

EXHIBIT 1

GECC Commitment Letter



General Electric Capital Corporation
GE Capital Markets, Inc.
401 Merritt 7
Norwalk, Connecticut 06851

CONFIDENTIAL

June 17, 2014

C & K Market, Inc.
c/o The Food Partners, LLC
5335 Wisconsin Avenue, N.W.
Suite 410
Washington, D.C. 20015
Attention: James Floyd, Principal

C & K Market, Inc.
\$20,000,000 Revolving Credit Facility and
\$25,000,000 Term Loan Facility
Commitment Letter

Ladies and Gentlemen:

General Electric Capital Corporation (“GE Capital”) hereby commits to provide (directly and/or through one or more of its direct or indirect subsidiaries) to C & K Market, Inc. (the “Borrower”), upon the Borrower’s emergence from the Bankruptcy Case (as defined below), (a) a \$20,000,000 senior secured revolving credit facility (the “Revolving Credit Facility”) and (b) a \$5,000,000 first-out portion (the “GE Capital First-Out Term Loan”) of a senior secured term loan facility of not less than \$25,000,000 (the “Term Loan Facility”) and, together with the Revolving Credit Facility, the “Credit Facilities”) and to act as administrative agent for the Revolving Credit Facility. The Credit Facilities will be used by you on the Closing Date (as defined in the Term Sheet referred to below) to refinance all of the Borrower’s senior secured and other indebtedness (other than indebtedness to be agreed upon) in connection with your emergence from the bankruptcy case (Case No. 13-64561-fra11) (the “Bankruptcy Case”) pending in the United States Bankruptcy Court for the District of Oregon (the “Bankruptcy Court”) and to pay related expenses and fees (the transactions described above are collectively referred to as the “Transaction”). GE Capital’s commitments hereunder are subject to the terms and conditions set forth herein, in the Summary of Terms and Conditions attached as Exhibit A hereto (the “Term Sheet”) and, collectively with this letter,

this “Commitment Letter”) and in the Fee Letter (as defined in the Term Sheet). GE Capital Markets, Inc. (the “Lead Arranger” and, together with GE Capital, the “Commitment Parties”) is pleased to agree to act, on the terms and conditions set forth in this Commitment Letter and in the Fee Letter, as the sole lead arranger and sole bookrunner for each of the Credit Facilities and to seek other financial institutions to provide the remaining last-out portion of the Term Loan Facility (the “Last-Out Term Loans”). The Borrower agrees that, except as expressly provided for in this Commitment Letter, without the prior written consent of the Commitment Parties, no additional agents, co-agents, arrangers or bookrunners shall be appointed, or other titles conferred to any person or entity, in respect of either or both of the Credit Facilities. Capitalized terms used in the text of this Commitment Letter without definition have the meanings assigned in the Term Sheet.

Syndication.

The Lead Arranger may syndicate, prior to and/or after the execution of definitive documentation for the Credit Facilities (the “Credit Documentation”), the Last-Out Term Loans to one or more other lenders (collectively with GE Capital, the “Lenders”) pursuant to a syndication managed by the Lead Arranger (the “Syndication Process”) on the terms set forth in this Commitment Letter and in the Fee Letter. The Lead Arranger will commence the Syndication Process promptly after your acceptance of this Commitment Letter and the Fee Letter. The Lead Arranger will, in consultation with you, control all aspects of the Syndication Process, including timing, selection of prospective Lenders, the awarding of any titles, the determination of allocations and the amount of fees. Neither the Lead Arranger nor any of its affiliates can provide any assurances that a syndicate of Lenders for the Last-Out Term Loans can be arranged. You agree that neither the Lead Arranger nor any of its affiliates shall have any liability to you or your affiliates or any other person or entity if any modifications to any of the amount, terms, pricing, conditions or structure of the Last-Out Term Loans are required to arrange a syndicate of Lenders, if a syndicate of Lenders does not materialize, or commitments for less than all of the Last-Out Term Loans are obtained or funded.

Clear Market.

You shall ensure that at all times prior to the end of the Syndication Process, you and your affiliates shall not enter into, arrange, place, or propose any commercial bank or other credit facilities or issue any debt or preferred securities (other than the Credit Facilities and any other indebtedness agreed by the Lead Arranger) that could reasonably be expected to impair the Syndication Process without the prior written consent of the Lead Arranger.

Evaluation Material.

You hereby represent and covenant that (a) all information other than projections (“Projections”) and general economic or specific industry information developed by, and obtained from, third-party sources (the “Information”) that has been or will be made available to the Commitment Parties or the Lenders by you or any of your affiliates or representatives is or will be complete and correct in all material respects and does not or will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements are made and (b) the Projections that have been or will be made available to the Commitment Parties by you or any of your affiliates or representatives have been or will be prepared in good faith based upon reasonable assumptions (it being understood and agreed that financial projections are not a guarantee of financial performance and actual results may differ from financial projections and such differences may be material). You agree that if at any time prior to the closing of the Credit Facilities, any of the representations in the preceding sentence would be incorrect if the Information or Projections were being furnished, and such representations were being made, at such

time, then you will promptly supplement the Information or the Projections, as the case may be, so that such representations will be correct under those circumstances. You understand that in arranging or providing the Credit Facilities, the Commitment Parties may use and rely on the Information and Projections without independent verification thereof.

You hereby authorize and agree, on behalf of yourself and your affiliates, that the Information, the Projections and all other information (including third party reports) provided by or on behalf of you and your affiliates to the Commitment Parties regarding you and your affiliates, the Transaction and the other transactions contemplated hereby in connection with the Credit Facilities may be disseminated by or on behalf of the Commitment Parties and made available, to prospective Lenders and other persons, who have agreed to be bound by customary confidentiality undertakings (including "click-through" agreements) and, if applicable, ratings agencies, all in accordance with the Lead Arranger's standard practices (whether transmitted electronically by means of a website, e-mail or otherwise, or made available orally or in writing, including at prospective Lender or other meetings). You hereby further authorize the Lead Arranger to download copies of your logos and agree to use commercially reasonable efforts to obtain authorization to permit the Lead Arranger to download copies of your logos, from their respective websites and post copies thereof on an IntraLinks[®] or similar workspace and use such logos on any materials prepared in connection with the Syndication Process.

Expenses.

Regardless of whether the Credit Facilities close, you hereby agree to pay upon demand to the Commitment Parties all reasonable fees and expenses (including, but not limited to, all reasonable costs and out-of-pocket expenses of one legal counsel and, to the extent necessary, one local counsel in each relevant jurisdiction) incurred by them in connection with this Commitment Letter, the Fee Letter, the Transaction, and the Credit Facilities. So that we may complete our legal and other due diligence (including all background and reference checks), please deliver an underwriting deposit of \$75,000 (the "Underwriting Deposit") in immediately available funds to: GECC CFS CF Collection Account, Deutsche Bank Trust Company Americas, New York, NY, ABA# 021001033, Account# 50279513, Reference: C & K Market, Inc.; Good Faith Deposit. The Commitment Parties will charge the Underwriting Deposit for their fees and expenses to be reimbursed as outlined above. At the Commitment Parties' request from time to time prior to the execution of the Credit Facilities Documentation, you shall increase the Underwriting Deposit so that at all times prior to the Closing Date an unused balance of at least \$25,000 remains thereof. If the Credit Facilities Documentation is executed, your remaining Underwriting Deposit (net of fees and expenses) would be applied toward fees due to the Commitment Parties at the closing of the Credit Facilities. In all other circumstances, the Commitment Parties will retain the remaining Underwriting Deposit.

Confidentiality.

