Exercise Price proportionately decreased. If the Company at any time combines (by reverse unit split or otherwise) its outstanding Class A Units into a smaller number

of units, the number of Exercise Units in effect immediately prior to such combination will be proportionately decreased and the Exercise Price proportionately increased.

2D. Reorganization, Reclassification, Consolidation, Merger or Sale. Any recapitalization, reorganization, reclassification, consolidation, merger, sale of all or substantially all of the Company's assets with, into or to another Person or other transaction which is effected in such a way that holders of Class A Units are entitled to receive (either directly or upon subsequent liquidation) stock or other equity interests, securities, assets or other property with respect to or in exchange for Class A Units is referred to herein as "Organic Change." Prior to the consummation of any Organic Change that does not constitute a Sale of the Company (a "Non-Trigger Organic Change"), the Company will make appropriate provision to ensure that each of the Registered Holders of the Warrants will thereafter have the right to acquire and receive in lieu of or addition to (as the case may be) the Class A Units immediately theretofore acquirable and receivable upon the exercise of such holder's Warrant, such shares of stock or other equity interests, securities, assets or other property ("Exchangeable Property") as may be issued or payable with respect to or in exchange for the number of Class A Units immediately theretofore acquirable and receivable upon exercise of such holder's Warrant had such Non-Trigger Organic Change not taken place. In any such case, the Company will make appropriate provision (in form and substance reasonably satisfactory to the Registered Holders of the Warrants representing a majority of the Class A Units obtainable upon exercise of all Warrants then outstanding) with respect to such holders' rights and interests to ensure that the provisions of this Section 2 and Sections 3 and 5 hereof will thereafter be applicable to the Warrants (including, in the case of any such consolidation, merger or sale in which the successor entity or purchasing entity is other than the Company, an immediate adjustment of the Exercise Price in proportion to the Exchangeable Property receivable for each Class A Unit reflected by the terms of such consolidation, merger or sale, and a corresponding immediate adjustment in the number of Exercise Units).

2E. Notices.

(i) Promptly upon any adjustment to the number of Exercise Units, the Company will give written notice thereof to the Registered Holder, setting forth in reasonable detail the calculation of such adjustment.

(ii) The Company will give written notice to the Registered Holder at least ten days prior to the date on which the Company closes its books or takes a record (A) with respect to any dividend or distribution upon the Class A Units, (B) with respect to any pro rata subscription offer to holders of Class A Units or (C) for determining rights to vote with respect to any Organic Change, dissolution or liquidation.

(iii) The Company will also give written notice to the Registered Holders at least ten days prior to the date on which any Organic Change, dissolution or liquidation will take place.

Section 3. Liquidating Dividends. If the Company declares or pays a dividend upon the Class A Units payable other than in cash out of earnings or earned surplus (determined in accordance with generally accepted accounting principles, consistently applied) except for a dividend payable in Class A Units (a "Liquidating Dividend"), then the Company will pay to the Registered Holder at the time of payment thereof the Liquidating Dividend which would have

been paid to the Registered Holder on the Class A Units had this Warrant been fully exercised immediately prior to the date on which a record is taken for such Liquidating Dividend or, if no record is taken, the date as of which the record holders of Class A Units entitled to such Liquidating Dividend are to be determined.

Section 4. Definitions. For the purposes of this Agreement, the following terms shall have the meanings set forth below:

"Affiliate" means, with respect to a Person, another Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, by contract or otherwise.

"Board" has the meaning set forth in the LLC Agreement.

"Business Day" means any day other than a Saturday, a Sunday or a holiday on which national banking associations in the State of New York are closed for business.

"Class A Units" means, collectively, the Class A Units of the Company or any successor security.

"Co-Sale Rights Holders" has the meaning set forth in the LLC Agreement.

"Expiration Date" means the earlier of (i) December 31, 2023 and (ii) the consummation of a Sale of the Company or the consummation of an IPO.

"Fair Market Value" has the meaning set forth in the LLC Agreement, as such term is defined therein as of the date hereof.

"Fully Diluted Basis" means, at any given time, the number of Class A Units actually outstanding at such time, plus the number of Class A Units issuable upon the conversion, exchange or exercise of all Unit Equivalents then outstanding (including Warrants), regardless of their exercise price or its equivalent.

"IPO" has the meaning set forth in the LLC Agreement.

"LLC Agreement" means the Limited Liability Company Agreement of the Company, dated as of December 31, 2013, as amended from time to time in compliance with Section 12 herein.

"Member" has the meaning set forth in the LLC Agreement.

"Permitted Transferee" has the meaning set forth in the LLC Agreement.

"Person" means an individual, a partnership, a joint venture, a corporation, a limited liability company, a trust, an unincorporated organization or a government or any department or agency thereof.

"Plan of Reorganization" means the Second Amended Plan of Reorganization of Groeb Farms, Inc., pursuant to Chapter 11 of the Bankruptcy Code, filed in the United States

Bankruptcy Court for the Eastern District of Michigan, Case No. 13-58200 (WS), as it may be amended and/or supplemented.

"Sale of the Company" has the meaning set forth in the LLC Agreement.

"Securities Act" has the meaning set forth in the LLC Agreement.

"Securities Purchase Agreement" means the Securities Purchase Agreement, dated as of the date hereof, among Argosy Investment Partners III, L.P., Marquette Capital Fund I, LP, Horizon Capital Partners III, L.P., and Natural American Foods, Inc.

"Unit" has the meaning set forth in the LLC Agreement.