Except as set forth below, you agree that you will not disclose the contents of this Commitment Letter, the Fee Letter or the Commitment Parties' involvement with or the Commitment Parties' commitments or agreements with respect to the Credit Facilities as set forth in this Commitment Letter to any third party (including, without limitation, any financial institution or intermediary) without GE Capital's prior written consent other than to (a) those individuals who are your directors, officers, employees or advisors in connection with the Credit Facilities; provided that this Commitment Letter (but not the Fee Letter) may also be disclosed to your equity holders, directors, officers, employees and advisors and to the other providers of the Term Loan Facility and their advisors (b) counsel to each of (i) the official committee of unsecured creditors in the Bankruptcy Case, (ii) U.S. Bank National Association, in its capacity as your existing revolving lender, and (iii) Endeavour Structured Equity and Mezzanine Fund, L.P. and THL Credit, Inc., each in its capacity as your existing mezzanine lender, or (c) as may be compelled in a

judicial or administrative proceeding or as otherwise required by law (in which case you agree to inform GE Capital a promptly thereof). You agree to inform all such persons who receive information concerning the Commitment Parties, this Commitment Letter or the Fee Letter that such information is confidential and may not be used for any purpose other than in connection with the Transaction and may not be disclosed to any other person. In addition, you agree that, prior to any filing of the Fee Letter with the Bankruptcy Court in the Bankruptcy Case, you shall use commercially reasonable efforts to obtain from the Bankruptcy Court an order to file the Fee Letter under seal. The Commitment Parties reserves the right to review and approve, in advance, all pleadings, motions, forms of orders, materials, press releases, advertisements and disclosures that contain GE Capital's or any of its affiliates' name or describe GE Capital's financing commitment or the Lead Arranger's agreement hereunder. Notwithstanding the foregoing, you may disclose and file with the Bankruptcy Court this Commitment Letter (but not the Fee Letter) in connection with the filing of the motion to obtain the Authorization Order (as defined below).

Indemnity.

Regardless of whether the Credit Facilities close, you agree to (a) indemnify, defend and hold each of the Commitment Parties, each Lender, and their respective affiliates and the principals, directors, officers, employees, representatives, agents and third party advisors of each of them (each, an "Indemnified Person"), harmless from and against all losses, disputes, claims, investigations, litigation, proceedings, expenses (including, but not limited to, attorneys' fees), damages, and liabilities of any kind to which any Indemnified Person may become subject in connection with this Commitment Letter or the Fee Letter (each, a "Claim", and collectively, the "Claims"), regardless of whether such Indemnified Person is a party thereto (and regardless of whether such matter is initiated by a third party, you or any of your or its respective affiliates), and (b) reimburse each Indemnified Person upon demand for all legal and other expenses incurred in connection with investigating, preparing to defend or defending, or providing evidence in or preparing to serve or serving as a witness with respect to, any lawsuit, investigation, claim or other proceeding relating to any of the foregoing (each, an "Expense"); provided that no Indemnified Person shall be entitled to indemnity hereunder in respect of any Claim or Expense to the extent that the same is found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted directly from (i) the gross negligence or willful misconduct of such Indemnified Person or (ii) a material breach by an Indemnified Person of its obligations under this Commitment Letter or the Fee Letter at a time when you have not breached your obligations hereunder in any material respect. None of Borrower or any Indemnified Person shall be liable for any punitive, exemplary, consequential or indirect damages alleged in connection with, arising out of, or relating to, any Claims, this Commitment Letter or the Fee Letter.

Furthermore, you hereby acknowledge and agree that the use of electronic transmission is not necessarily secure and that there are risks associated with such use, including risks of interception, disclosure and abuse. You agree to assume and accept such risks and hereby authorize the use of transmission of electronic transmissions, and none of the Commitment Parties nor any of their respective affiliates will have any liability for any damages arising from the use of such electronic transmission systems.

Sharing Information; Absence of Fiduciary Relationship.

You acknowledge that the Commitment Parties and their affiliates may be providing debt financing, equity capital or other services to other companies with which you may have conflicting interests. You further acknowledge and agree that (a) no fiduciary, advisory or agency relationship between you and any of the Commitment Parties has been or will be created in respect of any of the transactions contemplated by this Commitment Letter, irrespective of whether any of the Commitment Parties or their respective affiliates have advised or are advising you on other matters and (b) you will not assert any claim against

any of the Commitment Parties for breach or alleged breach of fiduciary duty and agree that none of the Commitment Parties shall have any direct or indirect liability to you in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of you, including your stockholders, employees or creditors.

Assignments and Amendments.

This Commitment Letter shall not be assignable by any party without the prior written consent of the other parties (and any purported assignment without such consent shall be null and void), and is solely for the benefit of the parties hereto and is not intended to confer any benefits upon, or create any rights in favor of, any person other than the parties hereto and the Indemnified Persons. Notwithstanding the foregoing, GE Capital may assign its commitments hereunder, in whole or in part, to any of its affiliates or to any prospective Lender provided that notwithstanding such assignment, with respect to amounts to be funded on the Closing Date, the commitment of GE Capital to fund its portion of the Credit Facilities on the terms and conditions set forth in this Commitment Letter and the Fee Letter will be reduced solely to the extent such other Lenders fund their commitments on the Closing Date. Notwithstanding the right to assign the commitments hereunder, GE Capital must retain exclusive control over all of its rights and obligations hereunder with respect to the Credit Facilities prior to close. This Commitment Letter may not be amended or waived except in a written instrument signed by you and the Commitment Parties.

Counterparts and Governing Law.

This Commitment Letter may be executed in counterparts, each of which shall be deemed an original and all of which counterparts shall constitute one and the same document. Delivery of an executed signature page of this Commitment Letter by facsimile or electronic (including "PDF") transmission shall be effective as delivery of a manually executed counterpart hereof.

Subject to the jurisdiction of the Bankruptcy Court prior to the consummation and effectiveness of the Plan, the laws of the State of New York shall govern all matters arising out of, in connection with or relating to this Commitment Letter, including, without limitation, its validity, interpretation, construction, performance and enforcement and any claims sounding in contract law or tort law arising out of the subject matter hereof.

Venue and Submission to Jurisdiction.

SUBJECT TO THE JURISDICTION OF THE BANKRUPTCY COURT PRIOR TO THE CONSUMMATION AND EFFECTIVENESS OF THE PLAN, THE PARTIES HERETO CONSENT AND AGREE THAT THE STATE OR FEDERAL COURTS LOCATED IN NEW YORK COUNTY, STATE OF NEW YORK, SHALL HAVE EXCLUSIVE JURISDICTION TO HEAR AND DETERMINE ANY CLAIMS OR DISPUTES BETWEEN OR AMONG ANY OF THE PARTIES HERETO PERTAINING TO THIS COMMITMENT LETTER OR THE FEE LETTER AND ANY INVESTIGATION, LITIGATION, OR PROCEEDING IN CONNECTION WITH, RELATED TO OR ARISING OUT OF ANY SUCH MATTERS; PROVIDED THAT THE PARTIES HERETO ACKNOWLEDGE THAT ANY APPEAL FROM THOSE COURTS MAY HAVE TO BE HEARD BY A COURT LOCATED OUTSIDE OF SUCH JURISDICTION. THE PARTIES HERETO EXPRESSLY SUBMIT AND CONSENT IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR SUIT COMMENCED IN ANY SUCH COURT, AND HEREBY WAIVE ANY OBJECTION, WHICH EACH OF THE PARTIES MAY HAVE BASED UPON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR INCONVENIENT FORUM.

Waiver of Jury Trial.

THE PARTIES HERETO, TO THE EXTENT PERMITTED BY LAW, WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, OR PROCEEDING ARISING OUT OF, IN CONNECTION WITH OR RELATING TO, THIS COMMITMENT LETTER, THE FEE LETTER, THE CREDIT FACILITIES, THE TRANSACTION AND ANY OTHER TRANSACTION RELATED HERETO OR THERETO. THIS WAIVER APPLIES TO ANY ACTION, SUIT OR PROCEEDING WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE.

Survival.

The provisions of this letter set forth under this heading and the headings "Syndication", "Evaluation Material", "Expenses", "Confidentiality", "Indemnity", "Sharing Information; Absence of Fiduciary Relationship", "Assignments and Amendments", "Counterparts and Governing Law", "Venue and Submission to Jurisdiction" and "Waiver of Jury Trial" shall survive the termination or expiration of this Commitment Letter and shall remain in full force and effect regardless of whether the Credit Facilities close or the Credit Documentation shall be executed and delivered; provided that if the Credit Facilities close and the Credit Documentation shall be executed and delivered, (i) the provisions under the heading "Syndication" and "Evaluation" shall survive only until the completion of the Syndication Process (as determined by Lead Arranger), and (ii) the provisions under the heading "Expenses", "Confidentiality", "Indemnity", and "Sharing Information; and Absence of Fiduciary Relationship" shall be superseded and deemed replaced by the terms of the Credit Documentation governing such matters.

Integration.

This Commitment Letter and the Fee Letter supersede any and all discussions, negotiations, understandings or agreements, written or oral, express or implied, between or among the parties hereto and their affiliates as to the subject matter hereof. Without limiting the generality of the immediately preceding sentence, this Commitment Letter supersedes and replaces the Commitment Letter dated June 10, 2014 issued by the Commitment Parties with respect to the Credit Facilities.

Patriot Act.


The Commitment Parties hereby notify you that pursuant to the requirements of the USA PATRIOT Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the "PATRIOT Act"), each Lender may be required to obtain, verify and record information that identifies the Borrower and each Guarantor, which information includes the name, address, tax identification number and other information regarding the Borrower and each Guarantor that will allow such Lender to identify the Borrower and each Guarantor in accordance with the PATRIOT Act. This notice is given in accordance with the requirements of the PATRIOT Act and is effective as to each Lender.

Please indicate your acceptance of the terms hereof and of the Fee Letter by signing in the appropriate space below and in the Fee Letter and returning to GE Capital on behalf of the Commitment Parties such signature pages by 6:00 p.m., New York time on June 17, 2014. Unless extended in writing by the Commitment Parties, the commitments and agreements of the Commitment Parties contained herein (subject to the provisions under the heading "Survival") shall automatically expire on the first to occur of (a) the date and time referred to in the previous sentence unless you shall have executed and delivered a copy of this Commitment Letter and the Fee Letter, (b) 8:00 p.m. New York time on June 18, 2014, unless you have filed a motion in form and substance acceptable to GE Capital requesting an order from the Bankruptcy Court in the Bankruptcy Case (the "Authorization Order"), in form and substance reasonably acceptable to GE Capital, (i) authorizing your acceptance and performance of your pre-closing obligations and undertakings hereunder (including, without limitation, the payment of the Underwriting Deposit) and (ii) providing that the rights of the Commitment Parties hereunder to payment or reimbursement of all costs, fees and expenses and to indemnification shall be entitled to priority as administrative expense claims under section 503(b)(1) of the Bankruptcy Code (whether or not the transactions contemplated herein close) and you have remitted the Underwriting Deposit pursuant to the wire transfer instructions set forth herein by such date and time (your obligations as described in clauses (i) and (ii) above, collectively, the "Specified Commitment Obligations"), (c) 8:00 p.m. New York time on June 18, 2014, unless you have provided to GE Capital written evidence in form and substance reasonably acceptable to GE Capital that each of (i) the official committee of unsecured creditors in the Bankruptcy Case, (ii) U.S. Bank National Association, in its capacity as your existing revolving lender, and (iii) Endeavour Structured Equity and Mezzanine Fund, L.P. and THL Credit, Inc., each in its capacity as your existing mezzanine lender, has no objection to the Specified Commitment Obligations, (d) 5:00 p.m. New York time on June 20, 2014, unless GE Capital has provided you with written confirmation that the terms and conditions of the Plan are acceptable to GE Capital (subject to the Confirmation Documentation Review), (e) 5:00 p.m. New York time on June 28, 2014, unless you have obtained the Authorization Order, (f) 5:00 p.m. New York time on August 9, 2014, and (g) execution and delivery of the Credit Documentation and the initial funding of the Credit Facilities.

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Sincerely,

GENERAL ELECTRIC CAPITAL CORPORATION

By: 
Name: Charles Chiodo
Its Duly Authorized Signatory

GE CAPITAL MARKETS, INC.

By: _____
Name: Gary Kidd
Its Duly Authorized Signatory

AGREED AND ACCEPTED
THIS ____ DAY OF JUNE 2014

C & K MARKET, INC.


By: _____
Name: _____
Title: _____

Sincerely,

GENERAL ELECTRIC CAPITAL CORPORATION

By: _____
Name: Charles Chiodo
Its Duly Authorized Signatory

GE CAPITAL MARKETS, INC.

By:  _____
Name: Gary Kidd
Its Duly Authorized Signatory

AGREED AND ACCEPTED
THIS ____ DAY OF JUNE 2014

C & K MARKET, INC.

By: _____
Name:
Title:

Sincerely,

GENERAL ELECTRIC CAPITAL CORPORATION

By: _____
Name: Charles Chiodo
Its Duly Authorized Signatory

GE CAPITAL MARKETS, INC.

By: _____
Name: Gary Kidd
Its Duly Authorized Signatory

AGREED AND ACCEPTED
THIS 17 DAY OF JUNE 2014

C & K MARKET, INC.


By:  _____
Name: EDWARD HOSTMAR
Title: CEO

EXHIBIT A

Summary of Terms and Conditions (this "Term Sheet")
C&K Market, Inc.
\$20,000,000 Revolving Credit Facility and
\$25,000,000 Term Loan Facility
June 17, 2014

BORROWER:

C&K Market, Inc., as reorganized, or any other entity that purchases or assumes substantially all of the assets of C&K Market, Inc., in each case in accordance with and upon the effective date of the Plan (as hereinafter defined) (the "Borrower").

REVOLVING CREDIT FACILITY:

A senior secured revolving credit facility (the "Revolving Credit Facility") in an aggregate principal amount of \$20,000,000, which will include a letter of credit subfacility for up to \$5,000,000 to be provided by a letter of credit issuer (each, an "L/C Issuer") to be determined (the "L/C Subfacility").

REVOLVING CREDIT FACILITY AGENT:

General Electric Capital Corporation ("GE Capital" or the "Revolving Credit Facility Agent")

REVOLVING CREDIT FACILITY SOLE LEAD ARRANGER AND BOOKRUNNER:

GE Capital Markets, Inc. ("GECM")

REVOLVING LENDERS:

GE Capital (directly and/or through one or more of its direct or indirect subsidiaries or affiliates) (collectively, the "Revolving Lenders").

REVOLVING CREDIT FACILITY AVAILABILITY:

Availability under the Revolving Credit Facility would be limited to a borrowing base (the "Borrowing Base") which is expected to be up to the lesser of (1) the sum of (a) 90% of the value of the eligible credit card accounts receivable plus (b) 85% of the NOLV Factor (as defined below) of eligible inventory and (2) \$20,000,000, less, in each case of clauses (1) and (2) above, (A) the Availability Block (as defined below) in effect from time to time, (B) the Reserves (as defined below) and (C) the Term Loan Reserve (as defined below).

Revolving Credit Facility Agent will retain the right from time to time to establish or modify reserves against availability (collectively, the "Reserves") and standards of eligibility, in each case in the Revolving Credit Facility Agent's reasonable credit judgment.

"NOLV Factor" shall mean the net orderly liquidation value of inventory expressed as a percentage of net book value, as periodically updated by appraisals.

"Availability Block" shall mean \$1,500,000.