"Unit Equivalents" means any security, option, warrant, right or claim exercisable into, exchangeable for, or convertible into Class A Units or the economic equivalent value of Class A Units.

Section 5. No Voting Rights; Limitations of Liability. This Warrant shall not entitle the holder hereof to any voting rights or other rights of a unitholder of the Company. No provision hereof, in the absence of affirmative action by the Registered Holder to purchase Class A Units, and no enumeration herein of the rights or privileges of the Registered Holder shall give rise to any liability of such holder for the Exercise Price of Class A Units acquirable by exercise hereof or as a unitholder of the Company.

Section 6. Transferability. The Registered Holder shall not transfer any interest (whether economic or otherwise) in this Warrant without the prior written consent of the Board (the "Required Consent"), except that the Registered Holder may transfer this Warrant without the Required Consent to a Permitted Transferee. Any transfer of this Warrant in compliance with this Section 6 shall be effective upon surrender of this Warrant with a properly executed assignment (in the form of Exhibit I hereto) at the principal office of the Company. Subject to the LLC Agreement and the transfer conditions referred to in the legend set forth in Section 1B(v) herein, the Exercise Units shall be transferable by the holder thereof.

Section 7. Warrant Exchangeable for Different Denominations. This Warrant is exchangeable, upon the surrender hereof by the Registered Holder at the principal office of the Company, for new Warrants of like tenor representing in the aggregate the purchase rights hereunder, and each of such new Warrants will represent such portion of such rights as is designated by the Registered Holder at the time of such surrender. The date the Company initially issues this Warrant will be deemed to be the "Date of Issuance" hereof regardless of the number of times new certificates representing the unexpired and unexercised rights formerly represented by this Warrant shall be issued. All Warrants representing portions of the rights hereunder are included in the definition of "Warrants" hereunder.

Section 8. Confidentiality. The Registered Holder shall be subject to the provisions of Section 8.14 of the LLC Agreement, as if such Registered Holder were a member of the Company, and as if such provisions were set out in full and incorporated herein.

Section 9. Financials and Quarterly Meetings. For so long as the Registered Holder holds at least 50% of the Warrants initially issued by the Company to such Registered Holder on the Date of Issuance (and/or Class A Units issued as a result of exercise thereof), then the

Registered Holder shall be entitled to (a) receive from the Company, on a monthly basis, (i) an unaudited consolidated and consolidating balance sheet, income statement, statement of cash flow, and statement of owner's equity covering the operations of the Company and its subsidiaries, if any, during such period and compared to the prior period, setting forth in each case in comparative form figures for the corresponding period in the preceding fiscal year, all in reasonable detail and certified by an authorized financial officer of Natural American Foods, Inc. and prepared in accordance with GAAP, subject to normal year-end adjustments and footnotes, and (ii) with respect to the last fiscal month of a fiscal quarter only, a compliance certificate showing compliance by Natural American Foods, Inc. with the financial covenants set forth in the Securities Purchase Agreement, along with underlying calculations; (b) receive, within 120 days after the last day of each fiscal year of the Company, an audited consolidated and consolidating annual financial statement of the Company, including a balance sheet, statement of income and expense, statement of stockholders' equity and statement of cash flow for such year, prepared in accordance with GAAP and setting forth in each case, in comparative form, the figures for the previous fiscal year, all in reasonable detail and, in the case of the audited annual report, accompanied by the opinion as to going concern of an independent certified public accountant; and (c) attend quarterly meetings with the Company's management, with up to two such meetings per year in person, at the Registered Holder's expense. Any materials delivered or made available to the Registered Holder pursuant to or as a result of this Section 9 shall be subject to the provisions of Section 8.

Section 10. Replacement. Upon receipt of evidence reasonably satisfactory to the Company (including at the request of the Company an affidavit of the Registered Holder) of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing this Warrant, and, in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Company (provided that if the holder is a financial institution or other institutional investor its own agreement will be satisfactory) or, in the case of any such mutilation, upon surrender of such certificate, the Company will (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the same rights represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

Section 11. Notices. Except as otherwise expressly provided herein, all notices referred to in this Warrant will be in writing and will be deemed to have been given when delivered personally, one Business Day after being sent by reputable express courier service (charges prepaid) or three Business Days after being sent by registered or certified mail, return receipt requested, postage prepaid, (i) to the Company, at its principal executive offices, and (ii) to the Registered Holder of this Warrant, at such holder's address as it appears in the records of the Company (unless otherwise indicated by any such holder).

Section 12. Amendment and Waiver. Except as otherwise provided herein, the provisions of this Warrant may be amended and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company has obtained the written consent of the Registered Holders of the Warrants representing a majority of the Class A Units obtainable upon exercise of all Warrants then outstanding. In addition, any amendment or modification of the LLC Agreement that would affect the Class A Units to be received upon exercise of the Warrants in a manner materially adverse as compared

to any other class of Units or materially adverse solely to such Class A Units as compared to other Class A Units shall be effective against the holders of the Warrants only with the written consent of the Registered Holders of the Warrants representing a majority of the Class A Units obtainable upon exercise of all Warrants then outstanding (it being understood and agreed that a change in the number of Units available for issuance shall not materially adversely affect the holders of Warrants and therefore shall not require such consent); provided, further, that the Board may amend and modify the provisions of the LLC Agreement and Schedule A thereto from time to time to the extent necessary to reflect (a) the issuance of new Units or other interests in the Company, (b) the admission of new Members and substituted Members or (c) the cancellation or repurchase of Units which have been issued subject to vesting or similar arrangements, in each case in compliance with the terms of the LLC Agreement and this Section 12. Notwithstanding the foregoing, any amendment, modification or deletion of Sections 3.7, 11.2(c), 12.3 or 14.3 (or any of the defined terms referenced therein) in the LLC Agreement in a manner adverse to the Registered Holder shall not be effective against the Registered Holder unless consented to in writing by the Registered Holders of the Warrants representing a majority of the Class A Units obtainable upon exercise of all Warrants then outstanding.