The L/C Subfacility would provide for the issuance of letters of credit for the account of Borrower. If GE Capital is an L/C Issuer, GE Capital may elect only to issue letters of credit in its own name and such letters of credit may not be accepted by certain beneficiaries. Any outstanding letters of credit will be reserved from availability under the Revolving Credit Facility

"Excess Availability" shall mean the amount, as determined by the Revolving Credit Facility Agent, calculated at any time, equal to: (1) the Borrowing Base less (2) the sum of (a) the amount of the then outstanding loans under the Revolving Credit Facility plus (b) the aggregate undrawn amount of all outstanding Letters of Credit.

"Term Loan Reserve" shall mean, if at any time the outstanding principal amount of the Term Loans (as defined below) exceeds the Term Loan Borrowing Availability (as defined below), a reserve in an amount equal to the positive difference between such outstanding principal amount of the Term Loans and the Term Loan Borrowing Availability at such time, until such shortfall is eliminated.

TERM LOAN FACILITY:

A senior secured term loan credit facility (the **"Term Loan Facility"**) in an aggregate principal amount of not less than \$25,000,000, of which GE Capital (directly and/or through one or more of its direct or indirect subsidiaries) will provide \$5,000,000 on a first-out basis (the **"GE Capital First-Out Term Loan"**) and GECM will seek to arrange a syndicate of other financial institutions to provide the last-out remainder of the Term Loan Facility (the **"Last-Out Term Loans"**); collectively, together with the GE Capital First-Out Term Loan, the **"Term Loans"**); provided that the Term Loan Facility shall be documented separately from the Revolving Credit Facility and the form and substance of the definitive documentation for the Term Loan Facility (collectively, the **"Term Loan Facility Documentation"**) shall be reasonably acceptable to GE Capital and its counsel in all respects, including, without limitation, that to the extent that any terms and conditions of the Term Loan Facility are not specified in this Term Sheet, such terms and conditions shall be reasonably acceptable to GE Capital in all respects.

The Revolving Credit Facility and the Term Loan Facility are referred to herein collectively as the "**Credit Facilities**" and the Revolving Lenders and the Term Lenders are referred to herein as the "**Lenders**."

**TERM LOAN BORROWING
AVAILABILITY:**

Availability under the Term Loan Facility would be limited to an amount (the "**Term Loan Borrowing Availability**") which is expected to be up to the lesser of (1) the sum of (a) 65% of the fair market value of the eligible fee-owned real estate plus (b) 85% of the eligible furniture, fixtures and equipment plus (c) 5% of the value of the eligible credit card accounts receivable plus (d) 10% of the NOLV Factor of eligible inventory and (2) \$25,000,000.

**TERM LOAN
FACILITY AGENT:**

A financial institution (other than GE Capital) mutually acceptable to Borrower and GE Capital (the "**Term Loan Facility Agent**"), it being understood that Crystal Financial LLC shall be acceptable to Borrower and GE Capital.

**TERM LOAN
FACILITY SOLE LEAD
ARRANGER AND
BOOKRUNNER:**

GECM.

TERM LENDERS:

GE Capital (directly and/or through one or more of its direct or indirect subsidiaries) with respect to the GE Capital First-Out Term Loan and a syndicate of other financial institutions arranged by GECM to provide the Last-Out Term Loans (collectively, together with GE Capital, the "**Term Lenders**").

USE OF PROCEEDS:

The proceeds of each of the Credit Facilities shall be used to provide for working capital and for general corporate purposes of the Borrower and its subsidiaries, and to fund certain fees, expenses and other payments associated with the consummation of the Plan and with the closing of the Credit Facilities.

TERM AND
AMORTIZATION:

With respect to each of the Credit Facilities, five (5) years from the date upon which the conditions precedent to the closing of each of the Credit Facilities have been satisfied (the "Closing Date"); provided that, in the event that the Term Loan Facility matures prior to such five-year period, the Revolving Credit Facility shall simultaneously mature at such time.

The GE Capital First-Out Term Loan will be payable in full at maturity without any interim amortization.

REVOLVING CREDIT
FACILITY INTEREST
RATES; APPLICABLE
MARGIN:

The outstanding principal balance under the Revolving Credit Facility shall initially bear interest, at Borrower's option, at a fluctuating rate equal to (a) the Base Rate plus one percent (1.00%) per annum, or (b) LIBOR plus two percent (2.00%) per annum. After the first full calendar quarter that ends after the Closing Date, the Revolving Credit Facility shall bear interest according to the following pricing matrix based on the most recent "Average Excess Availability" (defined as the average daily Excess Availability for the prior calendar quarter):

Average Excess Availability	Base Rate Applicable Margin	LIBOR Applicable Margin
Greater than \$13,000,000	0.75%	1.75%
Less than \$13,000,000 but equal to or greater than \$7,000,000	1.00%	2.00%
Less than \$7,000,000	1.25%	2.25%

For purposes of the Revolving Credit Facility, the "**Base Rate**" will be a floating rate defined as the highest of (a) the rate last quoted by The Wall Street Journal (or another national publication selected by the Revolving Credit Facility Agent) as the U.S. "Prime Rate," (b) the

Federal Funds Rate plus 50 basis points, and (c) the sum of one-month LIBOR plus the excess of the LIBOR applicable margin over the Base Rate applicable margin.

For purposes of the Revolving Credit Facility, "LIBOR" will be defined as, for each Interest Period, the offered rate per annum for deposits of Dollars for the applicable Interest Period (as defined below) that appears on Reuters Screen LIBOR01 Page as of 11:00 A.M. (London, England time) two (2) Business Days prior to the first day in each Interest Period. If no such offered rate exists, such rate will be the rate of interest per annum, as determined by the Revolving Credit Facility Agent at which deposits of Dollars in immediately available funds are offered at 11:00 A.M. (London, England time) two (2) Business Days prior to the first day in such Interest Period by major financial institutions reasonably satisfactory to the Revolving Credit Facility Agent in the London interbank market for such Interest Period for the applicable principal amount on such date of determination.

Interest Period means, with respect to any LIBOR rate-based loan (each, a "LIBOR Rate Loan" and, collectively, "LIBOR Rate Loans"), the period commencing on the Business Day the Loan is disbursed, converted or continued as a LIBOR Rate Loan and ending on the date one, two, three or six months thereafter, as selected by the Borrower in its notice of borrowing, conversion or continuation. No more than four (4) Interest Periods shall be in effect at any time.

No loan under the Revolving Credit Facility may be converted into, or continued as, a LIBOR Rate Loan at any time when a default shall have occurred and be continuing.

Interest on Base Rate loans under the Revolving Credit Facility will be payable monthly in arrears on the first day of each month. Interest on LIBOR Rate Loans under the Revolving Credit Facility will be payable at the end of each Interest Period and, in addition, at the end of 90 days in the case of a six month Interest Period. All interest on such LIBOR Rate Loans and on Letters of Credit will be calculated using a 360 day year and actual days elapsed. All interest on such Base Rate loans will be calculated using a 365/366 day year and actual days elapsed.

At the election of the Revolving Credit Facility Agent or the Requisite Revolving Lenders (as defined below), upon the occurrence and during the continuance of a default, the Revolver Priority Collateral Obligations (as defined below) shall bear interest

at a default rate of interest equal to an additional two percent (2%) per annum over the rate otherwise applicable and such interest will be payable on demand.

GE CAPITAL FIRST-OUT
TERM LOAN INTEREST
RATES; APPLICABLE
MARGIN:

The GE Capital First-Out Term Loan will bear interest, at Borrower's option and subject to the terms of the Term Loan Facility Documentation, at the equivalent of LIBOR (with a 1.00% floor) plus 4.50% or Base Rate plus 3.50%.

SECURITY:

The Revolving Credit Facility Agent, for the benefit of itself, the Revolving Lenders and the L/C Issuers and for the benefit of any Revolving Lender or any affiliate of any Revolving Lender (each a "**Bank Product Provider**") that enters into certain cash management arrangements, interest rate or currency exchange swap arrangements, or equipment leases (each a "**Secured Bank Product**") with the Borrower or any of its subsidiaries that are reserved for under the Revolving Credit Facility, shall receive (i) a first priority perfected security interest in all existing and after-acquired current assets of the Borrower and the Guarantors (as defined below) (collectively, the "**Credit Parties**" and individually a "**Credit Party**"), including all inventory, accounts, chattel paper, documents, contracts and contract rights, instruments, deposit accounts, cash and cash equivalents, investment property, general intangibles, supporting obligations, letter-of-credit rights, commercial tort claims, insurance policies, and other personal property of the Credit Parties, and all substitutions, accessions, products and proceeds of such property, but excluding Pledged Stock (as defined below) (collectively, the "**Revolver Priority Collateral**") and (ii) a second priority perfected security interest in all capital stock and other equity securities of the direct and indirect subsidiaries of the Borrower (limited, in the case of foreign subsidiaries, solely to a pledge of 65% of the voting stock of any first-tier foreign subsidiary) (collectively, the "**Pledged Stock**") and all furniture, fixtures, equipment, patents, trademarks, copyrights and other intellectual property of the Credit Parties, and a second priority mortgage lien on all real property that is owned by the Credit Parties and a second priority leasehold mortgage lien (with lease assignment rights) on all real property that is subject to a ground lease in favor of the Credit Parties and is included in the real estate appraisals provided to the Revolving Credit Facility Agent in April 2014, and all substitutions, accessions, products and proceeds of such property (collectively, the "**Term Loan Priority Collateral**"), and together with the Revolver Priority Collateral, the

“Collateral”). The Revolving Credit Facility Agent shall be granted limited, non-exclusive licenses by the Term Loan Facility Agent in the intellectual property of the Credit Parties, and shall be granted by the Term Loan Facility Agent access to and the use of all other Term Loan Priority Collateral, in each case as and to the extent necessary for the Revolving Credit Facility Agent to realize upon the Revolver Priority Collateral.

In order to secure the Credit Parties' indebtedness and other obligations relating to the Term Loans, the Term Loan Facility Agent, on behalf of itself and the Term Lenders, shall receive (i) a first priority perfected security interest in the Term Loan Priority Collateral and (ii) a second priority perfected security interest in the Revolver Priority Collateral. On or prior to the Closing Date, the Revolving Credit Facility Agent and the Term Loan Facility Agent shall enter into an intercreditor agreement on terms that are mutually reasonably acceptable to the Revolving Credit Facility Agent and the Term Loan Facility Agent (the **“Intercreditor Agreement”**).

The Collateral will be free and clear of other liens, claims and encumbrances, except the liens set forth above and permitted liens and encumbrances to be set forth in the Revolving Credit Facility Documentation (as defined below) and the Term Loan Facility Documentation.

The Revolving Credit Facility Agent's security interests in and other liens on the Collateral shall be evidenced by documentation reasonably satisfactory to the Revolving Credit Facility Agent. All obligations under the Revolving Credit Facility and any reserved Secured Bank Product obligations (collectively, the **“Revolver Priority Collateral Obligations”**) shall be cross-collateralized with each other and with collateral provided by any Guarantor or any other guarantor.

GUARANTEES:

The Revolver Priority Collateral Obligations will be guaranteed by all direct and indirect subsidiaries of Borrower (collectively, the **“Guarantors”** and individually a **“Guarantor”**); **provided** that no guaranty shall be required from any foreign subsidiary of the Borrower.

CASH MANAGEMENT:

The cash management system of the Borrower and its subsidiaries will be acceptable to the Revolving Credit Facility Agent, in its reasonable credit judgment. The Borrower and its subsidiaries would be directed to make all payments to a lockbox/depository account under the control of the Revolving Credit Facility Agent and at a

bank acceptable to the Revolving Credit Facility Agent and all deposit accounts of Borrower and its subsidiaries would be subject to control agreements in favor of the Revolving Credit Facility Agent having daily sweep mechanisms; provided that such daily sweeps may be discontinued at the Borrower's request if at any time after the Closing Date there are no outstanding loans under the Revolving Credit Facility and Borrower provides the Revolving Credit Facility Agent with projections satisfactory to the Revolving Credit Facility Agent in its reasonable credit judgment showing that the aggregate outstanding principal amount of all loans under Revolving Credit Facility will not exceed \$1,000,000 at any time during the next six (6) months after such request is made; provided further that (i) the requirement for such daily sweeps thereafter may be reinstated by the Revolving Credit Facility Agent if the aggregate principal amount of loans outstanding under the Revolving Credit Facility at any time after such suspension exceeds \$1,000,000 and (ii) the Borrower may request that such daily sweeps be discontinued up to two (2) times during the term of the Revolving Credit Facility.

VOLUNTARY
PREPAYMENTS:

The Borrower may voluntarily prepay any loans outstanding under the Revolving Credit Facility without any prepayment fee or penalty subject only to concurrent payments of any applicable LIBOR breakage costs. Prepayment under the Revolving Credit Facility shall be applied to the outstanding loans under the Revolving Credit Facility on a pro rata basis and then used to cash collateralize any outstanding Letters of Credit.

MANDATORY
PREPAYMENTS

If the Borrower or any Guarantor sells or otherwise disposes of any Collateral outside of the ordinary course of business or subject to certain other exceptions to be agreed in the Revolving Credit Facility Documentation, the Borrower shall prepay the Revolving Credit Facility in an amount equal to the net cash proceeds of such sale or disposition of Collateral, which net cash proceeds shall be applied as follows: (a) to the extent the Collateral sold or disposed of is Revolver Priority Collateral, first to the Revolving Credit Facility until paid in full and then to cash collateralize any outstanding Letters of Credit; and (b) to the extent the Collateral sold or disposed of is Term Loan Priority Collateral, (1) first to the GE Capital First-Out Term Loan until paid in full (unless such prepayment is waived by the holder of such loan), (2) second to the Last-Out Term Loans until paid in full (unless such payment is waived by the holders of such loans), and (3) third to the Revolving Credit Facility until paid

in full and then to cash collateralize any outstanding Letters of Credit.

FEES:

The fees payable to GE Capital with respect to the Credit Facilities as specified in the fee letter among Borrower, GECM and GE Capital dated on or about the date hereof (the "Fee Letter").

An Unused Commitment Fee shall be charged on the average unused daily balance of the Revolving Credit Facility during any month, such fee to be paid monthly in arrears to the Revolving Credit Facility Agent on the first date of each calendar month so long as the Revolving Credit Facility remains in effect. The Unused Commitment Fee for each month will accrue at a rate per annum equal to (i) one-quarter of one percent (0.25%) if the average daily usage (other than on account of usage of any outstanding Letters of Credit) of the Revolving Credit Facility during the applicable period is equal to or greater than 50% or (ii) three-eighths of one percent (0.375%) if such usage is less than 50%.

Letter of Credit fees for all Letters of Credit under the Credit Facilities in an amount equal to the applicable LIBOR margin on loans under the Revolving Credit Facility on the outstanding face amount of all Letters of Credit such fee to be paid monthly to the Revolving Credit Facility Agent for the account of the Revolving Lenders on the first day of each calendar month.

Customary Letter of Credit fees to each L/C Issuer upon the issuance, amendment or extension of Letters of Credit at the prevailing rates. Such fees will be due and payable to the Revolving Credit Facility Agent for the account of the issuing bank or issuing banks, as the case may be, in respect of such Letters of Credit.

All fees (other than the Revolving Credit Facility Agent's Fee) will be calculated using a 360-day year and actual days elapsed.

LIBOR BREAKAGE:

Any payment (or conversion) of a LIBOR loan other than at the end of its Interest Period, will be subject to customary breakage provisions.