Section 13. Preemptive Rights. The Registered Holder of this Warrant shall have the same preemptive rights as the other holders of Class A Units of the Company as set forth in Section 3.7 of the LLC Agreement, and the Company shall include such Registered Holder in all notices to be provided to the preemptive rights holders under such provisions. For the avoidance of doubt, the Registered Holder will be entitled to preemptive rights hereunder without having to exercise this Warrant and its Preemptive Rights Pro Rata Portion (as defined in the LLC Agreement) will include the Exercise Units as if such Exercise Units were Class A Units held by the Registered Holder.

Section 14. Descriptive Headings; Governing Law. The descriptive headings of the several Sections and paragraphs of this Warrant are inserted for convenience only and do not constitute a part of this Warrant. The construction, validity and interpretation of this Warrant will be governed by the internal law, and not the conflicts law, of the State of Delaware.

* * * * *

IN WITNESS WHEREOF, the Company has caused this Warrant to be signed and attested by its duly authorized officer and to be dated the Date of Issuance hereof.

NATURAL AMERICAN FOODS HOLDINGS, LLC

By: _____
Name:
Title:

Accepted and Agreed:

[HOLDER]

By: _____
Name:
Title:

EXHIBIT I

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers all of the rights of the undersigned under the attached Warrant (Certificate No. W-__), with respect to the number of Class A Units of Natural American Foods Holdings, LLC, covered thereby set forth below, unto the assignee set forth below:

Names of Assignee	Address	No. of Class A Units

[NAME OF HOLDER]

By:_____
Name:
Title:

EXHIBIT II

EXERCISE AGREEMENT

To: Natural American Foods Holdings, LLC

Dated: _____

☐ Check Box for All Cash Exercise. The undersigned, pursuant to the provisions set forth in the attached Warrant (Certificate No. W-__), hereby agrees to subscribe for the purchase of _____ Class A Units of Natural American Foods Holdings, LLC, a Delaware limited liability company, covered by such Warrant and makes payment herewith in full therefor at the price per unit provided by such Warrant.

☐ Check Box for Net Issue Exercise. The undersigned, pursuant to the provisions set forth in the attached Warrant (Certificate No. W-__), hereby agrees to exchange the purchase rights with respect to_____ Class A Units of Natural American Foods Holdings, LLC, a Delaware limited liability company, covered by such Warrant pursuant to a "Net Issue Exercise" pursuant to the terms set forth in the attached Warrant.

[NAME OF HOLDER]

By: _____
Name:
Title:

Address:

THIS WARRANT AND ANY SECURITIES ACQUIRED UPON EXERCISE OF THIS WARRANT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS, AND NONE OF THIS WARRANT, SUCH SECURITIES OR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, TRANSFERRED, PLEDGED OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT OR SUCH LAWS OR AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT AND SUCH LAWS.

THIS WARRANT AND THE SECURITIES ACQUIRED UPON EXERCISE OF THIS WARRANT ARE SUBJECT TO THE CONDITIONS ON TRANSFER AND OTHER TERMS AND CONDITIONS SPECIFIED BELOW AND IN THE LIMITED LIABILITY COMPANY AGREEMENT OF THE ISSUER HEREOF (THE "COMPANY"), DATED AS OF ~~[_____]~~,**DECEMBER 31, 2013,** AS AMENDED FROM TIME TO TIME. UPON WRITTEN REQUEST, A COPY OF SUCH CONDITIONS WILL BE FURNISHED BY THE COMPANY TO THE HOLDER HEREOF WITHOUT CHARGE.

WARRANT

Date of Issuance: ~~[_____]~~ **December 31, 2013**
Certificate No. W-**[_]**

FOR VALUE RECEIVED, ~~[~~**Natural American Foods** Holdings**,** LLC~~]~~, a Delaware limited liability company (the "Company"), hereby grants to **[_____]** or its registered assigns (the "Registered Holder") the right to purchase **[___]**[1] (as may be adjusted from time to time hereunder) Class A Units of the Company (the "Exercise Units") at a price per unit of $0.01 (the "Exercise Price"). This Warrant is one of a number of warrants issued by the Company in connection with the transactions contemplated by the Plan of Reorganization (collectively, the "Warrants"). Certain capitalized terms used herein are defined in Section 4 hereof. The amount and kind of securities purchasable pursuant to the rights granted hereunder are subject to adjustment pursuant to the provisions contained in this Warrant.

This Warrant is subject to the following provisions:

Section 1. Exercise of Warrant.

1A. Exercise Period and Amount. The Registered Holder or the Purchaser (as defined below) may exercise, in whole or in part, the purchase rights for the Exercise Units represented by this Warrant at any time and from time to time after the Date of Issuance of this Warrant to and including the Expiration Date.

1B. Exercise Procedure.

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[1] ~~Warrant holders~~**Arogsy** to receive~~, in the aggregate,~~ warrants exercisable for ~~13% of the Class A Units in the Company as of the date of issuance. The number of warrants to be allocated to each of Marquette, Argosy and Horizon will be based on such holder's respective senior subordinated note principal amounts~~**662,908 Class A Units, Marquette to receive warrants exercisable for 751,296 Class A Units, and Horizon to receive warrants exercisable for 80,049 Class A Units**.

(i) This Warrant will be deemed to have been exercised when the Company has received all of the following items (the "Exercise Time"):

(a) a completed Exercise Agreement, as described in Section 1C below (the "Exercise Agreement"), executed by the Person exercising all or part of the purchase rights represented by this Warrant (the "Purchaser");

(b) the original copy of this Warrant;

(c) if this Warrant is not registered in the name of the Purchaser, an assignment or assignments in the form set forth on Exhibit I hereto properly executed and evidencing the assignment of this Warrant from the Registered Holder to the Purchaser, in compliance with the provisions set forth in Section 6 hereof;

(d) a joinder to the LLC Agreement, executed by the Purchaser, accepting and agreeing to be bound by all terms and conditions of the LLC Agreement; and

(e) a wire transfer of immediately available funds in an amount equal to the product of the Exercise Price multiplied by the number of Exercise Units being purchased upon such exercise (the "Aggregate Exercise Price").

(ii) As an alternative to the payment method for the exercise of this Warrant as provided in Section 1B(i)(e), the Purchaser may exchange all or part of the purchase rights represented by this Warrant by surrendering this Warrant to the Company, together with a duly executed Exercise Agreement marked to reflect "Net Issue Exercise" and specifying the aggregate number of Exercise Units for which the Purchaser is exchanging this Warrant (or a portion thereof), in which case the Company shall withhold and not issue to the Purchaser a number of Exercise Units (to be withheld from the number of Exercise Units specified in such Exercise Agreement) with an aggregate Fair Market Value equal to the Aggregate Exercise Price of the number of Exercise Units specified in such Exercise Agreement (and such withheld units shall no longer be issuable under this Warrant).

(iii) Certificates for Exercise Units purchased upon exercise of this Warrant, if such Exercise Units are certificated, will be delivered by the Company to the Purchaser within five Business Days after the date of the Exercise Time. Unless this Warrant has expired or all of the purchase rights represented hereby have been exercised, the Company will prepare a new Warrant, substantially identical hereto, representing the rights formerly represented by this Warrant which have not expired or been exercised and will, within such five Business Day period, deliver such new Warrant to the Person designated for delivery in the Exercise Agreement.

(iv) Exercise Units will be deemed to have been issued to the Purchaser at the Exercise Time, and the Purchaser will be deemed for all purposes to have become the record holder of such Exercise Units at the Exercise Time.

(v) The issuance of certificates for Exercise Units, if any, will be made without charge to the Registered Holder or the Purchaser for any issuance tax in respect thereof or other cost incurred by the Company in connection with such exercise and the related issuance of Exercise Units. Each Exercise Unit will, upon exercise of this Warrant in accordance with the terms hereof and payment of the Exercise Price therefor, be fully paid and nonassessable by the Company and free from all liens and charges with respect to the issuance thereof, other than as

contemplated by the LLC Agreement. Each certificate, if any, representing any such Exercise Units shall include a legend substantially in the form set forth in Section 12.9 of the LLC Agreement, and shall be subject to the restrictions on transfer imposed under the terms of the LLC Agreement and applicable state and federal securities law.

(vi) The Company will not close its books against the transfer of this Warrant or of any Exercise Unit issued or issuable upon the exercise of this Warrant in any manner which interferes with the timely exercise of this Warrant in accordance with the terms hereof.

(vii) The Company shall give the Registered Holder at least ten days' advance written notice of the Company's intent to consummate a Sale of the Company, an IPO**,** or a transfer of Class A Units resulting in the rights of Co-Sale Rights Holders set forth in Section 12.3 of the LLC Agreement being triggered (a "Co-Sale")**, or make any payment or other distribution to holders of Class A Units in respect of such Class A Units**. If an exercise of any portion of this Warrant is to be made in connection with such Sale of the Company, IPO~~ or~~**,** Co-Sale**or distribution**, the exercise of any portion of this Warrant may, at the election of the holder hereof, be conditioned upon the consummation of such Sale of the Company, IPO or Co-Sale**or the payment of any such distribution**, in which case such exercise shall not be deemed to be effective until the consummation of such Sale of the Company, IPO or Co-Sale**or payment of such distribution**. In addition, in connection with a Co-Sale, the Company agrees to reasonably cooperate with the Registered Holder to minimize any material and adverse tax consequences which such Registered Holder may experience in connection with such exercise to participate in a Co-Sale (including by potentially allowing such Registered Holder to participate in such Co-Sale without the exercise of this Warrant, to the extent agreed to by the transferee in such Co-Sale).

(viii) The Company shall at all times reserve and keep available out of its authorized but unissued Class A Units, solely for the purpose of issuance upon the exercise of the Warrants, such number of Class A Units issuable upon the exercise of all outstanding Warrants. All Class A Units that are so issuable shall, when issued in accordance with the terms of this Warrant, be duly and validly issued, fully paid and nonassessable by the Company and free from all liens and charges with respect to the issuance thereof, other than as contemplated by the LLC Agreement. The Company shall take all such actions as may be reasonably necessary to assure that all such Class A Units may be so issued without violation of any applicable law or governmental regulation or any requirements of any domestic securities exchange upon which Class A Units may be listed (except for official notice of issuance which shall be immediately delivered by the Company upon each such issuance).