DOCUMENTATION:

The Revolving Credit Facility Documentation will contain conditions precedent, affirmative, negative, financial reporting covenants, indemnities, events of default and remedies, and other provisions, and the Borrower will make representations and warranties, all as required by the Revolving Credit Facility Agent and the Revolving Lenders, in each case in their reasonable credit

judgment and reasonably acceptable to the Borrower. Transactions between the Borrower and its officers, directors, employees and affiliates shall be restricted in the Revolving Credit Facility Documentation in a manner acceptable to the Revolving Credit Facility Agent and the Revolving Lenders, in each case in their reasonable credit judgment.

FINANCIAL
STATEMENTS &
OTHER REPORTS:

In connection with the Revolving Credit Facility, the Borrower shall deliver, at a minimum, the following statements and other reports:

- a Borrowing Base certificate to be delivered (i) on a monthly basis or (ii) on a weekly basis during any period following an Excess Availability Trigger Event (as defined below) and continuing thereafter until such time as an Excess Availability Cure Event (as defined below) occurs (or more frequently as the Revolving Credit Facility Agent may request at the Borrower's expense during a default under the Revolving Credit Facility);
- field audits conducted by an auditing firm acceptable to the Revolving Credit Facility Agent in its reasonable credit judgment, to be delivered (i) semi-annually at the Borrower's expense or (ii) three times per year at the Borrower's expense during any period following an Excess Availability Trigger Event and continuing thereafter until such time as an Excess Availability Cure Event occurs (such audits to be conducted and delivered more frequently at such times as the Revolving Credit Facility Agent may request at the Borrower's expense during a default under the Revolving Credit Facility);
- inventory appraisals rendered by an appraiser satisfactory to the Revolving Credit Facility Agent in its reasonable credit judgment, to be delivered (i) semi-annually at the Borrower's expense or (ii) three times per year at the Borrower's expense during any period following an Excess Availability Trigger Event and continuing thereafter until such time as an Excess Availability Cure Event occurs (such appraisals to be conducted and delivered more frequently at such times as the Revolving Credit Facility Agent may

request at the Borrower's expense during a default under the Revolving Credit Facility);

- inventory summaries to accompany each Borrowing Base certificate;
- real estate collateral appraisals, to be delivered on an annual basis pursuant to the terms of the Term Loan Facility Documentation;
- inventory, accounts receivable, and accounts payable reconciliations to be delivered on a monthly basis;
- monthly, quarterly and year end financials;
- financial projections to be delivered on an annual basis; and
- such other statements, reports or information as the Revolving Credit Facility Agent may request in its reasonable credit judgment.

"Excess Availability Cure Event" shall mean the occurrence, following the occurrence and the continuance of an Excess Availability Trigger Event, of the Borrower having Excess Availability of greater than or equal to \$7,500,000 for 60 consecutive days; provided that there shall be no more than 2 Excess Availability Cure Events permitted to occur during the term of the Revolving Credit Facility.

"Excess Availability Trigger Event" shall mean the occurrence, at any time after the Closing Date, of the Borrower having Excess Availability of (a) less than \$7,500,000 for 3 or more Business Days or (b) less than \$6,500,000.

FINANCIAL COVENANT:

If at any time after the Closing Date Excess Availability (calculated before giving effect to the Availability Block) is less than \$4,500,000, the Credit Parties shall not permit their fixed charge coverage ratio (to be defined in the Revolving Credit Facility Documentation) to be less than 1.1 to 1.0 on a trailing twelve-month basis for any fiscal month ending thereafter.

CONDITIONS TO CLOSING: The availability of the Revolving Credit Facility on the Closing Date shall be subject to customary conditions precedent, including, but not limited to, the following:

- Completion of legal and environmental due diligence with respect to the Credit Parties, including review of all material pending or threatened litigation or proceedings in any court or administrative forum, in each case in a manner satisfactory to the Revolving Credit Facility Agent in its reasonable credit judgment. The ownership, capital, corporate, tax, organizational and legal structure of the Credit Parties as of the Closing Date shall be satisfactory to the Revolving Credit Facility Agent in its reasonable credit judgment.
- Completion of the Revolving Credit Facility Agent's (i) background checks on the Credit Parties' management and significant related parties and (ii) insurance review, in each case in a manner satisfactory to the Revolving Credit Facility Agent in its reasonable credit judgment.
- The real estate appraisals for the Term Loan Priority Collateral previously supplied by Borrower to the Revolving Credit Facility Agent in April 2014 to be reissued in favor of the Revolving Credit Facility Agent in conformance with FIRREA appraisal requirements (and any changes in such appraisals to be satisfactory to the Revolving Credit Facility Agent in its reasonable credit judgment) and (ii) federal flood insurance policies or binders for each parcel of real estate located in a Special Flood Hazard Area.
- The inventory appraisals dated March 28, 2014 prepared with respect to the Credit Parties' inventory by Great American Group Advisory & Valuation Services, L.L.C. to be reissued in favor of the Revolving Credit Facility Agent (and any changes in such appraisals to be satisfactory to the Revolving Credit Facility Agent in its reasonable credit judgment).
- The draft field examination report dated May 8, 2014 prepared by Spain, Price, Reader & Thompson, P.C. with respect to the Credit Parties' respective business, operations, financial condition and assets to be issued in final form in favor of the Revolving Credit Facility Agent (and any

changes in such report to be satisfactory to the Revolving Credit Facility Agent in its reasonable credit judgment).

- After giving effect to the initial fundings under the Credit Facilities at close (which shall not exceed \$3,000,000 in the case of the Revolving Credit Facility), or creation of a reserve for, payment of all costs and expenses related to the closing of the transactions contemplated hereby, and the consummation of all other transactions contemplated hereby (including without limitation the Plan), Borrower is required to have Excess Availability of not less than \$5,500,000 under the Revolving Credit Facility on the Closing Date.
- Receipt by the Revolving Credit Facility Agent of evidence in form and substance satisfactory to the Revolving Credit Facility Agent that U.S. Bank no longer requires cash management prefunding by the Borrower.
- Receipt and satisfactory review by the Revolving Credit Facility Agent of the available unaudited financial statements for the most recently-ended monthly period prior to the Closing Date.
- If there is any change in the pro forma closing balance sheet provided by the Borrower to the Revolving Credit Facility Agent on May 7, 2014, the Revolving Credit Facility Agent shall have also received an updated pro forma closing balance sheet, adjusted to give effect to the transaction contemplated hereby (including without limitation the consummation of the Plan), that is satisfactory to the Revolving Credit Facility Agent in its reasonable credit judgment.
- If there is any change in the projections provided by the Borrower to the Revolving Credit Facility Agent on May 7, 2014, the Revolving Credit Facility Agent shall have also received updated projections with respect to the Credit Parties for a five-year period (monthly projections for the twelve months after close, including projected Excess Availability) as well as actual results for the twelve months prior to close), which updated projections are satisfactory to the Revolving Credit Facility Agent in its reasonable credit judgment.