(ix) Upon any exercise of this Warrant, the Company may require customary investment representations from the Registered Holder and/or the Purchaser to assure that the issuance of Class A Units hereunder shall not require registration or qualification under the Securities Act or any state securities laws.

1C. Exercise Agreement. Upon any exercise of this Warrant, the Exercise Agreement will be in the form set forth on Exhibit II hereto, except that if the Exercise Units are not to be issued in the name of the Person in whose name this Warrant is registered, the Exercise Agreement will also state the name of the Person to whom the certificates for the Exercise Units are to be issued and will be accompanied by a properly executed assignment (as required by Section 6 hereof), and, if the number of Exercise Units to be issued does not include all the Exercise Units

purchasable hereunder, the Exercise Agreement will also state the name of the Person to whom a new Warrant for the unexercised portion of the rights hereunder is to be delivered (and, if such Person is not the Person in whose name this Warrant is then registered, will be accompanied by a properly executed assignment (as required by Section 6)). Such Exercise Agreement will be dated the actual date of execution thereof.

Section 2. Adjustment of Number of Exercise Units. In order to prevent dilution of the rights granted under this Warrant, the number of Exercise Units shall be subject to adjustment from time to time as provided in this Section 2.

2A. Adjustment of Number of Exercise Units upon Issuance of Class A Units. If and whenever on or after the Date of Issuance the Company issues or sells, or in accordance with Section 2B is deemed to have issued or sold, any Class A Units for a consideration per unit less than the Fair Market Value per Class A Unit at the time of issuance or sale (not including the issuance of any Class A Units (i) pursuant to the exercise of Warrants issued on the Date of Issuance, (ii) under any incentive equity plan approved by the Company's board of managers for employees and other services providers of the Company and its subsidiaries, (iii) in exchange for the securities or assets of another Person as a part of a Sale of the Company, or (iv) upon the conversion or exercise of any securities of the Company or options or rights to acquire securities of the Company outstanding on the date hereof or issued as part of an exempt issuance listed herein or after compliance with the provisions of this Section 2), then upon such issue or sale the number of Exercise Units issuable upon exercise of this Warrant will be increased by multiplying such number by a fraction (A) the numerator of which is the Fair Market Value per Class A Unit at the time of such issue or sale, and (B) the denominator of which is determined by dividing (1) the sum of (x) the product derived by multiplying the Fair Market Value per Class A Unit at the time of such issue or sale by the number of Class A Units outstanding on a Fully Diluted Basis immediately prior to such issue or sale plus (y) the aggregate consideration, if any, received by the Company upon such issue or sale by (2) the number of Class A Units outstanding on a Fully Diluted Basis immediately after such issue or sale.

2B. Effect on Exercise Units of Certain Events. For purposes of determining the adjusted Exercise Units under Section 2A above, the following will be applicable:

(i) Issuance of Unit Equivalents. If the Company in any manner grants or issues Unit Equivalents and the lowest price per Class A Unit for which any one Class A Unit of the Company or analogous economic right is issuable upon the exercise of any such Unit Equivalent is less than the Fair Market Value per Class A Unit at the time of the granting or issuing of such Unit Equivalent, then such Class A Units will be deemed to have been issued and sold by the Company for such price per Class A Unit. For purposes of this paragraph, the "lowest price per Class A Unit for which any one Class A Unit or analogous economic right is issuable" will be equal to the sum of the lowest amounts of consideration (if any) received or receivable by the Company with respect to any one Class A Unit or analogous economic right upon the exercise of the Unit Equivalent (whether by conversion, exchange or otherwise) or other similar indication of the price per Class A Unit as of the time of granting (such as the floor value for equity appreciation rights). No further adjustment of the Exercise Units will be made upon the actual issue of such Class A Units or upon the exercise of any rights under the Unit Equivalents.

(ii) Change in Unit Equivalent Price or Conversion Rate. If the purchase price provided for in any Unit Equivalent, the additional consideration, if any, payable upon the issue, conversion or exchange of any Unit Equivalent, or the rate at which any Unit Equivalent is convertible into or exchangeable for Class A Units changes at any time, the Exercise Units in effect at the time of such change will be readjusted to the Exercise Units that would have been in effect at such time had such Unit Equivalent provided for such changed purchase price, additional consideration or changed conversion rate, as the case may be, at the time initially granted, issued or sold.

(iii) Treatment of Expired and Unexercised Unit Equivalents. Upon the expiration of any Unit Equivalent or the termination of any right to convert or exchange any Unit Equivalent without the exercise of such Unit Equivalent, the Exercise Units then in effect will be adjusted to the Exercise Units which would have been in effect at the time of such expiration or termination had such Unit Equivalent, to the extent outstanding immediately prior to such expiration or termination, never been issued.

(iv) Calculation of Consideration Received. If any Class A Units or Unit Equivalents are issued or sold or deemed to have been issued or sold for cash, the consideration received therefor will be deemed to be the net amount received by the Company. In case any Class A Units or Unit Equivalents are issued or sold for a consideration other than cash, the amount of the consideration other than cash received by the Company will be the Fair Market Value of such consideration. In case any Class A Units or Unit Equivalents are issued to the owners of the non-surviving entity in connection with any merger in which the Company is the surviving entity, the amount of consideration therefor will be deemed to be the Fair Market Value of such portion of the net assets and business of the non-surviving entity as is attributable to such Class A Units or Unit Equivalents, as the case may be.