- The Revolving Credit Facility Agent and the Revolving Lenders shall be satisfied, based on financial statements (actual and pro forma), projections and other evidence provided by the Credit Parties, or requested by the Revolving Credit Facility Agent, that the Credit Party, after incurring the indebtedness contemplated by the Credit Facilities and the consummation on the Closing Date of the transactions contemplated hereby (including the Plan), will be solvent, able to satisfy their obligations as they mature and adequately capitalized.
- The determination by the Revolving Credit Facility Agent in its reasonable credit judgment that there shall not have occurred any change, development, or event that has or would reasonably be expected to have a material adverse effect on the operations, business, properties, prospects or condition (financial or otherwise) of the Credit Parties taken as a whole.
- The preparation, execution and delivery of a credit agreement, the Intercreditor Agreement and other definitive documents for the Revolving Credit Facility (collectively, with the credit agreement and the Intercreditor Agreement, the **"Revolving Credit Facility Documentation"**) mutually acceptable to the Borrower and the Revolving Credit Facility Agent, incorporating substantially the terms and conditions for the Revolving Credit Facility as outlined in this Term Sheet, the Fee Letter and the Commitment Letter to which this Term Sheet is attached.
- On the Closing Date, the Borrower shall obtain not less than \$20,000,000 of the proceeds of the Term Loans from the Term Lenders (other than GE Capital directly and/or through one or more of its direct or indirect subsidiaries with respect to the GE Capital First-Out Term Loan) pursuant to the Term Loan Facility Documentation.
- Both before and after giving effect to the closing of the Credit Facilities, the making of the initial advances under the Credit Facilities, and the consummation of the other transactions contemplated hereby (including without limitation the Plan), the issuance of the initial Letters of Credit, the absence of any Default or Event of Default under the Revolving Credit Facility Documentation or under any

material contract or agreement of the Credit Parties; and the accuracy of representations and warranties in all material respects.

- There being no order or injunction or pending litigation in which there is a reasonable possibility of a decision which would have a material adverse effect on any Credit Party and no pending litigation seeking to enjoin or prevent the transactions contemplated hereby.
- Other conditions precedent specific to the transaction and typical of facilities of this type, including the Revolving Credit Facility Agent's receipt of reasonably satisfactory corporate approval of the financing as well as opinions of counsel satisfactory to the Revolving Credit Facility Agent in its reasonable credit judgment. All governmental, regulatory and other third-party approvals and consents required by the Revolving Credit Facility Agent in its reasonable credit judgment with respect to the proposed transactions shall have been obtained and shall be final and non-appealable.
- On or before June 20, 2014, the Revolving Credit Agent shall have provided to the Borrower written confirmation that the Borrower's Second Amended Plan of Reorganization (May 9, 2014) Docket No. 898 (the "**Plan**") and related disclosure statement and other solicitation materials (including without limitation the notice of the disclosure statement hearing) are on terms and conditions acceptable (subject to the Confirmation Documentation Review (as defined below)) to the Revolving Credit Facility Agent;
- (i) the Confirmation Order (as defined below) and notice of the Confirmation Order hearing, and all other documents to be executed and/or delivered in connection with implementation of the Plan shall be on terms and conditions satisfactory to the Revolving Credit Facility Agent in its reasonable credit judgment, including terms providing for the Credit Facilities, and no amendment, modification, supplement or waiver shall have been made to any or all of the Plan, the related disclosure statement and other solicitation materials, the Confirmation Order and any other documents to be executed and/or delivered in connection with the implementation of the Plan, in each case without the

prior written consent of the Revolving Credit Facility Agent, that, in the reasonable judgment of the Revolving Credit Facility Agent, is adverse to the rights or interests of any or all of the Revolving Credit Facility Agent, GECM and the Revolving Lenders (collectively, the "Confirmation Documentation Review"), (ii) the Bankruptcy Court shall have entered an order, in form and substance satisfactory to the Revolving Credit Facility Agent in its reasonable credit judgment (the "Confirmation Order"), confirming the Plan and approving the Plan-related solicitation procedures, and such order shall have become final and non-appealable, (iii) the Plan shall have become effective in accordance with its terms, and all conditions precedent to the effectiveness of the Plan shall have been satisfied or waived (with the prior consent of the Revolving Credit Facility Agent if the Revolving Credit Facility Agent determines such waiver is adverse to the Revolving Credit Facility Agent, GECM or the Revolving Lenders), and (iv) all transactions contemplated by the Plan to occur on the effective date of the Plan (other than the closing of the Credit Facilities) shall have been consummated on the Closing Date and substantially contemporaneously with the initial funding of the Credit Facilities.

ASSIGNMENTS AND PARTICIPATIONS:

Revolving Lenders would have the right at any time to sell and assign interests and sell participations under the Revolving Credit Facility in accordance with customary terms. All assignments of a Revolving Lender's interest in the Revolving Credit Facility will be made via an electronic settlement system designated by the Revolving Credit Facility Agent. As to assignments requiring the Revolving Credit Facility Agent's consent (not to be unreasonably withheld or delayed), the withholding of such consent for assignments to Borrower, its affiliates or a holder of subordinated debt issued by Borrower or its affiliates shall not be deemed to be unreasonable.

REQUISITE REVOLVING LENDERS:

Revolving Lenders holding greater than 50% of the loan exposure (including unfunded commitments under the Revolving Credit Facility) under the Revolving Credit Facility. Certain amendments and waivers may require class votes or the consent of all Revolving Lenders, as appropriate.

GOVERNING LAW:

New York.

EXHIBIT 2

Crystal Financial Commitment Letter



June 17, 2014

CONFIDENTIAL

C & K Market, Inc.
615 5th Street
Brookings, OR 97415
Attention: Edward Hostmann, Chief Restructuring Officer

Re: Commitment Letter

Dear Sir or Madam:

You have advised Crystal Financial LLC ("Crystal" or the "Agent") and Crystal Financial SPV LLC (collectively with Crystal, the "Lenders") that C & K Market, Inc. (the "Borrower"), as the reorganized debtor under that certain Second Amended Plan of Reorganization (May 9, 2014) Docket No. 898 (the "Plan of Reorganization") to be confirmed in Case No. 13-64561-fra11 (the "Bankruptcy Case") commenced under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Oregon (the "Bankruptcy Court"), is seeking a senior secured asset-based term loan facility of in the amount of \$25,000,000 (the "Credit Facility") in connection with the consummation of the Plan of Reorganization ("Transaction").

Subject to the terms and conditions outlined in the Summary of Terms attached hereto as Exhibit A (together with this letter, the "Commitment Letter"), including, without limitation, the conditions precedent to closing specified therein, and based on our understanding of the Transaction as described herein and the information which you have provided to us to date, (a) the Agent is pleased to offer to act as the sole administrative agent for the Credit Facility and (b) the Lenders are pleased to offer their commitment to provide \$25,000,000 of the Credit Facility, which may be reduced to \$20,000,000 at your election (the "**Crystal Commitment**"); provided the Lenders, as among themselves, shall allocate the commitment to provide the Credit Facility in their sole discretion.

By signing this Commitment Letter, the Borrower, the Lenders and the Agent acknowledge and agree that this Commitment Letter supersedes any and all discussions and understandings, written or oral, between or among Lenders and any other person as to the subject matter hereof. No amendments, waivers or modifications of this Commitment Letter or any of its contents shall be effective unless expressly set forth in writing and executed by the Borrower, the Lenders and the Agent. This Commitment Letter shall not be assignable by the Agent or the Borrower without the prior written consent of the other (and any purported assignment without such consent shall

be null and void). Until the earliest of the closing of the Credit Facilities or the termination of this Commitment Letter in accordance with its terms, there shall be no competing offering, placement or arrangement of any secured debt securities or secured bank financing by the Borrower or any of its subsidiaries or affiliates or any similar transaction involving the Borrower or any of its affiliates (other than the Revolving Facility referenced in the Summary of Terms).

This Commitment Letter is being provided to you on the condition that, except as required by law or the Bankruptcy Court, that certain Fee Letter dated as of the date hereof (the "Fee Letter") among the Borrower, the Lenders and the Agent, nor its contents will be disclosed publicly or privately except to those individuals who are your accountants, attorneys, employees, shareholders, board members, affiliates, professional advisors retained in conjunction with the Transaction who have a need to know of them as a result of their being specifically involved in the Transaction under consideration and then only on the condition that such matters may not, except as required by law or the Bankruptcy Court, be further disclosed. No person, other than the parties signatory hereto, is entitled to rely upon this Commitment Letter or the Fee Letter or any of their respective contents. No person shall, except as required by law, use the name of, or refer to, the Lenders or the Agent, or any of their respective affiliates, in any correspondence, discussions, press release, advertisement or disclosure made in connection with the Transaction without the prior written consent of the Lenders and the Agent. Borrower may disclose this Commitment Letter and the Fee Letter, counsel for each of (i) the Unsecured Creditors Committee, (ii) Borrower's existing revolving lender (U.S. Bank), and (iii) Borrower's mezzanine lenders (Endeavour and THL). Borrower may disclose this Commitment Letter (but not the Fee Letter) in connection with a motion to be filed by Borrower with the Bankruptcy Court seeking the Approval Order (defined below).

Regardless of whether the commitment herein is terminated or expires or whether the Transaction closes, upon the Agent or any Lender's demand therefor, the Borrower agrees to pay to the Agent and the Lenders, all out-of-pocket costs and expenses ("Transaction Expenses") which may be incurred by the Agent and/or the Lenders in connection with the Credit Facility or the Transaction (including, without limitation, all legal, environmental, and other third party costs and fees incurred in the preparation of this Commitment Letter, the Fee Letter, and the negotiation and documentation of the Credit Facility). The Borrower's reimbursement obligation hereunder shall apply whether or not the Transaction closes, and the Agent and the Lenders' right to receive reimbursement of all costs and expenses incurred in connection with the consideration of the Credit Facility shall be entitled to priority as an administrative claim under Section 503(b)(1) of the Bankruptcy Code, and shall be payable upon demand by the Agent or the Lenders without any further order of the Bankruptcy Court, whether or not the Transaction closes. Regardless of whether the commitment herein is terminated or the Transaction closes, the Borrower shall indemnify and hold harmless each of the Agent, the Lenders, and their respective affiliates, and the officers, directors, employees, partners, attorneys, agents, advisors and representatives of any of them (each, an "Indemnified Person"), from and against all suits, actions, proceedings, claims, liabilities, damages, losses, costs and expenses (including, without limitation, attorneys' fees and related costs and other costs of investigation or defense, including those incurred upon any appeal), which may be instituted or asserted against or incurred by any such Indemnified Person in connection with, or arising out of, this Commitment Letter, the Fee Letter, the draft definitive documentation related thereto, any transaction or document contemplated in the Commitment Letter, any actions or failures to act in connection with the

foregoing, and any and all environmental liabilities in connection with the transactions contemplated by the Commitment Letter and legal costs and expenses arising out of or incurred in connection with any disputes between or among any parties to any of the foregoing, and any investigation, litigation, or proceeding related to any such matters; provided that the Borrower shall not be liable to any Indemnified Person to the extent that any such suit, action, proceeding, claim, liability, damages, loss, cost or expense resulted directly from such Indemnified Person's gross negligence, willful misconduct or a material breach by an Indemnified Person of its obligations under this Commitment Letter or the Fee Letter at a time when you have not breached your obligations hereunder in any material respect, in each case as determined by a final and non-appealable judgment of a court of competent jurisdiction. Under no circumstances shall the Borrower, Agent or any Lender, or any of their respective affiliates be liable for any punitive, exemplary, consequential or indirect damages which may be alleged in connection with this Commitment Letter, the Fee Letter, the documentation related thereto or any transaction related thereto, regardless of whether the commitment herein is terminated or the Credit Facility closes.

EACH PARTY HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER OR RELATING TO THIS COMMITMENT LETTER OR THE FEE LETTER, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. Subject to the jurisdiction of the Bankruptcy Court prior to the consummation and effectiveness of the Plan of Reorganization, each party hereto consents and agrees that the state or federal courts located in New York County, City of New York, New York, shall have exclusive jurisdiction to hear and determine any claims or disputes between or among any of the parties hereto pertaining to this Commitment Letter, the Fee Letter, or the Transaction under consideration, and any investigation, litigation, or proceeding related to or arising out of any such matters, provided, that the parties hereto acknowledge that any appeals from those courts may have to be heard by a court (including an appellate court) located outside of such specified jurisdictions. Each party hereto expressly submits and consents in advance to such jurisdiction in any action or suit commenced in any such court, and hereby waives any objection, which such party may have based upon lack of personal jurisdiction, improper venue or inconvenient forum.

Subject to the jurisdiction of the Bankruptcy Court prior to the consummation and effectiveness of the Plan of Reorganization, this Commitment Letter is governed by and shall be construed in accordance with the laws of the State of New York applicable to contracts made and performed in that state.

This Commitment Letter shall be of no force and effect unless and until (a) this Commitment Letter and the Fee Letter are executed and delivered to the Agent and the Lenders on or before 5:00 p.m. eastern time on June 18, 2014 and (b) (i) on or prior to 8:00 p.m. eastern time on June 18, 2014, you shall have filed a motion in form and substance reasonably acceptable to the Agent for entry of an order (the "**Approval Order**") by the Bankruptcy Court, in form and substance reasonably satisfactory to the Agent and Lenders, authorizing the Borrower's acceptance of, and performance of its pre-closing obligations and undertakings under, this Commitment Letter and the Fee Letter, which order shall provide that the Borrower is authorized to reimburse all reasonable costs and expenses incurred in connection with the Credit Facility as provided herein and to pay any of the fees in the Fee Letter which by their terms may arise notwithstanding the

closing of the transactions contemplated by the Commitment Letter, and the Agent and Lenders' right to receive such reimbursements and fees shall be entitled to priority as administrative expense claims under Section 503(b)(1) of the Bankruptcy Code, immediately upon demand by the Agent without any further order of the Bankruptcy Court or consent of any person, whether or not the Transaction closes (the "***Specified Commitment Obligations***"), and (ii) on or prior to June 18, 2014, you shall have provided to the Agent written evidence in form and substance reasonably acceptable to the Agent that each of (A) the official committee of unsecured creditors in the Bankruptcy Case, (B) U.S. Bank National Association, in its capacity as your existing revolving lender, and (C) Endeavour Structured Equity and Mezzanine Fund, L.P. and THL Credit, Inc., each in its capacity as your existing mezzanine lender, has no objection to the Specified Commitment Obligations, (c) Borrower shall have paid all fees and deposits then due and payable to the Agents as provided in the Fee Letter and this Commitment Letter, and (d) 5:00 p.m. New York time on June 28, 2014, unless you have obtained the Authorization Order. Once effective, the Lenders' commitment to provide financing in accordance with the terms of this Commitment Letter shall cease if the Credit Facility does not close, or the Credit Facility is not funded for any reason, on or before August 9, 2014. Notwithstanding any further discussions, negotiations or other actions taken after such date, neither the Agent nor the Lenders nor their respective affiliates shall have any liability to any person in connection with its refusal to fund the Credit Facility or any portion thereof after such date.

This Commitment Letter may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart. Delivery of an executed signature page of this Commitment Letter by facsimile transmission or electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

Sincerely,

**CRYSTAL FINANCIAL LLC,
as Agent and Lender**

By: 
Name: _____
Title: **Evren Ozargun
Managing Director**

**CRYSTAL FINANCIAL SPV LLC,
as Lender**

By: 
Name: _____
Title: **Evren Ozargun
Managing Director**

Acknowledged and agreed as of the date first set forth above:

C&K MARKET, INC.

By: _____
Name:
Title:

This Commitment Letter may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart. Delivery of an executed signature page of this Commitment Letter by facsimile transmission or electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

Sincerely,

**CRYSTAL FINANCIAL LLC,
as Agent and Lender**


By: _____
Name:
Title:

**CRYSTAL FINANCIAL SPV LLC,
as Lender**

By: _____
Name:
Title:

Acknowledged and agreed as of the date first set forth above:

C&K MARKET, INC.

By:  _____
Name: EDWARD HOSTMANN
Title: CEO