(v) Integrated Transactions. In case any Unit Equivalent is issued in connection with the issue or sale of other securities of the Company, together comprising one integrated transaction in which no specific consideration is allocated to such Unit Equivalent by the parties thereto, the Unit Equivalent will be deemed to have been issued without consideration.

(vi) Record Date. If the Company takes a record of the holders of Class A Units for the purpose of entitling them (A) to receive a dividend or other distribution payable in Class A Units or Unit Equivalents or (B) to subscribe for or purchase Class A Units or Unit Equivalents, then such record date will be deemed to be the date of the issue or sale of the Class A Units deemed to have been issued or sold upon the declaration of such dividend or the making of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.

2C. Subdivision or Combination of Class A Units. Without duplication of Section 2A, if the Company at any time subdivides (by any unit split, unit dividend, recapitalization or otherwise) its outstanding Class A Units into a greater number of units, the number of Exercise Units in effect immediately prior to such subdivision will be proportionately increased and the Exercise Price proportionately decreased. If the Company at any time combines (by reverse unit split or otherwise) its outstanding Class A Units into a smaller number of units, the number of

Exercise Units in effect immediately prior to such combination will be proportionately decreased and the Exercise Price proportionately increased.

2D. Reorganization, Reclassification, Consolidation, Merger or Sale. Any recapitalization, reorganization, reclassification, consolidation, merger, sale of all or substantially all of the Company's assets with, into or to another Person or other transaction which is effected in such a way that holders of Class A Units are entitled to receive (either directly or upon subsequent liquidation) stock or other equity interests, securities, assets or other property with respect to or in exchange for Class A Units is referred to herein as "Organic Change." Prior to the consummation of any Organic Change that does not constitute a Sale of the Company (a "Non-Trigger Organic Change"), the Company will make appropriate provision to ensure that each of the Registered Holders of the Warrants will thereafter have the right to acquire and receive in lieu of or addition to (as the case may be) the Class A Units immediately theretofore acquirable and receivable upon the exercise of such holder's Warrant, such shares of stock or other equity interests, securities, assets or other property ("Exchangeable Property") as may be issued or payable with respect to or in exchange for the number of Class A Units immediately theretofore acquirable and receivable upon exercise of such holder's Warrant had such Non-Trigger Organic Change not taken place. In any such case, the Company will make appropriate provision (in form and substance reasonably satisfactory to the Registered Holders of the Warrants representing a majority of the Class A Units obtainable upon exercise of all Warrants then outstanding) with respect to such holders' rights and interests to ensure that the provisions of this Section 2 and Sections 3 and 5 hereof will thereafter be applicable to the Warrants (including, in the case of any such consolidation, merger or sale in which the successor entity or purchasing entity is other than the Company, an immediate adjustment of the Exercise Price in proportion to the Exchangeable Property receivable for each Class A Unit reflected by the terms of such consolidation, merger or sale, and a corresponding immediate adjustment in the number of Exercise Units).

2E. Notices.

(i) Promptly upon any adjustment to the number of Exercise Units, the Company will give written notice thereof to the Registered Holder, setting forth in reasonable detail the calculation of such adjustment.

(ii) The Company will give written notice to the Registered Holder at least ten days prior to the date on which the Company closes its books or takes a record (A) with respect to any dividend or distribution upon the Class A Units, (B) with respect to any pro rata subscription offer to holders of Class A Units or (C) for determining rights to vote with respect to any Organic Change, dissolution or liquidation.

(iii) The Company will also give written notice to the Registered Holders at least ten days prior to the date on which any Organic Change, dissolution or liquidation will take place.

Section 3. Liquidating Dividends. If the Company declares or pays a dividend upon the Class A Units payable other than in cash out of earnings or earned surplus (determined in accordance with generally accepted accounting principles, consistently applied) except for a dividend payable in Class A Units (a "Liquidating Dividend"), then the Company will pay to the Registered Holder at the time of payment thereof the Liquidating Dividend which would have been paid to the Registered Holder on the Class A Units had this Warrant been fully exercised

immediately prior to the date on which a record is taken for such Liquidating Dividend or, if no record is taken, the date as of which the record holders of Class A Units entitled to such Liquidating Dividend are to be determined.

Section 4. Definitions. For the purposes of this Agreement, the following terms shall have the meanings set forth below:

"Affiliate" means, with respect to a Person, another Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, by contract or otherwise.

"Board" has the meaning set forth in the LLC Agreement.

"Business Day" means any day other than a Saturday, a Sunday or a holiday on which national banking associations in the State of New York are closed for business.

"Class A Units" means, collectively, the Class A Units of the Company or any successor security.

"Co-Sale Rights Holders" has the meaning set forth in the LLC Agreement.

~~"Credit Agreement" means **[name of Exit Facility]**.~~

"Expiration Date" means the earlier of (i) ~~[_____]~~[2] **December 31, 2023** and (ii) the consummation of a Sale of the Company or the consummation of an IPO.

"Fair Market Value" has the meaning set forth in the LLC Agreement**, as such term is defined therein as of the date hereof**.

"Fully Diluted Basis" means, at any given time, the number of Class A Units actually outstanding at such time, plus the number of Class A Units issuable upon the conversion, exchange or exercise of all Unit Equivalents then outstanding (including Warrants), regardless of their exercise price or its equivalent.

"IPO" has the meaning set forth in the LLC Agreement.

"LLC Agreement" means the Limited Liability Company Agreement of the Company, dated as of ~~[_____]~~, **December 31, 2013,** as amended from time to time **in compliance with Section 12 herein**.

"Member" has the meaning set forth in the LLC Agreement.

"Permitted Transferee" has the meaning set forth in the LLC Agreement.

~~[2] To be 10 years from issuance date.~~

"Person" means an individual, a partnership, a joint venture, a corporation, a limited liability company, a trust, an unincorporated organization or a government or any department or agency thereof.

"Plan of Reorganization" means [the Second Amended Plan of Reorganization] of Groeb Farms, Inc., P**p**ursuant to Chapter 11 of the Bankruptcy Code, filed in the United States Bankruptcy Court for the Eastern District of Michigan, Case No. 13-58200 (WS), as it may be amended and/or supplemented.

"Sale of the Company" has the meaning set forth in the LLC Agreement.

"Securities Act" has the meaning set forth in the LLC Agreement.

"**Securities Purchase Agreement" means the Securities Purchase Agreement, dated as of the date hereof, among Argosy Investment Partners III, L.P., Marquette Capital Fund I, LP, Horizon Capital Partners III, L.P., and Natural American Foods, Inc.**

"Unit" has the meaning set forth in the LLC Agreement.

"Unit Equivalents" means any security, option, warrant, right or claim exercisable into, exchangeable for, or convertible into Class A Units or the economic equivalent value of Class A Units.

Section 5. No Voting Rights; Limitations of Liability. This Warrant shall not entitle the holder hereof to any voting rights or other rights of a unitholder of the Company. No provision hereof, in the absence of affirmative action by the Registered Holder to purchase Class A Units, and no enumeration herein of the rights or privileges of the Registered Holder shall give rise to any liability of such holder for the Exercise Price of Class A Units acquirable by exercise hereof or as a unitholder of the Company.

Section 6. Transferability. The Registered Holder shall not transfer any interest (whether economic or otherwise) in this Warrant without the prior written consent of the Board (the "Required Consent"), except that the Registered Holder may transfer this Warrant without the Required Consent to a Permitted Transferee~~; provided that if the Registered Holder transfers any interests in this Warrant to a Permitted Transferee and such transferee ceases to be a Permitted Transferee of the Registered Holder, then such transferee shall, prior to ceasing to be a Permitted Transferee, transfer such interest back to the Registered Holder who made such transfer (unless otherwise determined by the Board in its sole discretion)~~. Any transfer of this Warrant in compliance with this Section 6 shall be effective upon surrender of this Warrant with a properly executed assignment (in the form of Exhibit I hereto) at the principal office of the Company. Subject to the LLC Agreement and the transfer conditions referred to in the legend set forth in Section 1B(v) herein, the Exercise Units shall be transferable by the holder thereof.

Section 7. Warrant Exchangeable for Different Denominations. This Warrant is exchangeable, upon the surrender hereof by the Registered Holder at the principal office of the Company, for new Warrants of like tenor representing in the aggregate the purchase rights hereunder, and each of such new Warrants will represent such portion of such rights as is designated by the Registered Holder at the time of such surrender. The date the Company initially issues this Warrant will be deemed to be the "Date of Issuance" hereof regardless of the

number of times new certificates representing the unexpired and unexercised rights formerly represented by this Warrant shall be issued. All Warrants representing portions of the rights hereunder are included in the definition of "Warrants" hereunder.

Section 8. Confidentiality. The Registered Holder shall be subject to the provisions of Section 8.14 of the LLC Agreement, as if such Registered Holder were a member of the Company, and as if such provisions were set out in full and incorporated herein.

Section 9. Financials and Quarterly Meetings. For so long as the Registered Holder holds at least 50% of the Warrants initially issued by the Company to such Registered Holder on the Date of Issuance (and/or Class A Units issued as a result of exercise thereof), then the Registered Holder shall be entitled to ~~[~~(a) receive from the Company, on a monthly basis, (i) an unaudited consolidated **and consolidating** balance sheet, income statement ~~and~~**,** statement of cash ~~flows~~**flow, and statement of owner's equity covering the operations** of the Company and its subsidiaries, ~~together with a corresponding discussion and analysis of results from the Company's management, and (ii)~~**if any, during such period and compared to the prior period, setting forth in each case in comparative form figures for the corresponding period in the preceding fiscal year, all in reasonable detail and certified by an authorized financial officer of Natural American Foods, Inc. and prepared in accordance with GAAP, subject to normal year-end adjustments and footnotes, and (ii) with respect to the last fiscal month of a fiscal quarter only,** a compliance certificate showing compliance by ~~Groeb Farms~~**Natural American Foods**, Inc. with the financial covenants set forth in the ~~Credit~~**Securities Purchase** Agreement, along with underlying calculations~~, and a borrowing base certificate showing compliance by Groeb Farms, Inc. with the borrowing base requirements set forth in the Credit Agreement; (b) receive from~~**; (b) receive, within 120 days after the last day of each fiscal year of** the Company, ~~on~~ an ~~annual basis,~~ audited ~~or reviewed financial statements of the Company and its subsidiaries~~**consolidated and consolidating annual financial statement of the Company, including a balance sheet, statement of income and expense, statement of stockholders' equity and statement of cash flow for such year, prepared in accordance with GAAP and setting forth in each case, in comparative form, the figures for the previous fiscal year, all in reasonable detail and, in the case of the audited annual report, accompanied by the opinion as to going concern of an independent certified public accountant**; and (c) attend quarterly meetings with the Company's management, with up to two such meetings per year in person, at the Registered Holder's expense.~~]~~[3] Any materials delivered or made available to the Registered Holder pursuant to or as a result of this Section 9 shall be subject to the provisions of Section 8.

Section 10. Replacement. Upon receipt of evidence reasonably satisfactory to the Company (including at the request of the Company an affidavit of the Registered Holder) of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing this Warrant, and, in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Company (provided that if the holder is a financial institution or other institutional investor its own agreement will be satisfactory) or, in the case of any such mutilation, upon surrender of such certificate, the Company will (at its expense) execute and deliver in lieu of

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[3] ~~To be tied to the related deliveries/obligations under the Credit Agreement when finalized.~~

such certificate a new certificate of like kind representing the same rights represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

Section 11. Notices. Except as otherwise expressly provided herein, all notices referred to in this Warrant will be in writing and will be deemed to have been given when delivered personally, one Business Day after being sent by reputable express courier service (charges prepaid) or three Business Days after being sent by registered or certified mail, return receipt requested, postage prepaid, (i) to the Company, at its principal executive offices, and (ii) to the Registered Holder of this Warrant, at such holder's address as it appears in the records of the Company (unless otherwise indicated by any such holder).

Section 12. Amendment and Waiver. Except as otherwise provided herein, the provisions of this Warrant may be amended and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company has obtained the written consent of the Registered Holders of the Warrants representing a majority of the Class A Units obtainable upon exercise of all Warrants then outstanding. In addition, any amendment or modification of the LLC Agreement that would affect the Class A Units to be received upon exercise of the Warrants in a manner materially adverse as compared ~~to~~ to any other class of Units or materially adverse solely to such Class A Units as compared to other Class A Units shall be effective against the holders of the Warrants only with the written consent of the Registered Holders of the Warrants representing a majority of the Class A Units obtainable upon exercise of all Warrants then outstanding (it being understood and agreed that a change in the number of Units available for issuance shall not materially adversely affect the holders of Warrants and therefore shall not require such consent); provided, further, that the Board may amend and modify the provisions of the LLC Agreement and Schedule A thereto from time to time to the extent necessary to reflect (a) the issuance of new Units or other interests in the Company, (b) the admission of new Members and substituted Members or (c) the cancellation or repurchase of Units which have been issued subject to vesting or similar arrangements, in each case in compliance with the terms of the LLC Agreement **and this Section 12. Notwithstanding the foregoing, any amendment, modification or deletion of Sections 3.7, 11.2(c), 12.3 or 14.3 (or any of the defined terms referenced therein) in the LLC Agreement in a manner adverse to the Registered Holder shall not be effective against the Registered Holder unless consented to in writing by the Registered Holders of the Warrants representing a majority of the Class A Units obtainable upon exercise of all Warrants then outstanding**.

Section 13. Preemptive Rights. The Registered Holder of this Warrant shall have the same preemptive rights as the other holders of Class A Units of the Company as set forth in Section 3.7 of the LLC Agreement, and the Company shall include such Registered Holder in all notices to be provided to the preemptive rights holders under such provisions. **For the avoidance of doubt, the Registered Holder will be entitled to preemptive rights hereunder without having to exercise this Warrant and its Preemptive Rights Pro Rata Portion (as defined in the LLC Agreement) will include the Exercise Units as if such Exercise Units were Class A Units held by the Registered Holder.**

Section 14. Descriptive Headings; Governing Law. The descriptive headings of the several Sections and paragraphs of this Warrant are inserted for convenience only and do not

constitute a part of this Warrant. The construction, validity and interpretation of this Warrant will be governed by the internal law, and not the conflicts law, of the State of Delaware.

* * * * *

IN WITNESS WHEREOF, the Company has caused this Warrant to be signed and attested by its duly authorized officer and to be dated the Date of Issuance hereof.

[**NATURAL AMERICAN FOODS** HOLDINGS**,** LLC]

By: _____
Name:
Title:

Accepted and Agreed:

[HOLDER]

By: _____
Name:
Title:

EXHIBIT I

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers all of the rights of the undersigned under the attached Warrant (Certificate No. W-___), with respect to the number of Class A Units of ~~[Holdco LLC]~~**Natural American Foods Holdings, LLC**, covered thereby set forth below, unto the assignee set forth below:

Names of Assignee	Address	No. of Class A Units

[NAME OF HOLDER]

By: _____
Name:
Title:

EXHIBIT II

EXERCISE AGREEMENT

To: ~~[~~**Natural American Foods** Holdings**,** LLC~~]~~

Dated: _____

☐ Check Box for All Cash Exercise. The undersigned, pursuant to the provisions set forth in the attached Warrant (Certificate No. W-___), hereby agrees to subscribe for the purchase of _____ Class A Units of ~~[~~**Natural American Foods** Holdings**,** LLC~~]~~, a Delaware limited liability company, covered by such Warrant and makes payment herewith in full therefor at the price per unit provided by such Warrant.

☐ Check Box for Net Issue Exercise. The undersigned, pursuant to the provisions set forth in the attached Warrant (Certificate No. W-___), hereby agrees to exchange the purchase rights with respect to_____ Class A Units of ~~[~~**Natural American Foods** Holdings**,** LLC~~]~~, a Delaware limited liability company, covered by such Warrant pursuant to a "Net Issue Exercise" pursuant to the terms set forth in the attached Warrant.

[NAME OF HOLDER]

By: _____
Name:
Title:

Address: