UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

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

For the quarterly period ended September 29, 2017

OR

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

For the transition period from _________ to _________

Commission file number: 001-35249

THE CHEFS’ WAREHOUSE, INC.

(Exact name of registrant as specified in its charter)

Delaware	**20-3031526**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
100 East Ridge Road Ridgefield, Connecticut	**06877**
(Address of principal executive offices)	**(Zip Code)**

Registrant’s telephone number, including area code: (203) 894-1345

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐		Accelerated filer	☒
Non-accelerated filer	☐	(Do not check if a smaller reporting company)	Smaller reporting company	☐
			Emerging growth company	☐

If an emerging growth company, indicate by check mark if registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Number of shares of common stock, par value $.01 per share, outstanding at November 6, 2017: 26,564,078

THE CHEFS' WAREHOUSE, INC.

FORM 10-Q

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CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

Statements in this report regarding the business of The Chefs' Warehouse, Inc. (the "Company") that are not historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that involve risks and uncertainties and are based on current expectations and management estimates; actual results may differ materially. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates" and variations of these words and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond our control, are difficult to predict and/or could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. The risks and uncertainties which could impact these statements include, but are not limited to, the Company's ability to successfully deploy its operational initiatives to achieve synergies from our acquisitions; the Company's and its customers current economic environment, changes in disposable income levels and consumer discretionary spending on food-away-from-home purchases; the Company's sensitivity to general economic conditions, including vulnerability to economic and other developments in the geographic markets in which it operates; the risks of supply chain interruptions due to lack of long-term contracts, severe weather or more prolonged climate change, work stoppages or otherwise; the risk of loss of customers due to the fact the Company does not customarily have long-term contracts with its customers; the risks of loss of revenue or reductions in operating margins in the Company's protein business as a result of competitive pressures within this reporting unit of the Company's business; changes in the availability or cost of the Company's specialty food products; the ability to effectively price the Company's specialty food products and reduce the Company's expenses; the relatively low margins of the foodservice distribution industry and the Company's sensitivity to inflationary and deflationary pressures; the Company's ability to successfully identify, obtain financing for and complete acquisitions of other foodservice distributors and to integrate and realize expected synergies from those acquisitions; the Company's ability to service customers from its Chicago, San Francisco and Las Vegas distribution centers and the expenses associated therewith; increased fuel cost volatility and expectations regarding the use of fuel surcharges; fluctuations in the wholesale prices of beef, poultry and seafood, including increases in these prices as a result of increases in the cost of feeding and caring for livestock; the loss of key members of the Company's management team and the Company's ability to replace such personnel; the strain on the Company's infrastructure and resources caused by its growth; and other risks and uncertainties included under the heading Risk Factors in our Annual Report on Form 10-K filed on March 10, 2017 with the Securities and Exchange Commission (the "SEC").

PART I FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

THE CHEFS' WAREHOUSE, INC.
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except share data)

	September 29, 2017 (unaudited)	December 30, 2016
ASSETS		
Current assets:		
Cash and cash equivalents	$ 4,071	$ 32,862
Accounts receivable, net of allowance of $7,950 in 2017 and $6,091 in 2016	135,398	128,030
Inventories, net	109,862	87,498
Prepaid expenses and other current assets	11,564	16,101
Total current assets	260,895	264,491
Equipment and leasehold improvements, net	69,041	62,183
Software costs, net	5,114	5,927
Goodwill	172,943	163,784
Intangible assets, net	143,533	131,131
Other assets	3,024	6,022
Total assets	$ 654,550	$ 633,538
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 83,067	$ 65,514
Accrued liabilities	16,871	17,546
Accrued compensation	11,156	9,519
Current portion of long-term debt	4,224	14,795
Total current liabilities	115,318	107,374
Long-term debt, net of current portion	315,115	317,725
Deferred taxes, net	9,113	6,958
Other liabilities and deferred credits	10,528	7,721
Total liabilities	450,074	439,778
Commitments and contingencies	—	—
Stockholders' equity:		
Preferred Stock, $0.01 par value, 5,000,000 shares authorized, no shares issued and outstanding September 29, 2017 and December 30, 2016	—	—
Common Stock, $0.01 par value, 100,000,000 shares authorized, 26,564,168 and 26,280,469 shares issued and outstanding at September 29, 2017 and December 30, 2016, respectively	266	263
Additional paid-in capital	132,405	127,180
Accumulated other comprehensive loss	(1,581)	(2,186)
Retained earnings	73,386	68,503
Stockholders' equity	204,476	193,760
Total liabilities and stockholders' equity	$ 654,550	$ 633,538

See accompanying notes to consolidated financial statements.

THE CHEFS' WAREHOUSE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)
(Amounts in thousands, except share and per share amounts)

	Thirteen Weeks Ended	
	September 29, 2017	**September 23, 2016**
Net sales	$ 325,076	$ 297,917
Cost of sales	244,171	223,525
Gross profit	80,905	74,392
Operating expenses	70,411	66,106
Operating income	10,494	8,286
Interest expense	5,593	5,947
Loss on asset disposal	10	40
Income before income taxes	4,891	2,299
Provision for income tax expense	2,040	956
Net income	$ 2,851	$ 1,343
Other comprehensive income (loss):		
Foreign currency translation adjustments	369	(72)
Comprehensive income	$ 3,220	$ 1,271
Net income per share:		
Basic	$ 0.11	$ 0.05
Diluted	$ 0.11	$ 0.05
Weighted average common shares outstanding:		
Basic	26,092,387	25,936,832
Diluted	27,387,619	25,977,171

See accompanying notes to consolidated financial statements.

THE CHEFS' WAREHOUSE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(Unaudited)
(Amounts in thousands, except share and per share amounts)

	Thirty-nine Weeks Ended	
	September 29, 2017	**September 23, 2016**
Net sales	$ 944,422	$ 849,962
Cost of sales	707,017	637,809
Gross profit	237,405	212,153
Operating expenses	211,627	187,318
Operating income	25,778	24,835
Interest expense	17,406	35,271
Loss on asset disposal	10	43
Income (loss) before income taxes	8,362	(10,479)
Provision for income tax expense (benefit)	3,479	(4,360)
Net income (loss)	$ 4,883	$ (6,119)
Other comprehensive income:		
Foreign currency translation adjustments	605	1,034
Comprehensive income (loss)	$ 5,488	$ (5,085)
Net income (loss) per share:		
Basic	$ 0.19	$ (0.24)
Diluted	$ 0.19	$ (0.24)
Weighted average common shares outstanding:		
Basic	26,011,913	25,911,278
Diluted	26,063,655	25,911,278

See accompanying notes to consolidated financial statements.

THE CHEFS' WAREHOUSE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Amounts in thousands)

	Thirty-nine Weeks Ended	
	September 29, 2017	**September 23, 2016**
Cash flows from operating activities:		
Net income (loss)	$ 4,883	$ (6,119)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	6,322	4,966
Amortization	8,712	8,704
Provision for allowance for doubtful accounts	2,841	2,674
Deferred rent	254	1,340
Deferred taxes	1,755	1,169
Amortization of deferred financing fees	1,574	1,209
Loss on debt extinguishment	—	22,310
Stock compensation	2,384	1,909
Change in fair value of contingent earn-out liability	72	(1,601)
Loss on sale of assets	10	43
Changes in assets and liabilities, net of acquisitions:		
Accounts receivable	(5,760)	4,627
Inventories	(19,731)	5,638
Prepaid expenses and other current assets	1,668	(15,612)
Accounts payable, accrued liabilities and accrued compensation	20,430	(8,424)
Other liabilities	(1,997)	(1,186)
Other assets	(214)	(439)
Net cash provided by operating activities	23,203	21,208
Cash flows from investing activities:		
Capital expenditures	(9,860)	(11,532)
Cash paid for acquisitions, net of cash received	(29,722)	(19,742)
Net cash used in investing activities	(39,582)	(31,274)
Cash flows from financing activities:		
Payment of debt	(11,641)	(156,655)
Proceeds from issuance of debt	—	315,810
Debt prepayment penalty and other fees	—	(21,219)
Cash paid for deferred financing fees	—	(7,691)
Surrender of shares to pay withholding taxes	(455)	(552)
Cash paid for contingent earn-out liability	(500)	(2,660)
Borrowings under revolving credit facility	—	33,200
Payments under revolving credit facility	—	(126,582)
Net cash (used in) provided by financing activities	(12,596)	33,651
Effect of foreign currency translation on cash and cash equivalents	184	152
Net (decrease) increase in cash and cash equivalents	(28,791)	23,737
Cash and cash equivalents-beginning of period	32,862	2,454
Cash and cash equivalents-end of period	$ 4,071	$ 26,191

See accompanying notes to consolidated financial statements.

Note 1 Operations and Basis of Presentation

Description of Business and Basis of Presentation

The financial statements include the consolidated accounts of The Chefs' Warehouse, Inc. (the "Company"), and its wholly-owned subsidiaries. The Company's quarterly periods end on the thirteenth Friday of each quarter. Every six to seven years the Company will add a fourteenth week to its fourth quarter to more closely align its year end to the calendar year. The fiscal year ended December 30, 2016 consisted of 53 weeks. The Company operates in one reportable segment, food product distribution, which is concentrated primarily on the East and West Coasts of the United States. The Company's customer base consists primarily of menu-driven independent restaurants, fine dining establishments, country clubs, hotels, caterers, culinary schools, bakeries, patisseries, chocolatiers, cruise lines, casinos and specialty food stores.

Consolidation

The consolidated financial statements include all the accounts of the Company and its direct and indirect wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated.

Unaudited Interim Financial Statements

The accompanying unaudited consolidated financial statements and the related interim information contained within the notes to such unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and the applicable rules of the Securities and Exchange Commission ("SEC") for interim information and quarterly reports on Form 10-Q. Accordingly, they do not include all the information and disclosures required by GAAP for complete financial statements. These unaudited consolidated financial statements and related notes should be read in conjunction with the Company's audited consolidated financial statements and notes thereto for the fiscal year ended December 30, 2016 filed as part of the Company's Annual Report on Form 10-K, as filed with the SEC on March 10, 2017.

The unaudited consolidated financial statements appearing in this Form 10-Q have been prepared on the same basis as the audited consolidated financial statements included in the Company's Annual Report on Form 10-K, as filed with the SEC on March 10, 2017, and in the opinion of management include all normal recurring adjustments that are necessary for the fair statement of the Company's interim period results. The year-end consolidated balance sheet data was derived from the audited financial statements but does not include all disclosures required by GAAP. Due to seasonal fluctuations and other factors, the results of operations for the thirteen and thirty-nine weeks ended September 29, 2017 are not necessarily indicative of the results to be expected for the full year.

The preparation of financial statements in conformity with GAAP requires management to make significant estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from management's estimates.

Note 2 Recently Issued Accounting Pronouncements

Guidance Adopted in 2017

Subsequent Measurement of Inventory: In July 2015, the Financial Accounting Standards Board ("FASB") issued guidance to simplify the subsequent measurement of inventory. This guidance requires that inventory be measured at the lower of cost or net realizable value. The Company adopted this guidance prospectively. Adoption of this guidance did not impact the Company's consolidated financial statements.

Improvements to Employee Share-Based Payment Accounting: In March 2016, the FASB issued guidance to simplify the accounting for employee share-based payments. The main provisions are to recognize excess tax benefits in the income statement rather than to additional paid-in capital, allow an entity to account for forfeitures as they occur, allow an entity to withhold employee shares up to the individual's maximum statutory tax rate without triggering liability classification of the award, present excess tax benefits as an operating cash flow and to present cash payments for employee tax withholding on vested stock awards as a financing cash flow. The guidance also requires that any unrecognized tax benefits that were not previously recognized be recorded through a cumulative-effect adjustment to retained earnings in the period in which the guidance is adopted. Upon adoption, the Company made an accounting policy election to account for forfeitures as they occur and there were no unrecognized tax benefits. Adoption of this guidance did not have a material impact on the Company's consolidated financial statements.

Restricted Cash: In November 2016, the FASB issued guidance which includes guidance to clarify how companies present and classify restricted cash or restricted cash equivalents in the statement of cash flows. The guidance requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents and amounts generally described as restricted cash or restricted cash equivalents. Adoption of this guidance did not impact the consolidated financial statements as the Company does not have restricted cash.

Simplifying the Test for Goodwill Impairment: In January 2017, the FASB issued guidance which simplifies goodwill impairment testing by removing Step 2 from the goodwill impairment test which required companies to assign the fair value of a reporting unit to its underlying assets and liabilities. Instead, an entity should recognize an impairment charge for the amount by which the carry amount of a reporting unit exceeds its fair value. Adoption of this guidance did not impact the Company's consolidated financial statements.

Scope of Modification Accounting: In May 2017, the FASB issued guidance which clarifies when to account for a change to the terms or conditions of a share-based payment award as a modification. Under the new guidance, modification accounting is required only if the fair value, the vesting conditions, or the classification of the award (as equity or liability) changes as a result of the change in terms or conditions. Adoption of this guidance did not impact the consolidated financial statements as the Company did not have any share-based payment award modifications.

Guidance Not Yet Adopted

In May 2014, the FASB issued guidance to clarify the principles for recognizing revenue. This guidance includes the required steps to achieve the core principle that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. On August 12, 2015, the FASB voted to defer the effective date by one year to December 15, 2017 for interim and annual reporting periods beginning after that date. Early adoption is permitted but not before the original effective date (annual periods beginning after December 15, 2016).

The Company has performed a preliminary analysis on the impact this guidance has on its customer contracts, sales incentive programs, gift card programs, information systems, business processes, and financial statement disclosures. The analysis will be finalized during the fourth quarter. The new revenue recognition model provides guidance on the identification of multiple performance obligations embedded within customer contracts. Based on the preliminary analysis, the Company's customer contracts appear to include one performance obligation which is satisfied once each product is delivered to the customer. Thus revenues will be recognized at a point in time. Under the new standard such performance obligations are satisfied at the point at which the Company transfers control to the customer. This is consistent with the Company's current practice of recognizing revenue upon delivery to the customer, with the exception of the Company's current practice of recognizing revenue at shipping point on direct-to-consumer sales. The Company is in the process of quantifying the impact that the change in revenue recognition timing of its direct-to-consumer sales will have on its financial statements.

The new standard includes the concept of variable consideration and requires companies to include variable consideration in the transaction price to the extent it is probable that there will not be a significant reversal in the amount of cumulative revenue recognized when the uncertainty is resolved. Although the Company's sales incentive programs fall under the scope of this new guidance, it is not expected to have a significant impact on the amount or timing of revenue recognition.

The new standard addresses current diversity in practice in regards to the derecognition of unredeemed gift card liabilities that are not subject to unclaimed property laws. The new guidance requires companies to recognize revenue on such liabilities through breakage or when the likelihood of customer redemption becomes remote. This is consistent with the Company's existing method of recognizing breakage revenue on these liabilities.

The Company expects to adopt this guidance when effective using the modified retrospective approach. Under this approach, prior financial statements would not be restated and a cumulative effect adjustment, if any, will be recorded as an adjustment to retained earnings. Adoption will result in expanded disclosures on revenue recognition policies, disaggregated revenues and contract liabilities.

In February 2016, the FASB issued guidance to increase the transparency and comparability among organizations by recognizing right-of-use assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. Current GAAP does not require lessees to recognize assets and liabilities arising from operating leases on the balance sheet. This new guidance is effective for fiscal years beginning after December 15, 2018. Early adoption is permitted. The Company expects to adopt this guidance when effective and is in the early stages of implementation. Adoption will have a material impact on the Company's consolidated financial statements, primarily to the consolidated balance sheets and related disclosures.

In January 2017, the FASB issued guidance which clarifies whether transactions should be accounted for as acquisitions of assets or businesses. The guidance requires an entity to determine if substantially all of the fair value of the assets acquired is concentrated in a single identifiable asset or a group of similar identifiable assets. If this criterion is met, the new guidance would define this as an asset acquisition. Furthermore, the guidance requires a business to include, at a minimum, an input and substantive process that together significantly contribute to the ability to create outputs. The guidance is effective for fiscal years beginning after December 15, 2017. The Company expects to adopt this guidance when effective and adoption is not expected to have a material effect on its financial statements.

Note 3 Earnings (Loss) Per Share

The following table sets forth the computation of basic and diluted net income (loss) per share:

	Thirteen Weeks Ended		Thirty-nine Weeks Ended	
	September 29, 2017	September 23, 2016	September 29, 2017	September 23, 2016
Net income (loss) per share:				
Basic	$ 0.11	$ 0.05	$ 0.19	$ (0.24)
Diluted	$ 0.11	$ 0.05	$ 0.19	$ (0.24)
Weighted average common shares:				
Basic	26,092,387	25,936,832	26,011,913	25,911,278
Diluted	27,387,619	25,977,171	26,063,655	25,911,278

Reconciliation of net income (loss) per common share:

	Thirteen Weeks Ended		Thirty-nine Weeks Ended	
	September 29, 2017	September 23, 2016	September 29, 2017	September 23, 2016
Numerator:				
Net income (loss)	$ 2,851	$ 1,343	$ 4,883	$ (6,119)
Add effect of dilutive securities:				
Interest on convertible notes, net of tax	134	—	—	—
Adjusted net income (loss)	$ 2,985	$ 1,343	$ 4,883	$ (6,119)
Denominator:				
Weighted average basic common shares outstanding	26,092,387	25,936,832	26,011,913	25,911,278
Dilutive effect of unvested common shares	57,858	40,339	51,742	—
Dilutive effect of convertible notes	1,237,374	—	—	—
Weighted average diluted common shares outstanding	27,387,619	25,977,171	26,063,655	25,911,278

Potentially dilutive securities that have been excluded from the calculation of diluted net income (loss) per common share because the effect is anti-dilutive:

	Thirteen Weeks Ended		Thirty-nine Weeks Ended	
	September 29, 2017	September 23, 2016	September 29, 2017	September 23, 2016
Restricted Share Awards (RSAs)	104,053	158,539	134,139	309,922
Stock options	201,878	209,071	203,617	209,071
Convertible subordinated notes	—	1,237,374	1,237,374	1,237,374

Note 4 Fair Value Measurements; Fair Value of Financial Instruments

Assets and Liabilities Measured at Fair Value

As of September 29, 2017, the Company’s only assets or liabilities measured at fair value were the contingent earn-out liabilities from the acquisition of Del Monte Capitol Meat Co. and certain related entities (“Del Monte”) and Fells Point Wholesale Meats Inc. (“Fells Point”). These liabilities were estimated using Level 3 inputs and had a fair value of $5,934 and are reflected as *other liabilities and deferred credits* on the consolidated balance sheets. The fair value of contingent consideration was determined based on a probability-based approach which includes projected results, percentage probability of occurrence and the application of a discount rate to present value the payments. A significant change in projected results, discount rate, or probabilities of occurrence could result in a significantly higher or lower fair value measurement.

The following table presents the changes in Level 3 contingent consideration liability:

	Del Monte	MT Food	Fells Point	Total
Balance December 30, 2016	$ 1,362	$ 500	$ —	$ 1,862
Acquisition	—	—	4,500	4,500
Cash payments	—	(500)	—	(500)
Changes in fair value	72	—	—	72
Balance September 29, 2017	$ 1,434	$ —	$ 4,500	$ 5,934

Fair Value of Financial Instruments

The carrying amounts reported in the Company’s consolidated balance sheets for accounts receivable and accounts payable approximate fair value, due to the immediate to short-term nature of these financial instruments. The fair values of the revolving credit facility and term loans approximated their book values as of September 29, 2017 and December 30, 2016, as these instruments had variable interest rates that reflected current market rates available to the Company. The fair value of these debt instruments were estimated using Level 3 inputs.

The following table presents the carrying value and fair value of the Company’s convertible subordinated notes (more fully described in Note 9). In estimating the fair value of these convertible secured notes, the Company utilized Level 3 inputs including prevailing market interest rates to estimate the debt portion of the instrument and a Black Scholes valuation model to estimate the fair value of the conversion option. The Black Scholes model utilizes the market price of the Company’s common stock, estimates of the stock’s volatility and the prevailing risk free interest rate in calculating the fair value estimate.

	September 29, 2017		December 30, 2016	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Convertible Secured Notes	$ 36,750	$ 37,632	$ 36,750	$ 35,557

Note 5 Acquisitions

Fells Point

On August 25, 2017, the Company entered into an asset purchase agreement to acquire substantially all of the assets of Fells Point, a specialty protein manufacturer and distributor based in the metro Baltimore and Washington DC area. The aggregate purchase price for the transaction at acquisition date was approximately $33,022, including the impact of an initial net working capital adjustment which is subject to a post-closing working capital adjustment true up. Approximately $29,722 was paid in cash at closing and the remaining $3,300 consisted of 185,442 shares of the Company's common stock.

The Company will also pay additional contingent consideration, if earned, in the form of an earn-out amount which could total approximately $12,000. The payment of the earn-out liability is subject to the successful achievement of annual Adjusted EBITDA targets for the Fells Point business over a period of four years following closing. At September 29, 2017 and August 25, 2017, the Company estimated the fair value of this contingent earn-out liability to be $4,500. The Company is in the process of finalizing a valuation of the tangible and intangible assets of Fells Point as of the acquisition date. These assets will be valued at fair value using Level 3 inputs. Customer lists, trademarks, and non-compete agreements are expected to be amortized over 15, 20 and 6 years, respectively. Goodwill for the Fells Point acquisition will be amortized over 15 years for tax purposes. The goodwill recorded primarily reflects the value of acquiring an established meat processor to grow the Company's protein business in the Northeast and Mid Atlantic regions, as well as any intangible assets that do not qualify for separate recognition. On August 25, 2017, the Company entered into a five-year lease for a warehouse facility located in Baltimore, MD that is owned by the former owners of Fells Point, some of whom are current employees. The Company paid rent of $22 during the thirteen weeks ended September 29, 2017. For the thirty-nine weeks ended September 29, 2017, the Company reflected net sales and income before taxes of $5,815 and $380, respectively, for Fells Point in its consolidated statement of operations.

The table below presents pro forma consolidated income statement information of the Company for the thirteen and thirty-nine weeks ended September 29, 2017 and September 23, 2016 as if Fells Point acquisition had occurred at the beginning of each year presented. The pro forma results were prepared from financial information obtained from the sellers of the business, as well as information obtained during the due diligence process associated with the acquisition. The pro forma information is not necessarily indicative of the Company’s results of operations had the Fells Point acquisition been completed on the above dates, nor is it necessarily indicative of the Company’s future results. The pro forma information does not reflect any cost savings from operating efficiencies or synergies that could result from the Fells Point acquisition, any incremental costs for Fells Point transitioning to become a public company, and also does not reflect additional revenue opportunities following the acquisition. The pro forma information reflects amortization and depreciation of the Fells Point acquisition at their respective fair values based on available information and the estimated change in the fair value of the earn-out liability due to accretion.

	Thirteen Weeks Ended		Thirty-nine Weeks Ended	
	September 29, 2017	September 23, 2016	September 29, 2017	September 23, 2016
Net sales	$ 334,007	$ 307,060	$ 983,722	$ 888,742
Income before income taxes	5,447	2,753	10,084	(8,132)

MT Food

On June 27, 2016, the Company acquired substantially all of the assets of M.T. Food Service, Inc. (“MT Food”), based in Chicago, Illinois. Founded in the mid 1990's, MT Food was a wholesale distributor of dairy, produce, specialty and grocery items in the metro Chicago area. The aggregate purchase price for the transaction at acquisition date was $22,000, including an additional $500 payable eighteen months after the closing date and an earn-out of $500 paid during the second quarter of fiscal 2017. The aggregate purchase price paid by the Company was paid through cash-on-hand and the proceeds from a draw down on its delayed draw term loan facility.

During the second quarter of 2017, the Company obtained additional information related to the fair value of intangible assets, deferred taxes, inventories, accounts receivable acquired and liabilities owed. As a result, the Company recorded a measurement period adjustment resulting in a net increase in goodwill of $3,418 and a decrease in customer relationships of $2,700. The Company has finalized a valuation of the tangible and intangible assets of MT Food as of the acquisition date. These assets are valued at fair value using Level 3 inputs. Customer relationships are to be amortized over 15 years. Goodwill will be amortized over 15 years for tax purposes. The goodwill recorded primarily reflects the value of acquiring an established distributor to leverage the Company’s existing products and distribution center in the markets served by MT Food, as well as any intangible assets that do not qualify for separate recognition.

The table below sets forth the cash purchase price allocation of the Fells Point and MT Food acquisitions:

	MT Food	Fells Point
Current assets (includes cash acquired)	$ 6,132	$ 6,971
Customer relationships	7,600	14,700
Trademarks	—	8,100
Non-compete agreement	—	900
Goodwill	11,976	5,687
Fixed assets	261	2,459
Current liabilities	(3,969)	(1,295)
Earn-out liability	(500)	(4,500)
Other long-term liabilities	(500)	—
Issuance of common shares		(3,300)
Cash purchase price	$ 21,000	$ 29,722

Note 6 Inventory

Inventory consists of finished product. Our different entities record inventory using a mixture of first-in, first-out and average cost, which we believe approximates first-in, first-out. Inventory is reflected net of reserves for shrinkage and obsolescence totaling $1,930 and $2,122 at September 29, 2017 and December 30, 2016, respectively.

Note 7 Equipment and Leasehold Improvements

Equipment and leasehold improvements as of September 29, 2017 and December 30, 2016 consisted of the following:

	Useful Lives	September 29, 2017	December 30, 2016
Land	Indefinite	$ 1,170	$ 1,170
Buildings	20 years	1,292	1,292
Machinery and equipment	5-10 years	15,688	13,404
Computers, data processing and other equipment	3-7 years	9,883	9,367
Leasehold improvements	7-22 years	53,479	47,971
Furniture and fixtures	7 years	3,100	3,011
Vehicles	5-7 years	2,570	2,445
Other	7 years	95	95
Construction-in-process		14,711	11,359
		101,988	90,114
Less: accumulated depreciation and amortization		(32,947)	(27,931)
Equipment and leasehold improvements, net		$ 69,041	$ 62,183

Construction-in-process at September 29, 2017 and December 30, 2016 related primarily to the implementation of the Company’s Enterprise Resource Planning (“ERP”) system. The rollout of its ERP system will continue throughout fiscal 2017 and 2018.

At September 29, 2017 and December 30, 2016, the Company had $506 of equipment and vehicles financed by capital leases. The Company recorded depreciation on equipment under capital leases of $15 and $15 on these assets during the thirteen weeks ended September 29, 2017 and September 23, 2016, respectively, and $45 and $58 during the thirty-nine weeks ended September 29, 2017 and September 23, 2016, respectively.

Depreciation expense, excluding capital leases, was $1,678 and $1,577 for the thirteen weeks ended September 29, 2017 and September 23, 2016, respectively, and $4,970 and $3,753 during the thirty-nine weeks ended September 29, 2017 and September 23, 2016, respectively.

Capitalized software has an estimated useful life of three to seven years. Amortization expense on software was $402 and $437 for the thirteen weeks ended September 29, 2017 and September 23, 2016, respectively, and $1,307 and $1,155 during the thirty-nine weeks ended September 29, 2017 and September 23, 2016, respectively.

Note 8 Goodwill and Other Intangible Assets

The changes in the carrying amount of goodwill are presented as follows:

Carrying amount as of December 30, 2016	$ 163,784
Goodwill adjustments	3,418
Fells Point acquisition	5,687
Foreign currency translation	54
Carrying amount as of September 29, 2017	$ 172,943

The goodwill adjustments relate to the MT Food acquisition (see Note 5).

Other intangible assets consist of customer relationships being amortized over a period ranging from four to twenty years, trademarks being amortized over a period of one to forty years, and non-compete agreements being amortized over a period of two to six years. Other intangible assets as of September 29, 2017 and December 30, 2016 consisted of the following:

September 29, 2017:	Gross Carrying Amount	Accumulated Amortization	Net Amount
Customer relationships	$ 116,381	$ (25,465)	$ 90,916
Non-compete agreements	8,066	(6,605)	1,461
Trademarks	60,674	(9,518)	51,156
Total	$ 185,121	$ (41,588)	$ 143,533
December 30, 2016:			
Customer relationships	$ 104,381	$ (19,981)	$ 84,400
Non-compete agreements	7,166	(5,587)	1,579
Trademarks	52,574	(7,422)	45,152
Total	$ 164,121	$ (32,990)	$ 131,131

Amortization expense for other intangibles was $2,981 and $3,137 for the thirteen weeks ended September 29, 2017 and September 23, 2016, respectively, and $8,712 and $8,704 for the thirty-nine weeks ended September 29, 2017 and September 23, 2016.

Estimated amortization expense for other intangibles for the remainder of the fiscal year ending December 29, 2017 and each of the next five fiscal years and thereafter is as follows:

2017	$ 3,187
2018	11,669
2019	11,392
2020	11,119
2021	11,119
2022	10,391
Thereafter	84,656
Total	$ 143,533

Note 9 Debt Obligations

Debt obligations as of September 29, 2017 and December 30, 2016 consisted of the following:

	September 29, 2017	December 30, 2016
Senior secured term loan	$ 289,229	$ 291,613
Convertible subordinated notes	36,750	36,750
New Markets Tax Credit loan	—	11,000
Capital leases and financed software	1,042	2,136
Deferred finance fees and original issue discount	(7,682)	(8,979)
Total debt obligations	319,339	332,520
Less: current installments	(4,224)	(14,795)
Total debt obligations excluding current installments	$ 315,115	$ 317,725

On April 26, 2012, Dairyland HP LLC (“DHP”), an indirectly wholly-owned subsidiary of the Company's, entered into a financing arrangement under the New Markets Tax Credit (“NMTC”) program under the Internal Revenue Code of 1986, as amended, pursuant to which a subsidiary of Chase, provided to DHP an $11,000 construction loan (the “NMTC Loan”) with an interest rate of 1.00% per annum to help fund DHP’s expansion and build-out of the Bronx, New York facility and the rail shed located at that facility. Borrowings under the NMTC Loan were secured by a first priority secured lien on DHPs leasehold interest in the Bronx, New York facility, including all improvements made on the premises, as well as, among other things, a lien on all fixtures incorporated into the project improvements. The loan matured on April 26, 2017 and was repaid in full, including all accrued interest, for $11,009, of which, $8,070 was paid in cash and $2,939 was paid from the associated sinking fund.

As of September 29, 2017, the Company was in compliance with all debt covenants and the Company had reserved $9,545 of the ABL facility for the issuance of letters of credit. As of September 29, 2017, funds totaling $65,455 were available for borrowing under the ABL facility.

Note 10 Stockholders' Equity

The following table reflects the activity of restricted share awards (“RSAs”) during the thirty-nine weeks ended September 29, 2017:

	Shares	Weighted Average Grant Date Fair Value
Unvested at December 30, 2016	334,053	18.69
Granted	206,081	14.79
Vested	(109,442)	18.55
Forfeited	(74,262)	18.39
Unvested at September 29, 2017	356,430	16.57

The Company granted 206,081 RSAs to its employees and directors at a weighted average grant date fair value of $14.79 each during the thirty-nine weeks ended September 29, 2017. These awards are a mix of time and performance based grants which will vest over periods of one to four years. The Company recognized expense totaling $612 and $420 on its RSAs during the thirteen weeks ended September 29, 2017 and September 23, 2016, respectively, and $1,928 and $1,517 during the thirty-nine weeks ended September 29, 2017 and September 23, 2016, respectively.

At September 29, 2017, the Company had 356,430 unvested RSAs outstanding. At September 29, 2017, the total unrecognized compensation cost for these unvested RSAs was $4,641 and the weighted-average remaining useful life was approximately 27 months. Of this total, $3,151 related to RSAs with time-based vesting provisions and $1,490 related to RSAs with performance-based vesting provisions. At September 29, 2017, the weighted-average remaining useful lives for time-based vesting and performance-based vesting RSAs were approximately 27 months.

The following table summarizes stock option activity during the thirty-nine weeks ended September 29, 2017:

	Shares	Weighted Average Exercise Price	Aggregate Intrinsic Value	Weighted-Average Remaining Contractual Term (in years)
Outstanding at December 30, 2016	209,071	$ 20.23	$ —	9.2
Granted	—	—		
Exercised	—	—		
Canceled/Forfeited	(7,193)	20.23		
Outstanding at September 29, 2017	201,878	$ 20.23	$ —	8.4
Exercisable at September 29, 2017	—	$ —	$ —	0.0

The Company recognized expense of $158 and $120 on stock options during the thirteen weeks ended September 29, 2017 and September 23, 2016, respectively, and $456 and $392 during the thirty-nine weeks ended September 29, 2017 and September 23, 2016. At September 29, 2017, the total unrecognized compensation cost for these options was $911 to be recognized over a weighted-average period of approximately 17 months.

As of September 29, 2017, there were 523,969 shares available for grant under the Company's 2011 Omnibus Equity Incentive Plan. No share-based compensation expense has been capitalized.

Note 11 Related Parties

The Company leased two warehouse facilities from related parties. These facilities are 100% owned by entities controlled by Christopher Pappas, the Company's chairman, president and chief executive officer, John Pappas, the Company's vice chairman and one of its directors, and Dean Facatselis, a former non-employee director of the Company and the brother-in-law of Messrs. Pappas, and are deemed to be affiliates of these individuals. Expense related to these facilities totaled $134 and $133, respectively, during the thirteen weeks ended September 29, 2017 and September 23, 2016 and $400 and $481, respectively, during the thirty-nine weeks ended September 29, 2017 and September 23, 2016. One of the facilities is a distribution facility leased by Chefs' Warehouse Mid-Atlantic, LLC for which the Company recently extended the lease expiration date to September 30, 2019. The other facility is a distribution facility which one of the Company's subsidiaries, Dairyland, sublet from TCW Leasing Co., LLC ("TCW"), an entity controlled by the Company's founders. The Company exited this facility on February 29, 2016 and is no longer required to pay rent.

Each of Christopher Pappas, CEO, John Pappas, Vice Chairman and Dean Facatselis owns 8.33% of a New York City-based restaurant customer of the Company and its subsidiaries that purchased approximately $26 and $22, respectively, of products from the Company during the thirteen weeks ended September 29, 2017 and September 23, 2016 and $88 and $77, respectively, during the thirty-nine weeks ended September 29, 2017 and September 23, 2016. Messrs. Pappas and Facatselis have no other interest in the restaurant other than these equity interests and are not involved in the day-to-day operation or management of this restaurant.

The Company paid $29 and $67 to Architexture Studios, Inc. for interior decorating and design including the purchase of furniture and leasehold improvements primarily for its Las Vegas, San Francisco and Chicago facilities during the thirteen weeks ended September 29, 2017 and September 23, 2016, respectively, and paid $97 and $214, respectively, during the thirty-nine weeks ended September 29, 2017 and September 23, 2016. This entity is owned by Julie Hardridge, the sister-in-law of Christopher Pappas.

The Company purchases products from ConAgra Foods, Inc. of which Steve Goldstone, a Director of the Company, is the Chairman. Mr. Goldstone became a director of the Company on March 7, 2016. The Company purchased approximately $191 and $249 worth of products from ConAgra Foods, Inc. during the thirteen weeks ended September 29, 2017 and September 23, 2016, respectively, and $545 and $249, respectively, during the thirty-nine weeks ended September 29, 2017 and September 23, 2016.

With the acquisition of Del Monte, the Company acquired two warehouse facility leases that the Company leases from certain prior owners of Del Monte. Two of the owners are current employees, one of whom, John DeBenedetti, serves on the Company's board of directors. The first property is located in American Canyon, CA and is owned by TJ Management Co. LLC, an entity owned 50% by John DeBenedetti. The Company paid rent on this facility totaling $54 and $53, respectively, for the thirteen weeks ended September 29, 2017 and September 23, 2016 and $161 and $158, respectively, during the thirty-nine weeks ended September 29, 2017 and September 23, 2016. The second property is located in West Sacramento, CA and is owned by David DeBenedetti and Victoria DeBenedetti, the parents of John DeBenedetti. The Company paid rent on this facility totaling $58 and $57, respectively, for the thirteen weeks ended September 29, 2017 and September 23, 2016 and $172 and $169, respectively, during the thirty-nine weeks September 29, 2017 and September 23, 2016. John DeBenedetti and Victoria DeBenedetti are employees of a subsidiary of the Company.

John DeBenedetti, indirectly through TJ Investments, LLC, owns a 8.33% ownership interest in Old World Provisions, which supplies products to the Company since the Del Monte acquisition. The Company purchased approximately $208 and $169, respectively, of products during the thirteen weeks ended September 29, 2017 and September 23, 2016 and $636 and $306, respectively, during the thirty-nine weeks ended September 29, 2017 and September 23, 2016. Mr. J. DeBenedetti is not involved in the day-to-day management of Old World Provisions.

John Pappas's brother-in-law, Constantine Papataros, is one of the Company's employees. The Company paid him approximately $48 and $37 in total compensation, respectively, for the thirteen weeks ended September 29, 2017 and September 23, 2016 and $140 and $125, respectively, during the thirty-nine weeks ended September 29, 2017 and September 23, 2016. Christopher Pappas's brother, John Pappas, is one of the Company's employees and a member of the Company's Board of Directors. The Company paid John Pappas approximately $99 and $99 in total compensation, respectively, for the thirteen weeks ended September 29, 2017 and September 23, 2016 and $494 and $454, respectively, during the thirty-nine weeks ended September 29, 2017 and September 23, 2016. John Pappas did not receive any compensation during the thirty-nine weeks ended September 29, 2017 or September 23, 2016 for his service on the Company's Board of Directors. Tara Brennan, the domestic partner of John DeBennedetti, is an employee of the Company and was paid approximately $45 for the thirteen weeks ended September 29, 2017 and September 23, 2016 and $135 during the thirty-nine weeks ended September 29, 2017 and September 23, 2016.

An entity owned 50% by John Couri, a director of the Company, and of which Messrs. C. Pappas and S. Hanson (also directors of the Company) previously held ownership interests, owns an interest in an aircraft that the Company uses for business purposes in the course of its operations. Mr. Couri paid for his ownership interest in the aircraft himself and bears his share of all operating, personnel and maintenance costs associated with the operation of this aircraft. This related party relationship ended during the fourth quarter of fiscal 2016. The Company made no payments during the thirteen weeks ended September 29, 2017 and September 23, 2016 and $36 during the thirty-nine weeks ended September 29, 2017 for use of such aircraft in the fourth quarter of fiscal 2016. The Company paid $7 during the thirty-nine weeks ended September 23, 2016 for the use of such aircraft.

Note 12 Supplemental Disclosures of Cash Flow Information

	Thirty-nine Weeks Ended	
	September 29, 2017	September 23, 2016
Supplemental cash flow disclosures:		
Cash paid for income taxes, net of cash received	$ 500	$ 7,976
Cash paid for interest	$ 14,664	$ 10,759
Non cash financing activities:		
Sinking funds used to retire debt	$ 2,939	$ —
Non-cash investing activity:		
Contingent earn-out liabilities for acquisitions	$ 4,500	$ 500
Acquisition purchase price payable	$ —	$ 500
Common stock issued for acquisitions	$ 3,300	$ —

Note 13 Commitments and Contingencies

Until February 29, 2016, the Company sublet a distribution facility from TCW (an entity controlled by the Company's founders). TCW leases the distribution center from the New York City Industrial Development Agency. In connection with this sublease arrangement and TCW's obligations under a related mortgage to its mortgage lender, the Company, Dairyland and another of the Company's subsidiaries initially were required to act as guarantors of TCW's mortgage obligation on the distribution center. The mortgage payoff date is December 2029 and the potential obligation under this guarantee totaled $5,120 at September 29, 2017. By agreement dated July 1, 2005, the lender released the Company and its subsidiaries from their guaranty obligations, provided the sublease between Dairyland and TCW remained in full force and effect. As of February 29, 2016, Dairyland exited the sublease arrangement with TCW, triggering the guarantee obligation. The Company believes that the fair value of the building securing the mortgage more than offsets any potential obligation. In addition, TCW is actively pursuing business strategies that upon completion will unconditionally and fully release the Company from any guaranty of TCW's mortgage loan.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is provided as a supplement to the accompanying consolidated financial statements and footnotes to help provide an understanding of our financial condition, changes in our financial condition and results of operations. The following discussion should be read in conjunction with information included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission ("SEC") on March 10, 2017. Unless otherwise indicated, the terms Company, Chefs' Warehouse, we, us and our refer to The Chefs' Warehouse, Inc. and its subsidiaries. All dollar amounts are in thousands.

OVERVIEW

We are a premier distributor of specialty foods in eight of the leading culinary markets in the United States. We offer more than 43,000 SKUs, ranging from high-quality specialty foods and ingredients to basic ingredients and staples and center-of-the-plate proteins. We serve more than 28,000 customer locations, primarily located in our 15 geographic markets across the United States and Canada, and the majority of our customers are independent restaurants and fine dining establishments. As a result of our acquisition of Allen Brothers, we also sell certain of our center-of-the-plate products directly to consumers.

We believe several key differentiating factors of our business model have enabled us to execute our strategy consistently and profitably across our expanding customer base. These factors consist of a portfolio of distinctive and hard-to-find specialty food products, an extensive selection of center-of-the-plate proteins, a highly trained and motivated sales force, strong sourcing capabilities, a fully integrated warehouse management system, a highly sophisticated distribution and logistics platform and a focused, seasoned management team.

In recent years, our sales to existing and new customers have increased through the continued growth in demand for specialty food products and center-of-the-plate products in general; increased market share driven by our large percentage of sophisticated and experienced sales professionals, our high-quality customer service and our extensive breadth and depth of product offerings; the acquisition of other specialty food and center-of-the-plate distributors; the expansion of our existing distribution centers; our entry into new distribution centers, including the construction of a new distribution center and our acquisition of MT Food in Chicago; and the import and sale of our proprietary brands. Through these efforts, we believe that we have been able to expand our customer base, enhance and diversify our product selections, broaden our geographic penetration and increase our market share.

RECENT ACQUISITIONS

On August 25, 2017, the Company entered into an asset purchase agreement to acquire substantially all of the assets of Fells Point, a specialty protein manufacturer and distributor based in the metro Baltimore and Washington DC area. The aggregate purchase price for the transaction at acquisition date was approximately $33,022, including the impact of an initial net working capital adjustment which is subject to a post-closing working capital adjustment true up. Approximately $29,722 was paid in cash at closing and the remaining $3,300 consisted of 185,442 shares of the Company's common stock.

On June 27, 2016, the Company acquired substantially all the assets of MT Food, a specialty food distributor based out of Chicago, IL. The aggregate purchase price for the transaction at acquisition date was $22,000, including an additional $500 payable eighteen months after the closing date and an earn-out of $500, paid during the second quarter of fiscal 2017. The final aggregate purchase price is subject to the impact of a customary net working capital true-up.

Our Growth Strategies and Outlook

We continue to invest in our people, facilities and technology in an effort to achieve the following objectives and maintain our premier position within the specialty foodservice distribution market:

- sales and service territory expansion;
- operational excellence and high customer service levels;
- expanded purchasing programs and improved buying power;
- product innovation and new product category introduction;
- operational efficiencies through system enhancements; and
- operating expense reduction through the centralization of general and administrative functions.

Our growth has allowed us to improve upon our organization's infrastructure, open new distribution facilities and pursue selective acquisitions. Over the last several years, we have increased our distribution capacity to approximately 1.3 million square feet in 25 distribution facilities at September 29, 2017. From the second half of fiscal 2013 through the third quarter of fiscal 2017, we have invested significantly in acquisitions, infrastructure and management.

Key Factors Affecting Our Performance

Due to our focus on menu-driven independent restaurants, fine dining establishments, country clubs, hotels, caterers, culinary schools, bakeries, patisseries, chocolatiers, cruise lines, casinos and specialty food stores, our results of operations are materially impacted by the success of the food-away-from-home industry in the United States and Canada, which is materially impacted by general economic conditions, weather, discretionary spending levels and consumer confidence. When economic conditions deteriorate, our customers businesses are negatively impacted as fewer people eat away-from-home and those who do spend less money. As economic conditions begin to improve, our customers' businesses historically have likewise improved, which contributes to improvements in our business. Likewise, the direct-to-consumer business of our Allen Brothers subsidiary is significantly dependent on consumers' discretionary spending habits, and weakness or uncertainty in the economy could lead to consumers buying less from Allen Brothers.

Volatile food costs may have a direct impact upon our profitability. Prolonged periods of product cost inflation may have a negative impact on our profit margins and results of operations to the extent we are unable to pass on all or a portion of such product cost increases to our customers. In addition, product cost inflation may negatively impact consumer discretionary spending decisions within our customers' establishments, which could adversely impact our sales. Conversely, our profit levels may be negatively impacted during periods of product cost deflation even though our gross profit as a percentage of sales may remain relatively constant. However, some of our products, particularly certain of our protein items, are priced on a cost plus a dollar markup, which helps mitigate the negative impact of deflation.

Given our wide selection of product categories, as well as the continuous introduction of new products, we can experience shifts in product sales mix that have an impact on net sales and gross profit margins. This mix shift is most significantly impacted by the introduction of new categories of products in markets that we have more recently entered, the shift in product mix resulting from acquisitions, as well as the continued growth in item penetration on higher velocity items such as dairy products.

The foodservice distribution industry is fragmented but consolidating, and we have supplemented our internal growth through selective strategic acquisitions. We believe that the consolidation trends in the foodservice distribution industry will continue to present acquisition opportunities for us, which may allow us to grow our business at a faster pace than we would otherwise be able to grow the business organically.

RESULTS OF OPERATIONS

The following table presents, for the periods indicated, certain income and expense items expressed as a percentage of net sales:

	Thirteen Weeks Ended		Thirty-nine Weeks Ended	
	September 29, 2017	September 23, 2016	September 29, 2017	September 23, 2016
Net sales	100.0%	100.0%	100.0%	100.0 %
Cost of sales	75.1%	75.0%	74.9%	75.0 %
Gross profit	24.9%	25.0%	25.1%	25.0 %
Operating expenses	21.7%	22.2%	22.4%	22.0 %
Operating income	3.2%	2.8%	2.7%	3.0 %
Other expense	1.7%	2.0%	1.8%	4.2 %
Income (loss) before income tax expense	1.5%	0.8%	0.9%	(1.2)%
Provision for income taxes	0.6%	0.3%	0.4%	(0.5)%
Net income (loss)	0.9%	0.5%	0.5%	(0.7)%

Management evaluates the results of operations and cash flows using a variety of key performance indicators, including net sales compared to prior periods and internal forecasts, costs of our products and results of our cost-control initiatives, and use of operating cash. These indicators are discussed throughout the Results of Operations and Liquidity and Capital Resources sections of this MD&A.

Thirteen Weeks Ended September 29, 2017 Compared to Thirteen Weeks Ended September 23, 2016

Net Sales

Our net sales for the thirteen weeks ended September 29, 2017 increased approximately 9.1%, or $27,159, to $325,076 from $297,917 for the thirteen weeks ended September 23, 2016. Organic growth contributed $21,344, or 7.2% to sales growth in the quarter. The remaining sales growth of $5,815, or 1.9% resulted from the acquisition of Fells Point on August 25, 2017. Organic case count grew approximately 3.6%, in our specialty division, which net of the expected attrition from our MT Food fold-in acquisition in Chicago was 5.2%. In addition, adjusted growth in unique customers and placements grew 4.4% and 5.4%, respectively, compared to the prior year quarter. Pounds sold in our protein division declined 1.2% compared to the prior year earlier quarter, impacted in part by the impact of both hurricanes Harvey and Irma. Estimated inflation continued its sequential increase and was 5.3% and 5.1% in our specialty and protein divisions, respectively.

Gross Profit

Gross profit increased approximately 8.8%, or $6,513, to $80,905 for the thirteen weeks ended September 29, 2017, from $74,392 for the thirteen weeks ended September 23, 2016. Gross profit margin decreased approximately 8 basis points to 24.9% from 25.0%, due in large part to the impact of inflation. Gross margins in the Company's specialty division decreased 12 basis points and decreased 3 basis points in the Company's protein division compared to the prior year quarter.

Operating Expenses

Total operating expenses increased by approximately 6.5%, or $4,305, to $70,411 for the thirteen weeks ended September 29, 2017 from $66,106 for the thirteen weeks ended September 23, 2016. As a percentage of net sales, operating expenses were 21.7% in the second quarter of 2017 compared to 22.2% in the second quarter of 2016. The 54 basis point decrease in the Company’s operating expense ratio is due largely to better utilization of the Company's warehouse facilities, 20 basis points, favorable warehouse and selling labor costs, 16 basis points, and depreciation and amortization expense, 22 basis points, offset in part by higher compensation costs related to the Company's management infrastructure, 25 basis points.

Operating Income

Operating income for the thirteen weeks ended September 29, 2017 was $10,494 compared to $8,286 for the thirteen weeks ended September 23, 2016. As a percentage of net sales, operating income was 3.2% for the thirteen weeks ended September 29, 2017 compared to 2.8% for the thirteen weeks ended September 23, 2016. The increase in operating income was driven primarily from the higher gross profit discussed above, partially offset by higher operating expenses.

Interest Expense

Total interest expense decreased to $5,593 for the thirteen weeks ended September 29, 2017 compared to $5,947 for the thirteen weeks ended September 23, 2016 due primarily to a reduction in interest rates charged on the Company's outstanding debt.

Provision for Income Taxes

For the thirteen weeks ended September 29, 2017, we recorded an effective income tax rate of 41.7%. For the thirteen weeks ended September 23, 2016, our effective income tax rate was 41.6%.

Net Income

Reflecting the factors described above, net income was $2,851 for the thirteen weeks ended September 29, 2017, compared to net income of $1,343 for the thirteen weeks ended September 23, 2016.

Thirty-nine Weeks Ended September 29, 2017 Compared to Thirty-nine Weeks Ended September 23, 2016

Net Sales

Our net sales for the thirty-nine weeks ended September 29, 2017 increased approximately 11.1%, or $94,460, to $944,422 from $849,962 for the thirty-nine weeks ended September 23, 2016. Organic growth contributed $65,401, or 7.7% to sales growth in the quarter. The remaining sales growth resulted from the acquisition of MT Food on June 27, 2016, $23,244 or 2.7%, and from the acquisition of Fells Point on August 25, 2017, $5,815 or 0.7%. Compared to the 2016 period, organic case count grew approximately 5.9%, while the number of unique customers and placements grew 4.6% and 5.8%, respectively, in our specialty business in the first thirty nine weeks of 2017. Pounds sold in our protein division increased 0.4% for the first thirty-nine weeks of 2017 compared to the prior year. Internally calculated inflation was approximately 3.2% during the 2017 period, consisting of 3.7% inflation in our specialty division and 2.5% in our protein division.

Gross Profit

Gross profit increased approximately 11.9%, or $25,252, to $237,405 for the thirty-nine weeks ended September 29, 2017, from $212,153 for the thirty-nine weeks ended September 23, 2016. Gross profit margin increased approximately 18 basis points to 25.1% from 25.0%. Gross profit margins increased approximately 1 basis point in our specialty division. Gross profit margins increased approximately 14 basis points in our protein division.

Operating Expenses

Total operating expenses increased by approximately 13.0%, or $24,309, to $211,627 for the thirty-nine weeks ended September 29, 2017 from $187,318 for the thirty-nine weeks ended September 23, 2016. As a percentage of net sales, operating expenses were 22.4% in the thirty-nine weeks ended September 29, 2017 compared to 22.0% in the thirty-nine weeks ended September 23, 2016. The increase in the Company's operating expense ratio of 37 basis points is largely attributable to the impact of prior year gains upon the reduction of the Company's earn-out liabilities, 22 basis points, and investments in additional management personnel, 36 basis points, partially offset by better utilization of the Company's warehouse facilities, 15 basis points.

Operating Income

Operating income for the thirty-nine weeks ended September 29, 2017 was $25,778 compared to $24,835 for the thirty-nine weeks ended September 23, 2016. As a percentage of net sales, operating income was 2.7% for the thirty-nine weeks ended September 29, 2017 compared to 3.0% for the thirty-nine weeks ended September 23, 2016. The increase in operating income was driven primarily from the higher gross profit discussed above partially offset by higher operating expenses.

Interest Expense

Total interest expense decreased to $17,406 for the thirty-nine weeks ended September 29, 2017 compared to $35,271 for the thirty-nine weeks ended September 23, 2016 due primarily to the prior year $22,310 prepayment penalty associated with the Company's debt refinancing in June 2016. This decrease was partially offset by increased interest expense due to higher levels of debt associated with that refinancing.

Provision for Income Taxes

For the thirty-nine weeks ended September 29, 2017, we recorded an effective income tax rate of 41.6%. For the thirty-nine weeks ended September 23, 2016, our effective income tax rate was 41.6%.

Net Income (Loss)

Reflecting the factors described above, net income was $4,883 for the thirty-nine weeks ended September 29, 2017, compared to net loss of $(6,119) for the thirty-nine weeks ended September 23, 2016.

Product Category Sales Mix

The sales mix for the principal product categories for thirteen weeks and thirty-nine weeks ended September 29, 2017 and September 23, 2016 is as follows (dollars in thousands):

	Thirteen Weeks Ended				Thirty-nine Weeks Ended			
	September 29, 2017		September 23, 2016		September 29, 2017		September 23, 2016	
Center of the Plate	$ 151,062	47%	$ 146,552	49%	$ 440,556	47%	$ 416,327	49%
Dry Goods	56,442	17%	49,488	17%	164,023	17%	142,961	17%
Pastry	43,654	13%	38,938	13%	128,483	14%	112,732	13%
Cheese	25,796	8%	23,838	8%	74,544	8%	66,774	8%
Dairy	23,294	7%	17,926	6%	65,324	7%	51,935	6%
Oils and Vinegar	18,360	6%	16,211	5%	53,154	6%	45,508	5%
Kitchen Supplies	6,468	2%	4,964	2%	18,338	1%	13,725	2%
Total	$ 325,076	100%	$ 297,917	100%	$ 944,422	100%	$ 849,962	100%

LIQUIDITY AND CAPITAL RESOURCES

We finance our day-to-day operations and growth primarily with cash flows from operations, borrowings under our senior secured credit facilities, operating leases, trade payables and bank indebtedness.

Senior Secured Term Loan Credit Facility

On June 22, 2016, Chefs' Warehouse Parent, LLC ("CW Parent") and Dairyland USA Corporation ("Dairyland"), as co-borrowers, and The Chefs' Warehouse, Inc. (the "Company") and certain other subsidiaries of the Company, as guarantors, entered into a credit agreement (the "Term Loan Credit Agreement") with a group of lenders for which Jefferies Finance LLC ("Jefferies") acts as administrative agent and collateral agent. The Term Loan Credit Agreement provides for a senior secured term loan B facility (the "Term Loan Facility") in an aggregate amount of $305,000 with a $50,000 six-month delayed draw term loan facility (the "DDTL"; the loans outstanding under the Term Loan Facility (including the DDTL), the "Term Loans"). Additionally, the Term Loan Facility includes an accordion which permits the Company to request that the lenders extend additional Term Loans in an aggregate principal amount of up to $50,000 (less the aggregate amount of certain indebtedness incurred to finance acquisitions) plus an unlimited amount Subject to the Company's consolidated Total Leverage Ration not exceeding 4.90:1.00 on a pro forma basis. Borrowings under the Term Loan Facility were used to repay the Company's senior secured notes, as well as the prior term loan and revolving credit facility. Remaining funds will be used for capital expenditures, permitted acquisitions, working capital and general corporate purposes of the Company. On June 27, 2016, the Company drew $14,000 from the DDTL to help pay for the MT Food acquisition. On September 14, 2016, the Company entered into an amendment to the Term Loan Credit Agreement under which the remaining portion of the DDTL was terminated, the Company's interest rate schedule was modified and the Company repaid $25,000 of the outstanding balance of the Term Loans. The interest rate on this facility at September 29, 2017 was 5.99%.

The final maturity of the Term Loan Facility is June 22, 2022. Subject to adjustment for prepayments, the Company is required to make quarterly amortization payments on the Term Loans in an amount equal to 0.25% of the aggregate principal amount of the Term Loans.

The interest rates per annum applicable to Term Loans, will be, at the co-borrowers' option, equal to either a base rate or an adjusted LIBO rate for one, two, three, six or (if consented to by the lenders) twelve-month interest periods chosen by the Company, in each case plus an applicable margin percentage. A commitment fee is payable in respect of the amount of the undrawn DDTL commitments during the period the DDTL is available, equal to a percentage equal to 50% of the interest rate with respect to Term Loans accruing interest based on the adjusted LIBO rate.

The Term Loan Facility contains customary affirmative covenants, negative covenants (including restrictions, subject to customary exceptions, on incurring debt or liens, paying dividends, repaying payment subordinated and junior lien debt, disposing assets, and making investments and acquisitions), and events of default for a term loan B facility of this type, as more particularly described in the Term Loan Credit Agreement.

As of September 29, 2017, the Company was in compliance with all debt covenants under the Term Loan Facility.

Asset Based Loan Facility

On June 22, 2016, the Company entered into a credit agreement (the "ABL Credit Agreement") with a group of lenders for which JPMorgan Chase Bank, N.A., acts as administrative agent and collateral agent. The ABL Credit Agreement provides for an asset based loan facility (the "ABL Facility") in the aggregate amount of up to $75,000. Availability under the ABL Facility will be limited to a borrowing base consisting of the difference of (a) the lesser of: (i) the aggregate amount of commitments or (ii) the sum of specified percentages of eligible receivables and eligible inventory, minus certain availability reserves minus (b) outstanding borrowings. The co-borrowers under the ABL Facility are entitled on one or more occasions, subject to the satisfaction of certain conditions, to request an increase in the commitments under the ABL Facility in an aggregate principal amount of up to $25,000. The ABL Facility matures on June 22, 2021.

The interest rates per annum applicable to loans, other than swingline loans, under the ABL Credit Facility will be, at the co-borrowers' option, equal to either a base rate or an adjusted LIBO rate for one, two, three, six or (if consented to by the lenders) twelve-month, interest periods chosen by the Company, in each case plus an applicable margin percentage. The Company will pay certain recurring fees with respect to the ABL Facility, including fees on the unused commitments of the lenders.The ABL Facility contains customary affirmative covenants, negative covenants and events of default as more particularly described in the ABL Credit Agreement. The ABL Facility will require compliance with a minimum consolidated fixed charge coverage ratio of 1:1 if the amount of availability under the ABL Facility falls below a specified dollar amount or percentage of the borrowing base.

There were no outstanding balances under the ABL as of September 29, 2017. Borrowings under the ABL Facility will be used, and are expected to be used, for capital expenditures, permitted acquisitions, working capital and general corporate purposes of the Company. As of September 29, 2017, the Company was in compliance with all debt covenants and the Company had reserved $9,545 of the ABL facility for the issuance of letters of credit. As of September 29, 2017, funds totaling $65,455 were available for borrowing under the ABL facility.

Convertible Subordinated Notes

On April 6, 2015, the Company issued $36,750 principal amount of convertible subordinated notes with a six-year maturity bearing interest at 2.5% and a conversion price of $29.70 per share (the “Convertible Subordinated Notes”) to certain of the Del Monte entities as partial consideration in the Del Monte acquisition. The holders of the Convertible Subordinated Notes may, in certain instances beginning one year after issuance, redeem the Convertible Subordinated Notes for cash or shares of the Company’s common stock. Moreover, the Company may, at its discretion, pay the outstanding principal amount due and owing under the Convertible Subordinated Notes at maturity in either cash or shares of the Company’s common stock. Interest is payable annually in cash with the first interest payment due on April 6, 2016. The Convertible Subordinated Notes, which are subordinate to the Company’s and its subsidiaries’ senior debt, are convertible into shares of the Company’s common stock by the holders at any time at a conversion price of $29.70.

Liquidity

We believe our capital expenditures, excluding cash paid for acquisitions, for fiscal 2017 will be approximately $12,000. The significant decrease in projected capital expenditures in fiscal 2017 as compared to fiscal 2016 is the result of the completion of the renovation and expansion of our new Bronx, NY and Las Vegas, NV distribution facilities. Recurring capital expenditures will be financed with cash generated from operations and borrowings under our ABL Facility. Our planned capital projects will provide both new and expanded facilities and improvements to our technology that we believe will produce increased efficiency and the capacity to continue to support the growth of our customer base. Future investments and acquisitions will be financed through either internally generated cash flow, borrowings under our senior secured credit facilities in place at the time of the potential investment or acquisition or through the issuance of equity or debt securities, including, but not limited to, longer-term, fixed-rate debt securities and shares of our common stock.

On August 25, 2017, the Company entered into an asset purchase agreement to acquire substantially all of the assets of Fells Point, a specialty protein manufacturer and distributor based in the metro Baltimore and Washington DC area. The aggregate purchase price for the transaction at acquisition date was approximately $33,022, including the impact of an initial net working capital adjustment which is subject to a post-closing working capital adjustment true up. Approximately $29,722 was paid in cash at closing and the remaining $3,300 consisted of 185,442 shares of the Company's common stock.

On June 27, 2016, the Company acquired substantially all the assets of MT Food, a specialty food distributor based out of Chicago, IL. The aggregate cash purchase price for the transaction at acquisition date was $21,000, exclusive of an additional $500 payable eighteen months after the closing date and an earn-out of $500, paid during the second quarter of fiscal 2017. The final aggregate purchase price was subject to the impact of a customary net working capital true-up. In October 2017, the Company settled the net working capital true-up with a payment of $447 to the former owners of MT Food. The acquisition was paid for with cash on hand and drawdown of our delayed draw term loan facility.

On April 26, 2017, the Company repaid its New Markets Tax Credit Loan in full, inclusive of accrued interest outstanding, for $11,009, of which, $8,070 was paid in cash and $2,939 was paid from the associated sinking fund.

Net cash provided by operations was $23,203 for the thirty-nine weeks ended September 29, 2017, an increase of $1,995 from the $21,208 provided by operations for the thirty-nine weeks ended September 23, 2016. The primary reasons for the increase in net cash provided by operations was cash generated by working capital changes, partially offset by decreased cash generated through net income. The increase in cash provided by changes in working capital was primarily due to increases in cash provided by accounts payable changes and prepaid expenses and other current assets changes of $28,854 and $17,280, respectively, partially offset by an increase in cash used in accounts receivable changes and inventory changes of $10,387 and $25,369, respectively. During the first thirty-nine weeks of fiscal 2017 net income increased by $11,002. The primary cause for this increase in net income was a decrease in interest expense of $17,865 as a result of our debt refinancing on June 22, 2016, the cash impact of which is reflected as financing activity.

Net cash used in investing activities was $39,582 for the thirty-nine weeks ended September 29, 2017, an increase of $8,308 from the net cash used in investing activities of $31,274 for the thirty-nine weeks ended September 23, 2016. The increase in net cash used was primarily due to the Fells Point acquisition partially offset by lower capital expenditures.

Net used in financing activities was $12,596 for the thirty-nine weeks ended September 29, 2017, a increase of $46,247 from the $33,651 provided by financing activities for the thirty-nine weeks ended September 23, 2016. This increase was primarily due to the cash generated by our debt refinancing on June 22, 2016 offset by net payments of $93,382 on our revolving credit facility in the thirty-nine weeks ended September 23, 2016 and the repayment of the New Markets Tax credit Loan in the second quarter of 2017.

Seasonality

Excluding our direct-to-consumer business, we generally do not experience any material seasonality. However, our sales and operating results may vary from quarter to quarter due to factors such as changes in our operating expenses, management's ability to execute our operating and growth strategies, personnel changes, demand for our products, supply shortages, weather patterns and general economic conditions.

Our direct-to-consumer business is subject to seasonal fluctuations, with direct-to-consumer center-of-the-plate protein sales typically higher during the holiday season in our fourth quarter; accordingly, a disproportionate amount of operating cash flows from this portion of our business is generated by our direct-to-consumer business in the fourth quarter of our fiscal year. Despite a significant portion of these sales occurring in the fourth quarter, there are operating expenses, principally advertising and promotional expenses, throughout the year.

Inflation

Our profitability is dependent on, among other things, our ability to anticipate and react to changes in the costs of key operating resources, including food and other raw materials, labor, energy and other supplies and services. Substantial increases in costs and expenses could impact our operating results to the extent that such increases cannot be passed along to our customers. The impact of inflation and deflation on food, labor, energy and occupancy costs can significantly affect the profitability of our operations.

Off-Balance Sheet Arrangements

As of September 29, 2017, we did not have any off-balance sheet arrangements, as defined in Item 303(a)(4)(ii) of Regulation S-K.

Critical Accounting Policies and Estimates

The preparation of the Company's consolidated financial statements requires it to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. The SEC has defined critical accounting policies as those that are both most important to the portrayal of the Company's financial condition and results and require its most difficult, complex or subjective judgments or estimates. Based on this definition, we believe our critical accounting policies include the following: (i) determining the allowance for doubtful accounts, (ii) inventory valuation, with regard to determining the reserve for excess and obsolete inventory, (iii) valuing goodwill and intangible assets, (iv) vendor rebates and other promotional incentives, (v) self-insurance reserves, (vi) accounting for income taxes and (vii) contingent earn-out liabilities. There have been no material changes to our critical accounting policies and estimates as compared to our critical accounting policies and estimates described in the Form 10-K filed with the SEC on March 10, 2017.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

As of September 29, 2017, we had $289.2 million of indebtedness outstanding under the Senior Secured Term Loan and $1.0 million outstanding under a software financing agreement that bore interest at variable rates. A 100 basis point increase in market interest rates would decrease our after tax earnings by approximately $1.7 million per annum, holding other variables constant.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Securities Exchange Act of 1934, as amended (the Exchange Act), as of the end of the period covered by this Form 10-Q. The evaluation included certain internal control areas in which we have made and are continuing to make changes to improve and enhance controls. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Based on that evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective at the end of the period covered by this Form 10-Q to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the most recent fiscal period that may have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are involved in legal proceedings, claims and litigation arising out of the ordinary conduct of our business. Although we cannot assure the outcome, management presently believes that the result of such legal proceedings, either individually or in the aggregate, will not have a material adverse effect on our consolidated financial statements, and no material amounts have been accrued in our consolidated financial statements with respect to these matters.

ITEM 1A. RISK FACTORS

There has been no material changes with respect to the risk factors disclosed in our Annual Report on Form 10-K filed with the SEC on March 10, 2017.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

	Total Number of Shares Repurchased(1)		Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares That May Yet Be Purchased Under the Plans or Programs
July 1, 2017 to July 28, 2017	7,006	$	12.97	—	—
July 29, 2017 to August 25, 2017	2,782	$	16.32	—	—
August 26, 2017 to September 29, 2017	—	$	—	—	—
Total	9,788	$	13.93	—	—

(1) During the thirteen weeks ended September 29, 2017, we withheld 9,788 shares to satisfy tax withholding requirements upon the vesting of restricted shares of our common stock awarded to our officers and key employees.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit No.	Description
10.1	Amendment No. 1, dated as of September 1, 2017, to the Credit Agreement dated as of June 22, 2016, among Chefs' Warehouse Parent, LLC and Dairyland USA Corporation, as Borrowers, and The Chefs' Warehouse, Inc., The Chefs' Warehouse Mid-Atlantic, LLC, Bel Canto Foods, LLC, The Chefs' Warehouse West Coast, LLC, The Chefs' Warehouse Of Florida, LLC, Michael's Finer Meats, LLC, Michael's Finer Meats Holdings, LLC, The Chefs' Warehouse Midwest, LLC, and other Loan Parties party thereto as Guarantors, the Lenders party thereto, JPMorgan Chase Bank, N.A., as Sole Lead Arranger and Sole Bookrunner, and Administrative Agent, and Wells Fargo Bank, N.A., Bank of America, N.A. and BMO Harris Bank N.A.as Co-Syndication Agents.
10.2	Amendment No. 2, dated as of September 1, 2017, to the Credit Agreement dated as of June 22, 2016, among Dairyland USA Corporation and Chefs' Warehouse Parent, LLC, as Borrowers, and The Chefs' Warehouse, Inc. and the other Loan Parties party thereto, as Guarantors, the Lenders party thereto, Jefferies Finance LLC, as Joint Lead Arranger and Joint Bookrunner, Administrative Agent and Collateral Agent, and BMO Capital Markets Corp., JPMorgan Chase Bank, N.A. and Wells Fargo Securities, LLC, as Joint Lead Arrangers and Joint Bookrunners.
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized on November 8, 2017.

THE CHEFS' WAREHOUSE, INC.
(Registrant)

	November 8, 2017	/s/ John D. Austin
Date		**John D. Austin** Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

AMENDMENT NO. 1

Dated as of September 1, 2017

to

CREDIT AGREEMENT

THIS AMENDMENT NO. 1 (this "Amendment") is made as of September 1, 2017 by and among Dairyland USA Corporation, a New York corporation ("Dairyland"), Chefs' Warehouse Parent, LLC, a Delaware limited liability company ("CW Parent" and, together with Dairyland, the "Borrowers"), the financial institutions listed on the signature pages hereof and JPMorgan Chase Bank, N.A., as Administrative Agent (in such capacity, the "Administrative Agent"), under that certain Credit Agreement dated as of June 22, 2016, by and among the Borrowers, the other Loan Parties party thereto, the Lenders and the Administrative Agent (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to them in the Credit Agreement.

WHEREAS, the Borrowers have requested that the requisite Lenders and the Administrative Agent agree to certain amendments to the Credit Agreement, as more fully described herein; and

WHEREAS, the Borrowers, the Lenders party hereto and the Administrative Agent have so agreed on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrowers, the Lenders party hereto and the Administrative Agent hereby agree to enter into this Amendment.

1. Amendments to the Credit Agreement. Upon the satisfaction of the conditions precedent set forth in Section 2 below, the parties hereto agree that the Credit Agreement shall be amended as follows:

(a) The definition of "Excluded Subsidiary" set forth in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

> "Excluded Subsidiary" means each of (i) Dairyland HP, so long as such entity is a single purpose real estate holding entity and an obligor under the New Markets Tax Credit Financing and (ii) any Insurance Subsidiaries (including any trust established by any such Insurance Subsidiary as grantor pursuant to applicable insurance regulations).

(b) Section 1.01 of the Credit Agreement is hereby amended to add the following new definition in the appropriate alphabetical order:

> "Insurance Subsidiary" has the meaning assigned to such term in Section 6.04(r).

(c) The definition of "Issuing Bank Sublimits" set forth in Section 1.01 of the Credit Agreement is hereby amended to replace the figure "$15,000,000" set forth therein with the figure

"$25,000,000".

(d) The definition of "Pledge Subsidiary" set forth in Section 1.01 of the Credit Agreement is hereby amended to replace the phrase "the Excluded Subsidiary" with "any Excluded Subsidiary".

(e) Section 2.06(b) of the Credit Agreement is hereby amended to replace each reference to the figure "$15,000,000" set forth therein with the figure "$25,000,000".

(f) Section 5.10 of the Credit Agreement is hereby amended to replace the first sentence of subsection (a) thereof with the following:

> Each Loan Party will, and will cause each Subsidiary to, maintain with financially sound and reputable third-party carriers having a financial strength rating of at least A- by A.M. Best Company (a) insurance in such amounts and against such risks (including loss or damage by fire and loss in transit; theft, burglary, pilferage, larceny, embezzlement, and other criminal activities; business interruption; and general liability) and such other hazards, in each case, after giving effect to any self-insurance programs, as is customarily maintained by companies of established repute engaged in the same or similar businesses operating in the same or similar locations and (b) all insurance required pursuant to the Collateral Documents; provided that Holdings, the Borrowers and their Subsidiaries may self-insure to the extent consistent with prudent business practice.

(g) Section 5.14 of the Credit Agreement is hereby amended to replace the words "and Dairyland HP at such time that Dairyland HP no longer constitutes an Excluded Subsidiary" appearing in the first sentence of subsection (a) thereof with "and any Excluded Subsidiary at such time that it no longer constitutes an Excluded Subsidiary".

(h) Section 6.01(g) of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

> (g) Indebtedness (i) owed to any Person providing workers' compensation, health, disability or other employee benefits or property, casualty or liability insurance, pursuant to reimbursement or indemnification obligations to such Person, and (ii) consisting of the financing of insurance premiums, in each case, incurred in the ordinary course of business;

(i) Section 6.02 of the Credit Agreement is hereby amended to add the following new clause (s) thereto (and to make any related punctuation and grammatical changes as a result thereof):

> (s) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto.

(j) Section 6.04 of the Credit Agreement is hereby amended to add the following new clauses (r) and (s) thereto immediately prior to existing clause (r) thereof (and to make any related punctuation and grammatical changes as a result thereof):

> (r)(i) any investment in fixed income or other assets by any Subsidiary that is a so-called "captive" insurance company (each, an "Insurance Subsidiary") in connection with its provision of insurance to Holdings, the Borrowers or any of

their Subsidiaries, which investment is made in the ordinary course of business or consistent with industry practice of such Insurance Subsidiary or by reason of applicable law, rule, regulation or order, or that is required or approved by any regulatory authority having jurisdiction over such Insurance Subsidiary or its business, as applicable (including, without limitation, any such investments held by a trust established by such Insurance Subsidiary as grantor pursuant to applicable insurance regulations), (ii) to the extent the same constitutes investments, insurance arrangements provided by any Insurance Subsidiary (including any trust established by any such Insurance Subsidiary as grantor pursuant to applicable insurance regulations) to Holdings or any of its Subsidiaries and (iii) investments by any Insurance Subsidiary in any trust established by such Insurance Subsidiary as grantor pursuant to applicable insurance regulations;

(s) investments in Insurance Subsidiaries; provided that, the aggregate amount of all such investments made pursuant to this clause (s) shall not exceed
$11,750,000 (as valued at cost at the time each such investment is made); and

(k) Section 6.04(r) of the Credit Agreement is hereby amended by (i) renumbering such clause as clause (t) to Section 6.04, and (ii) amending and restated such clause in its entirety to read as follows:

(t) any other investments (other than Permitted Acquisitions); provided that, both immediately before and immediately after giving pro forma effect to any such investment pursuant to this clause (t), no Event of Default shall have occurred and be continuing and (x) solely in the case of an investment in an Insurance Subsidiary, Availability is greater than the greater of 10% of the Aggregate Commitment and $10,000,000 or (y) in the case of any other investment, the Payment Condition shall be satisfied with respect to such Investment.

(l) Clause (c) of Section 6.09 of the Credit Agreement is hereby amended and restated to read as follows:

(c) (i) transactions involving Insurance Subsidiaries and/or trusts established by Insurance Subsidiaries, including, without limitation, investments in Insurance Subsidiaries and/or trusts established by Insurance Subsidiaries, that are not prohibited by the terms of this Agreement and the other Loan Documents and (ii) other transactions that are expressly permitted by the terms of this Agreement and the other Loan Documents,

2. Conditions of Effectiveness. The effectiveness of this Amendment is subject to the conditions precedent that:

(a) the Administrative Agent shall have received counterparts of this Amendment duly executed by the Borrowers, the Required Lenders and the Administrative Agent;

(b) the Administrative Agent shall have received counterparts of the Consent and Reaffirmation attached as Exhibit A hereto duly executed by the Loan Guarantors;

(c) the Administrative Agent shall have received an executed copy of that certain Second Amendment to Credit Agreement, dated as of the date hereof, by and among the Borrowers, Holdings, the other Loan Parties party thereto, Jefferies Finance LLC, as administrative agent and collateral agent, and the lenders party thereto; and

(d) the Administrative Agent shall have received payment and/or reimbursement of the Administrative Agent's and its affiliates' expenses (including, to the extent invoiced in an invoice dated on or prior to the date hereof, reasonable documented out-of-pocket fees and expenses of counsel for the Administrative Agent) in connection with this Amendment and the other Loan Documents.

3. Representations and Warranties of the Borrowers. Each Borrower hereby represents and warrants as follows:

(a) Each of this Amendment and the Credit Agreement as amended hereby constitutes a legal, valid and binding obligation of such Borrower, enforceable in accordance with its respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(b) As of the date hereof, after giving effect to the terms of this Amendment, (i) no Default or Event of Default has occurred and is continuing and (ii) the representations and warranties of the Loan Parties set forth in the Credit Agreement, as amended hereby, are true and correct in all material respects (provided that any representation or warranty that is qualified by materiality or Material Adverse Effect is true and correct in all respects) except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects (provided that any representation or warranty that is qualified by materiality or Material Adverse Effect shall be true and correct in all respects) as of such earlier date.

4. Reference to and Effect on the Credit Agreement.

(a) Upon the effectiveness hereof, each reference to the Credit Agreement in the Credit Agreement or any other Loan Document shall mean and be a reference to the Credit Agreement as amended hereby.

(b) Each Loan Document and all other documents, instruments and agreements executed and/or delivered in connection therewith shall remain in full force and effect and are hereby ratified and confirmed.

(c) Except with respect to the subject matter hereof, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Administrative Agent or the Lenders, nor constitute a waiver of any provision of the Credit Agreement, the Loan Documents or any other documents, instruments and agreements executed and/or delivered in connection therewith.

(d) This Amendment is a "Loan Document" under (and as defined in) the Credit Agreement.

5. Governing Law. This Amendment shall be governed by and construed in accordance with the internal laws of the State of New York, but giving effect to federal laws applicable to national banks.

6. Headings. Section headings used herein are for convenience of reference only, are not part of this Amendment and shall not affect the construction of, or be taken into consideration in

interpreting, this Amendment.

7. Counterparts. This Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Amendment by telecopy, e-mailed.pdf or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Amendment.

[Signature Pages Follow]

IN WITNESS WHEREOF, this Amendment has been duly executed as of the day and year first above written.

CHEFS' WAREHOUSE PARENT, LLC
DAIRYLAND USA CORPORATION

By /s/ Alexandros Aldous
Name: Alexandros Aldous
Title: General Counsel and Corporate Secretary

JPMORGAN CHASE BANK, N.A.,
individually as a Lender, as the Swingline Lender, as the Issuing Bank and as Administrative Agent

By /s/ Joseph K. Kotusky
Name: Joseph K. Kotusky
Title: Authorized Officer

BANK OF AMERICA, N.A.,
as a Lender

By /s/ Matthew Bourgeois
Name: Matthew Bourgeois
Title: Senior Vice President

BMO HARRIS FINANCING, INC.,
as a Lender

By /s/ Craig Thistlewaite
Name: Craig Thistlewaite
Title: Managing Director

EXHIBIT A

Consent and Reaffirmation

Each of the undersigned hereby acknowledges receipt of a copy of the foregoing Amendment No. 1 to Credit Agreement with respect to that certain Credit Agreement dated as of June 22, 2016 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), by and among Dairyland USA Corporation, a New York corporation ("Dairyland"), Chefs' Warehouse Parent, LLC, a Delaware limited liability company ("CW Parent" and, together with Dairyland, the "Borrowers"), the other Loan Parties party thereto, the financial institutions listed on the signature pages hereof and JPMorgan Chase Bank, N.A., as Administrative Agent (in such capacity, the "Administrative Agent"), which Amendment No. 1 to Credit Agreement is dated as of September 1, 2017 and is by and among the Borrowers, the financial institutions listed on the signature pages thereof and the Administrative Agent (the "Amendment"). Capitalized terms used in this Consent and Reaffirmation and not defined herein shall have the meanings given to them in the Credit Agreement.

Without in any way establishing a course of dealing by the Administrative Agent or any Lender, each of the undersigned consents to the Amendment and reaffirms the terms and conditions of the Loan Guaranty and any other Loan Document executed by it and acknowledges and agrees that the Loan Guaranty and each and every such Loan Document executed by the undersigned in connection with the Credit Agreement remains in full force and effect and is hereby reaffirmed, ratified and confirmed. All references to the Credit Agreement contained in the above-referenced documents shall be a reference to the Credit Agreement as so modified by the Amendment and as the same may from time to time hereafter be amended, modified or restated.

Dated September 1, 2017

[Signature Pages Follow]

IN WITNESS WHEREOF, this Consent and Reaffirmation has been duly executed as of the day and year above written.

CHEFS' WAREHOUSE PARENT, LLC
DAIRYLAND USA CORPORATION

By /s/ Alexandros Aldous
Name: Alexandros Aldous
Title: General Counsel and Corporate Secretary

THE CHEFS' WAREHOUSE MID-ATLANTIC, LLC
BEL CANTO FOODS, LLC
THE CHEFS' WAREHOUSE WEST COAST, LLC THE CHEFS' WAREHOUSE OF FLORIDA, LLC
THE CHEFS' WAREHOUSE, INC.
MICHAEL'S FINER MEATS, LLC
MICHAEL'S FINER MEATS HOLDINGS, LLC THE CHEFS' WAREHOUSE MIDWEST, LLC THE CHEFS' WAREHOUSE PASTRY DIVISION, INC.
QZ ACQUISITION (USA), INC.
QZINA SPECIALTY FOODS NORTH AMERICA (USA), INC.
QZINA SPECIALTY FOODS, INC., a Florida corporation
QZINA SPECIALTY FOODS, INC., a Washington corporation
QZINA SPECIALTY FOODS (AMBASSADOR), INC. CW LV REAL ESTATE LLC
ALLEN BROTHERS 1893, LLC
THE GREAT STEAKHOUSE STEAKS, LLC DEL MONTE CAPITOL MEAT COMPANY HOLDINGS, LLC
DEL MONTE CAPITOL MEAT COMPANY, LLC CHEFS' WAREHOUSE TRANSPORTATION, LLC FELLS POINT, LLC
FELLS POINT HOLDINGS, LLC

By /s/ Alexandros Aldous
Name: Alexandros Aldous
Title: General Counsel and Corporate Secretary

SECOND AMENDMENT TO CREDIT AGREEMENT

This SECOND AMENDMENT TO CREDIT AGREEMENT (this "Amendment"), dated as of September 1, 2017, by and among DAIRYLAND USA CORPORATION, a New York corporation ("Dairyland"), CHEFS' WAREHOUSE PARENT, LLC, a Delaware limited liability company (together with Dairyland, the "Borrowers"), THE CHEFS' WAREHOUSE, INC., a Delaware corporation ("Holdings"), the other Loan Parties party hereto, the Lenders party hereto and Jefferies Finance LLC, as administrative agent for the Lenders (in such capacity, the "Administrative Agent") and as collateral agent for the Secured Parties (in such capacity, the "Collateral Agent" or, as Administrative Agent or Collateral Agent, the "Agent").

W I T N E S S E T H:

WHEREAS, the Borrowers, Holdings, the other Loan Parties party thereto, certain Lenders party thereto and the Agent, among others, are parties to that certain Credit Agreement, dated as of June 22, 2016 (as the same may be amended by this Amendment and as otherwise amended, restated, amended and restated, supplemented or modified from time to time, the "Credit Agreement");

WHEREAS, the Borrowers have requested that the Lenders amend, and the Lenders party hereto (collectively, the "Second Amendment Consenting Lenders") have agreed to so amend, the Credit Agreement in the manner set forth in Section 2 hereof;

WHEREAS, the Agent and the Second Amendment Consenting Lenders are willing, on the terms and subject to the conditions set forth below, to enter into the amendments, modifications and agreements set forth in this Amendment.

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

1. Defined Terms. Unless otherwise defined herein, capitalized terms used herein shall have the respective meanings ascribed thereto in the Credit Agreement.

2. Amendments. Subject to the satisfaction of the conditions precedent set forth in Section 4 below, the Loan Parties, the Second Amendment Consenting Lenders and the Agent hereby agree as follows:

a) Section 1.01 of the Credit Agreement is hereby amended by adding the following defined term in correct alphabetical order:

"Insurance Subsidiary" has the meaning assigned to such term in Section 6.04(s).

b) Section 1.01 of the Credit Agreement is hereby amended by amending and restating the following defined term to read in its entirety as follows:

"Excluded Subsidiary" means each of (i) Dairyland HP, so long as such entity is a single purpose real estate holding entity and an obligor under the New Markets Tax Credit Financing and (ii) any Insurance Subsidiaries (including any trust established by any such Insurance Subsidiary as grantor pursuant to applicable insurance regulations).

c) The definition of "Pledge Subsidiary" set forth in Section 1.01 of the Credit Agreement is hereby amended to replace the phrase "the Excluded Subsidiary" with "any Excluded Subsidiary".

d) Section 5.09 of the Credit Agreement is hereby amended by amending and restating the first sentence thereof to read as follows:

> Each Loan Party will, and will cause each Subsidiary to, maintain with financially sound and reputable third-party carriers having a financial strength rating of at least A- by A.M. Best Company (a) insurance in such amounts and against such risks (including loss or damage by fire and loss in transit; theft, burglary, pilferage, larceny, embezzlement, and other criminal activities; business interruption; and general liability) and such other hazards, in each case, after giving effect to any self-insurance programs, as is customarily maintained by companies of established repute engaged in the same or similar businesses operating in the same or similar locations and (b) all insurance required pursuant to the Collateral Documents; provided that Holdings, the Borrowers and their Subsidiaries may self-insure to the extent consistent with prudent business practice.

e) Section 5.13 of the Credit Agreement is hereby amended to replace the words "and Dairyland HP at such time that Dairyland HP no longer constitutes an Excluded Subsidiary" appearing in the first sentence of subsection (a) thereof with "and any Excluded Subsidiary at such time that it no longer constitutes an Excluded Subsidiary".

f) Section 6.01(g) of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

> (g) Indebtedness (i) owed to any Person providing workers' compensation, health, disability or other employee benefits or property, casualty or liability insurance, pursuant to reimbursement or indemnification obligations to such Person, and (ii) consisting of the financing of insurance premiums, in each case, incurred in the ordinary course of business;

g) Section 6.02 of the Credit Agreement is hereby amended to add the following new clause (s) thereto immediately prior to existing clause (s) thereof (and to make any related punctuation and grammatical changes as a result thereof):

> (s) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto; and

h) Section 6.04 of the Credit Agreement is hereby amended to add the following new clauses (s) and (t) thereto (and to make any related punctuation and grammatical changes as a result thereof):

(s) (i) any investment in fixed income or other assets by any Subsidiary that is a so-called "captive" insurance company (each, an "Insurance Subsidiary") in connection with its provision of insurance to Holdings, the Borrowers or any of their Subsidiaries, which investment is made in the ordinary course of business or consistent with industry practice of such Insurance Subsidiary or by reason of applicable law, rule, regulation or order, or that is required or approved by any regulatory authority having jurisdiction over such Insurance Subsidiary or its business, as applicable (including, without limitation, any such investments held by a trust established by such Insurance Subsidiary as grantor pursuant to applicable insurance regulations), (ii) to the extent the same constitutes investments, insurance arrangements provided by any Insurance Subsidiary (including any trust established by any such Insurance Subsidiary as grantor pursuant to applicable insurance regulations) to Holdings or any of its Subsidiaries and (iii) investments by any Insurance Subsidiary in any trust established by such Insurance Subsidiary as grantor pursuant to applicable insurance regulations; and

(t) (i) investments in Insurance Subsidiaries in an aggregate amount not to exceed $11,750,000 (as valued at cost at the time each such investment is made) and (ii) additional investments in Insurance Subsidiaries to the extent (x) reasonably necessary (as determined in good faith by the Borrower Representative) in connection with the Insurance Subsidiaries' providing self- insurance to the Borrowers and their Subsidiaries or (y) required by Requirements of Law in connection with the provision of such insurance; provided that the aggregate amount of any investments described in clause (ii) of this Section 6.04(t) that shall have been made in any applicable fiscal period shall be disclosed in the Financials Certificate delivered pursuant to Section 5.01(c) in respect of such fiscal period.

i) Section 6.09 of the Credit Agreement is hereby amended by amending and restating clause (c) therein to read in its entirety as follows:

(c) (i) transactions involving Insurance Subsidiaries and/or trusts established by Insurance Subsidiaries, including, without limitation, investments in Insurance Subsidiaries and/or trusts established by Insurance Subsidiaries, that are not prohibited by the terms of this Agreement and the other Loan Documents and (ii) other transactions that are expressly permitted by the terms of this Agreement and the other Loan Documents,

3. Representations and Warranties. In order to induce the other parties hereto to enter into this Amendment in the manner provided herein, each Loan Party represents and warrants to the other parties hereto that the following statements are true and correct:

a) each of the representations and warranties contained in the Loan Documents are true and correct in all material respects (provided that any representation or warranty that is qualified by materiality or Material Adverse Effect shall be true and correct in all respects) on and as of the Second Amendment Date except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects (or, in the case of any representation or warranty qualified by materiality or Material Adverse Effect, in all respects) on and as of such earlier date; and

b) as of the date hereof and immediately after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing.

4. Conditions to Effectiveness. The effectiveness of this Amendment is subject to the satisfaction of the following conditions (the date on which all such conditions are so satisfied is referred to herein as the "Second Amendment Date"):

a) the Agent shall have received a certificate, dated the Second Amendment Date, executed by the President, a Vice President or a Financial Officer of the Borrower Representative, certifying that, as of the Second Amendment Date, (i) that the representations and warranties contained in this Amendment and the other Loan Documents are true and correct in all material respects (provided that any representation or warranty that is qualified by materiality or Material Adverse Effect shall be true and correct in all respects) on and as of such date except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects (or, in the case of any representation or warranty qualified by materiality or Material Adverse Effect, in all respects) on and as of such earlier date; (ii) that as of the Second Amendment Date and immediately after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing; and (iii) this Amendment is effected in accordance with the terms of the Credit Agreement, the ABL Loan Documents and the Intercreditor Agreement;

b) Holdings and the Borrowers shall have paid to the Agent all costs and expenses due and payable under this Amendment;

c) the Agent shall have received counterparts of this Amendment duly executed by Holdings, the Borrowers, each other Loan Party, the Administrative Agent and Lenders constituting the Required Lenders; and

d) the Agent shall have received an executed copy of that certain Amendment No. 1 to Credit Agreement, dated as of the date hereof, by and among the Borrowers, JPMorgan Chase Bank, N.A., as administrative agent, the lenders party thereto and the other persons party thereto.

5. GOVERNING LAW AND WAIVER OF JURY TRIAL.

(a) This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York without regard to conflict of law principles (other than sections 5-1401 and 5-1402 of the New York General Obligations Law).

(b) To the fullest extent permitted by applicable law, each Loan Party hereby irrevocably submits to the exclusive jurisdiction of any New York State court or federal court sitting in the County of New York and the Borough of Manhattan in respect of any claim, suit, action or proceeding arising out of or relating to the provisions of this Amendment and irrevocably agree that all claims in respect of any such claim, suit, action or proceeding may be heard and determined in any such court and that service of process therein may be made by certified mail, postage prepaid, to your address set forth above. Each Loan Party hereby waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any such claim, suit, action or proceeding brought in any such court, and any claim that any such claim, suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Amendment shall affect any right that the Agent or any Lender may otherwise have to bring any action or proceeding relating to this Amendment against any Loan Party or its properties in the courts of any jurisdiction.

(c) Each Loan Party hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Amendment in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Amendment irrevocably consents to service of process in the manner provided for notices in Section 9.01 of the Credit Agreement. Nothing in this Amendment will affect the right of any party to this Amendment to serve process in any other manner permitted by law.

(e) EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AMENDMENT, THE CREDIT AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AMENDMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

6. Counterparts; Integration; Effectiveness. This Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Amendment constitutes the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter

hereof. This Amendment shall become effective on the Second Amendment Date. Except as provided in Section 4, this Amendment shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Amendment by telecopy, e-mailed .pdf or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Amendment. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to any document to be signed in connection with this Amendment and the transactions contemplated hereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that nothing herein shall require the Administrative Agent to accept electronic signatures in any form or format without its prior written consent.

7. Reference to and Limited Effect on the Credit Agreement and the Other Loan Documents.

a) On and after the Second Amendment Date, (x) each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof", "herein" or words of like import referring to the Credit Agreement, and (B) each reference in the other Loan Documents to the "Credit Agreement", "thereunder", "thereof", "therein" or words of like import referring to the Credit Agreement shall mean and be a reference to the Credit Agreement after giving effect to this Amendment.

b) Except as specifically amended by this Amendment, the Credit Agreement and each of the other Loan Documents shall remain in full force and effect and are hereby ratified and confirmed.

c) The execution, delivery and performance of this Amendment shall not constitute a waiver of any provision of, or operate as a waiver of any right, power or remedy of the Agent or Lender under, the Credit Agreement or any of the other Loan Documents.

d) Each Loan Party hereby (i) ratifies, confirms and reaffirms its liabilities, its payment and performance obligations (contingent or otherwise) and its agreements under the Credit Agreement and the other Loan Documents and (ii) acknowledges, ratifies and confirms that such liabilities, obligations and agreements constitute valid and existing Obligations under the Credit Agreement, in each case, to the extent such Loan Party is a party thereto. In addition, each Loan Party hereby ratifies, confirms and reaffirms (i) the liens and security interests granted, created and perfected under the

Collateral Documents and any other Loan Documents and (ii) that each of the Collateral Documents to which it is a party remain in full force and effect notwithstanding the effectiveness of this Amendment. Without limiting the generality of the foregoing, each Loan Party further agrees (A) that any reference to “Obligations” contained in any Collateral Documents shall include, without limitation, the “Obligations” as such term is defined in the Credit Agreement (as amended by this Amendment) and (B) that the related guarantees and grants of security contained in such Collateral Documents shall include and extend to such Obligations. This Amendment shall not constitute a modification of the Credit Agreement, except as specified under Section 2 hereto, or a course of dealing with the Agent or any Lender at variance with the Credit Agreement such as to require further notice by the Agent or any Lender to require strict compliance with the terms of the Credit Agreement and the other Loan Documents in the future, except as expressly set forth herein. This Amendment contains the entire agreement among the Loan Parties and the Second Amendment Consenting Lenders contemplated by this Amendment. No Loan Party has any knowledge of any challenge to the Agent’s or any Lender’s claims arising under the Loan Documents or the effectiveness of the Loan Documents. The Agent and Lenders reserve all rights, privileges and remedies under the Loan Documents. Nothing in this Amendment is intended, or shall be construed, to constitute a novation or an accord and satisfaction of any of the Obligations or to modify, affect or impair the perfection, priority or continuation of the security interests in, security titles to or other Liens on any Collateral for the Obligations.

e) Each Loan Party hereby acknowledges that it has reviewed the terms and provisions of this Amendment and consents to the amendment of the Credit Agreement effected pursuant to this Amendment.

f) Each Loan Party that is not a Borrower acknowledges and agrees that (i) notwithstanding the conditions to effectiveness set forth in this Amendment, such Loan Party is not required by the terms of the Credit Agreement or any other Loan Document to consent to the amendments to the Credit Agreement effected pursuant to this Amendment and (ii) nothing in the Credit Agreement, this Amendment or any other Loan Document shall be deemed to require the consent of such Loan Party to any future amendments to the Credit Agreement.

g) The parties hereto acknowledge and agree that, for all purposes under the Credit Agreement and the other Loan Documents, this Amendment constitutes a “Loan Document” under and as defined in the Credit Agreement.

8. Expenses. The Borrowers and Holdings agree, jointly and severally, to pay on demand all reasonable out-of-pocket costs and expenses incurred by the Agent in connection with the preparation, negotiation and execution of this Amendment, including, without limitation, all attorney costs.

9. Severability. Any provision of any this Amendment held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability

of the remaining provisions thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

10. Headings. Section headings used herein are for convenience of reference only, are not part of this Amendment and shall not affect the construction of, or be taken into consideration in interpreting, this Amendment.

11. Conflicts. In the event of any conflict between the terms of this Amendment and the terms of the Credit Agreement or any of the other Loan Documents, the terms of this Amendment shall govern.

[SIGNATURE PAGES FOLLOW]

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

CHEFS' WAREHOUSE PARENT, LLC,
as a Borrower

By /s/ Alexandros Aldous
Name: Alexandros Aldous
Title: General Counsel and Corporate Secretary

DAIRYLAND USA CORPORATION,
as a Borrower

By /s/ Alexandros Aldous
Name: Alexandros Aldous
Title: General Counsel and Corporate Secretary

ALLEN BROTHERS 1893, LLC

By: /s/ Alexandros Aldous
Name: Alexandros Aldous
Title: General Counsel and Corporate Secretary

BEL CANTO FOODS, LLC

By: /s/ Alexandros Aldous
Name: Alexandros Aldous
Title: General Counsel and Corporate Secretary

CHEFS' WAREHOUSE PARENT, LLC

By: /s/ Alexandros Aldous
Name: Alexandros Aldous
Title: General Counsel and Corporate Secretary

CW LV REAL ESTATE, LLC

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

DAIRYLAND USA CORPORATION

By: /s/ Alexandros Aldous
Name: Alexandros Aldous
Title: General Counsel and Corporate Secretary

[SIGNATURE PAGE TO SECOND AMENDMENT TO CREDIT AGREEMENT]

DEL MONTE CAPITOL MEAT COMPANY HOLDINGS, LLC

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

DEL MONTE CAPITOL MEAT COMPANY, LLC

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

MICHAEL'S FINER MEATS HOLDINGS, LLC

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

MICHAEL'S FINER MEATS, LLC

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

QZ ACQUISTION (USA), INC.

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

QZINA SPECIALTY FOODS (AMBASSADOR), INC.

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

QZINA SPECIALTY FOODS NORTH AMERICA (USA), Inc.

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

QZINA SPECIALTY FOODS, INC.

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

QZINA SPECIALTY FOODS, INC.

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

QZINA SPECIALTY FOODS, INC.

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

THE CHEFS' WAREHOUSE MIDWEST, LLC

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

THE CHEFS' WAREHOUSE OF FLORIDA, LLC

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

THE CHEFS' WAREHOUSE PASTRY DIVISION, INC.

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

THE CHEFS' WAREHOUSE WEST COAST, LLC

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

THE CHEFS' WAREHOUSE, INC.

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

THE GREAT STEAKHOSUE STEAKS, LLC

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

FELLS POINT, LLC

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

FELLS POINT HOLDINGS, LLC

By: /s/ Alexandros Aldous
Alexandros Aldous
Title: General Counsel and Corporate Secretary

JEFFERIES FINANCE, LLC
as Administrative Agent and as Collateral Agent

By: /s/ J. Paul McDonnell
J. Paul McDonnell
Title: Managing Director

1828 CLO Ltd.,
as a Lender
By: Guggenheim Partners Investment Management, LLC as Collateral Manager

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

A Voce CLO, Ltd.,
as a Lender
By: Invesco Senior Secured Management, Inc. as Collateral Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

AG Diversified Income Master Fund, L.P.,
as a Lender
By: Angelo, Gordon & Co., L.P., as Fund Advisor

By: /s/ Maureen D'Alleva
Maureen D'Alleva
Title: Authorized Signatory

American General Life Insurance Company,
as a Lender
By: Invesco Senior Secured Management, Inc. as Investment Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

American Home Assurance Company,
as a Lender
By: Invesco Senior Secured Management, Inc. as Investment Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

Annisa CLO, Ltd.,
as a Lender
By:Invesco RR Fund L.P. as Collateral Manager
By: Invesco RR Associates LLC, as general partner
By: Invesco Senior Secured Management, Inc. as sole member

By: /s/ Kevin Egan
Egan, Kevin
Title: Authorized Individual

Betony CLO, Ltd.,
as a Lender
By: Invesco Senior Secured Management, Inc. as Collateral Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

Blue Cross and Blue Shield of Florida, Inc.,
as a Lender
By: Guggenheim Partners Investment Management, LLC as Manager

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

Blue Hill, CLO, Ltd.,
as a Lender
By: Invesco Senior Secured Management, Inc. as Collateral Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

BOC Pension Investment Fund,
as a Lender
By: Invesco Senior Secured Management, Inc. as Attorney in Fact

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

Chevron Master Pension Trust,
as a Lender
By: Guggenheim Partners Investment Management, LLC as Manager

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

City of New York Group Trust,
as a Lender
By: The Comptroller of the City of New York
By: Guggenheim Partners Investment Management, LLC as Manager

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

CLC Leveraged Loan Trust,
as a Lender
By: Challenger Life Nominees PTY Limited as Trustee
By: Guggenheim Partners Investment Management, LLC as Manager

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

Crestline Denali CLO XIV, LTD.,
as a Lender
By: Crestline Denali Capital, L.P., collateral manager for Crestline Denali CLO XIV, LTD.

By: /s/ Nicole Kouba
Nicole Kouba
Title: Vice President

[SIGNATURE PAGE TO SECOND AMENDMENT TO CREDIT AGREEMENT]

DENALI CAPITAL CLO XI, LTD.,
as a Lender
By: Crestline Denali Capital, L.P., collateral manager for DENALI CAPITAL CLO XI, LTD.

By: /s/ Nicole Kouba
Nicole Kouba
Title: Vice President

Denali Capital CLO XII, Ltd.,
as a Lender
By: Crestline Denali Capital, L.P., collateral manager for DENALI CAPITAL CLO XII, LTD.

By: /s/ Nicole Kouba
Nicole Kouba
Title: Vice President

Diversified Credit Portfolio Ltd.,
as a Lender
By: Invesco Senior Secured Management, Inc. as Investment Adviser

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

EAF ComPlan II - Private Debt,
as a Lender
By: Guggenheim Partners Investment Management, LLC as Asset Manager

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

Fortress Credit BSL II, Limited,
as a Lender
By: FC BSL II CM LLC, its collateral manager

By: /s/ Avraham Dreyfuss
Avraham Dreyfuss
Title: Chief Financial Officer

FDF I Limited,
as a Lender
By: FDF I CM LLC, its collateral manager

By:	/s/ Avraham Dreyfuss
	Avraham Dreyfuss
Title:	Chief Financial Officer

FDF I Limited,
as a Lender
By: FDF I CM LLC, its collateral manager

By:	/s/ Avraham Dreyfuss
	Avraham Dreyfuss
Title:	Chief Financial Officer

FDF II Limited,
as a Lender
By: FDF II CM LLC, its collateral manager

By:	/s/ Avraham Dreyfuss
	Avraham Dreyfuss
Title:	Chief Financial Officer

FORTRESS CREDIT BSL LIMITED,
as a Lender
By: FC BSL CM LLC, its collateral manager

By:	/s/ Avraham Dreyfuss
	Avraham Dreyfuss
Title:	Chief Financial Officer

Fortress Credit Opportunities VI CLO Limited,
as a Lender
By: FCO VI CLO CM LLC, its collateral manager

By:	/s/ Avraham Dreyfuss
	Avraham Dreyfuss
Title:	Chief Financial Officer

[SIGNATURE PAGE TO SECOND AMENDMENT TO CREDIT AGREEMENT]

GGH Leveraged Loan Fund, A Series Trust of MYL Global Investment Trust,
as a Lender
By: Guggenheim Partners Investment Management, LLC as Investment Manager

By: /s/ Kaitlin Trinh
Trinh, Kaitlin
Title: Authorized Person

Guggenheim Strategic Opportunities Fund,
as a Lender
By: Guggenheim Partners Investment Management, LLC

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

Guggenheim U.S. Loan Fund II,
as a Lender
By: Guggenheim Partners Investment Management, LLC as Investment Manager

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

Guggenheim U.S. Loan Fund III,
as a Lender
By: Guggenheim Partners Investment Management, LLC as Investment Manager

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

Halcyon Loan Advisors Funding 2012-2, Ltd.,
as a Lender
By:Halcyon Loan Advisors 2012-2 LLC as collateral manager

By: /s/ David Martino
David Martino
Title: Controller

[SIGNATURE PAGE TO SECOND AMENDMENT TO CREDIT AGREEMENT]

Halcyon Loan Advisors Funding 2013-1 Ltd.,
as a Lender

By: /s/ David Martino
David Martino
Title: Controller

Halcyon Loan Advisors Funding 2013-2 LTD.,
as a Lender

By: /s/ David Martino
David Martino
Title: Controller

Halcyon Loan Advisors Funding 2013-2 LTD.,
as a Lender

By: /s/ David Martino
David Martino
Title: Controller

Halcyon Loan Advisors Funding 2014-1, Ltd.,
as a Lender
By: Halcyon Loan Advisors 2014-1 LLC as collateral manager

By: /s/ David Martino
David Martino
Title: Controller

Halcyon Loan Advisors Funding 2014-2, Ltd.,
as a Lender
By: Halcyon Loan Advisors 2014-2 LLC as collateral manager

By: /s/ David Martino
David Martino
Title: Controller

[SIGNATURE PAGE TO SECOND AMENDMENT TO CREDIT AGREEMENT]

Halcyon Loan Advisors Funding 2014-3, Ltd.,
as a Lender
By: Halcyon Loan Advisors 2014-3 LLC as collateral manager

By: /s/ David Martino
David Martino
Title: Controller

Halcyon Loan Advisors Funding 2015-1, Ltd.,
as a Lender
By: Halcyon Loan Advisors 2015-1 LLC as collateral manager

By: /s/ David Martino
David Martino
Title: Controller

Halcyon Loan Advisors Funding 2015-2, Ltd.,
as a Lender
By: Halcyon Loan Advisors 2015-2 LLC as collateral manager

By: /s/ David Martino
David Martino
Title: Controller

Halcyon Loan Advisors Funding 2017-1, Ltd.,
as a Lender
By: Halcyon Loan Advisors A LLC as collateral manager

By: /s/ David Martino
David Martino
Title: Controller

Hamilton Finance, LLC,
as a Lender
By: Guggenheim Partners Investment Management, LLC as Sub-Advisor

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

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Hildene CLO I Ltd,
as a Lender
By: CF H-BLS MANAGEMENT LLC, its Collateral Manager

By: /s/ Avraham Dreyfuss
Avraham Dreyfuss
Title: Chief Financial Officer

Hildene CLO II Ltd,
as a Lender
By: CF H-BLS MANAGEMENT LLC, its Collateral Manager

By: /s/ Avraham Dreyfuss
Avraham Dreyfuss
Title: Chief Financial Officer

Hildene CLO III Ltd,
as a Lender
By: CF H-BLS MANAGEMENT LLC, its Collateral Manager

By: /s/ Avraham Dreyfuss
Avraham Dreyfuss
Title: Chief Financial Officer

Hildene CLO IV Ltd,
as a Lender
By: CF H-BLS MANAGEMENT LLC, its Collateral Manager

By: /s/ Avraham Dreyfuss
Avraham Dreyfuss
Title: Chief Financial Officer

Invesco BL Fund, ltd.,
as a Lender
By: Invesco Management S.A. As Investment Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

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Invesco Dynamic Credit Opportunities Fund,
as a Lender
By: Invesco Senior Secured Management, Inc. as Sub-advisor

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

Invesco Floating Rate Fund,
as a Lender
By: Invesco Senior Secured Management, Inc. as Sub-Adviser

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

Invesco Leveraged Loan Fund 2016 A Series Trust of Global Multi Portfolio Investment, Trust,
as a Lender
By: Invesco Senior Secured Management, Inc. as Investment Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

Invesco Polaris US Bank Loan Fund,
as a Lender
By: Invesco Senior Secured Management, Inc. as Investment Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

Invesco Senior Income Trust,
as a Lender
By: Invesco Senior Secured Management, Inc. as Sub-advisor

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

[SIGNATURE PAGE TO SECOND AMENDMENT TO CREDIT AGREEMENT]

Invesco Senior Loan Fund,
as a Lender
By: Invesco Senior Secured Management, Inc. as Sub-advisor

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

Invesco US Senior Loans 2012, L.P.,
as a Lender
By: Invesco Senior Secured Management, Inc. as Investment Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

Invesco Zodiac Funds - Invesco US Senior Loan Fund,
as a Lender
By: Invesco Senior Secured Management, Inc. as Investment Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

Ivy Apollo Multi-Asset Income Fund,
as a Lender

By: /s/ Chad Gunther
Chad Gunther
Title: Sr. Vice President

Ivy Apollo Strategic Income Fund,
as a Lender

By: /s/ Chad Gunther
Chad Gunther
Title: Sr. Vice President

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Ivy VIP High Income,
as a Lender

By: /s/ Chad Gunther
Chad Gunther
Title: Sr. Vice President

Ivy High Income Fund,
as a Lender

By: /s/ Chad Gunther
Chad Gunther
Title: Sr. Vice President

Ivy High Income Opportunities Fund,
as a Lender

By: /s/ Chad Gunther
Chad Gunther
Title: Sr. Vice President

James River Insurance Company
as a Lender
By: Angelo, Gordon & Co., L.P. as Investment Manger

By: /s/ Maureen D'Alleva
Maureen D'Alleva
Title: Authorized Signatory

JFIN CLO 2013 LTD.,
as a Lender
By: Apex Credit Partners LLC, as Portfolio Manager

By: /s/ Andrew Stern
Andrew Stern
Title: Managing Director

[SIGNATURE PAGE TO SECOND AMENDMENT TO CREDIT AGREEMENT]

JFIN CLO 2014-II LTD.,
as a Lender
By: Apex Credit Partners LLC, as Portfolio Manager

By: /s/ Andrew Stern
Andrew Stern
Title: Managing Director

JFIN CLO 2015 LTD.,
as a Lender
By: Apex Credit Partners LLC, as Portfolio Manager

By: /s/ Andrew Stern
Andrew Stern
Title: Managing Director

Jefferies Finance LLC,
as a Lender

By: /s/ Brian Buoye
Brian Buoye
Title: Managing Director

JFIN MM CLO 2014 LTD.,
as a Lender
By: Apex Credit Partners LLC, as Portfolio Manager

By: /s/ E. Joseph Hess
E. Joseph Hess
Title: Managing Director

JFIN CLO 2014 LTD.,
as a Lender
By: Apex Credit Partners LLC, as Portfolio Manager

By: /s/ Andrew Stern
Andrew Stern
Title: Managing Director

[SIGNATURE PAGE TO SECOND AMENDMENT TO CREDIT AGREEMENT]

Apex Credit CLO 2015-II LTD.,
as a Lender
By: Apex Credit Partners, its Asset Manager

By: /s/ Andrew Stern
Andrew Stern
Title: Managing Director

Apex Credit CLO 2016 LTD.,
as a Lender
By: Apex Credit Partners LLC, its Asset Manager

By: /s/ Andrew Stern
Andrew Stern
Title: Managing Director

Apex Credit CLO 2017 LLC
as a Lender
By: Apex Credit Partners LLC, as Asset Manager

By: /s/ Andrew Stern
Andrew Stern
Title: Managing Director

JRG Reinsurance Company, Ltd.,
as a Lender
By: Angelo, Gordon & Co., L.P. as Investment Manager

By: /s/ Maureen D'Alleva
Maureen D'Alleva
Title: Authorized Signatory

Kaiser Foundation Hospitals
as a Lender
By: Invesco Senior Secured Management, Inc. as Investment Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

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Kaiser Foundation Health Plan, Inc., as named fiduciary of the Kaiser Permanente Group Trust,
as a Lender
By: Angelo, Gordon & Co., L.P. As Investment Manager

By: /s/ Maureen D'Alleva
Maureen D'Alleva
Title: Authorized Signatory

Kaiser Permanente Group Trust,
as a Lender
By: Invesco Senior Secured Management, Inc. as Investment Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

Kapitalforeningen Investin Pro, US Leveraged Loans I,
as a Lender
By: Invesco Senior Secured Management, Inc. as Investment Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

JEFFERIES LEVERAGED CREDIT PRODUCTS, LLC
as a Lender

By: /s/ William P. McLoughlin
William P. McLoughlin
Title: Senior Vice President, Authorized Signatory

Lexington Insurance Company,
as a Lender
By: Invesco Senior Secured Management, Inc. as Investment Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

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Limerock CLO II, Ltd.,
as a Lender
By: Invesco Senior Secured Management, Inc. as Collateral Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

Limerock CLO III, Ltd.,
as a Lender
By: Invesco Senior Secured Management, Inc. as Collateral Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

Linde Pension Plan Trust,
as a Lender
By: Invesco Senior Secured Management, Inc. as Investment Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

MidOcean Credit CLO II,
as a Lender
By: MidOcean Credit Fund Management LP, as Portfolio Manager
By: Ultramar Credit Holdings, Ltd., its General Partner

By: /s/ Jim Wiant
Jim Wiant
Title: Managing Director

MidOcean Credit CLO III,
as a Lender
By: MidOcean Credit Fund Management LP, as Portfolio Manager
By: Ultramar Credit Holdings, Ltd., its General Partner

By: /s/ Jim Wiant
Jim Wiant
Title: Managing Director

MidOcean Credit CLO IV,
as a Lender
By: MidOcean Credit Fund Management LP, as Portfolio Manager
By: Ultramar Credit Holdings, Ltd., its General Partner

By: /s/ Jim Wiant
Jim Wiant
Title: Managing Director

MidOcean Credit CLO V,
as a Lender
By: MidOcean Credit Fund Management LP, as Portfolio Manager
By: Ultramar Credit Holdings, Ltd., its General Partner

By: /s/ Jim Wiant
Jim Wiant
Title: Managing Director

MidOcean Credit CLO VI,
as a Lender
By: MidOcean Credit Fund Management LP, as Portfolio Manager
By: Ultramar Credit Holdings, Ltd., its General Partner

By: /s/ Jim Wiant
Jim Wiant
Title: Managing Director

National Union Fire Insurance Company of Pittsburgh, Pa.,
as a Lender
By: Invesco Senior Secured Management, Inc. as Investment Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

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North End CLO, Ltd,
as a Lender
By: Invesco Senior Secured Management, Inc. as Investment Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

NORTHWOODS CAPITAL X, LIMITED,
as a Lender
By: Angelo, Gordon & Co., LP as Collateral Manager

By: /s/ Maureen D'Alleva
Maureen D'Alleva
Title: Authorized Signatory

NORTHWOODS CAPITAL XI, LIMITED,
as a Lender
By: Angelo, Gordon & Co., LP as Collateral Manager

By: /s/ Maureen D'Alleva
Maureen D'Alleva
Title: Authorized Signatory

NORTHWOODS CAPITAL XII, LIMITED,
as a Lender
By: Angelo, Gordon & Co., LP as Collateral Manager

By: /s/ Maureen D'Alleva
Maureen D'Alleva
Title: Authorized Signatory

NORTHWOODS CAPITAL XIV, LIMITED,
as a Lender
By: Angelo, Gordon & Co., LP as Collateral Manager

By: /s/ Maureen D'Alleva
Maureen D'Alleva
Title: Authorized Signatory

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PensionDanmark Pensionsforsikringsaktieselskab,
as a Lender
By: Guggenheim Partners Investment Management, LLC as Investment Manager

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

Recette CLO, Ltd.,
as a Lender
By: Invesco Senior Secured Management, Inc. as Collateral Manager

By: /s/ Kevin Egan
Egan, Kevin
Title: Authorized Individual

Riserva CLO, Ltd,
as a Lender
By: Invesco RR Fund L.P. as Collateral Manager
By: Invesco RR Associates LLC, as general partner
By: Invesco Senior Secured Management, Inc. as sole member

By: /s/ Kevin Egan
Egan, Kevin
Title: Authorized Individual

Salem Fields CLO, Ltd.,
as a Lender
By: Guggenheim Partners Investment Management, LLC as Collateral Manager

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

Ivy Global Investors High Income Fund,
as a Lender

By: /s/ Chad Gunther
Chad Gunther
Title: Sr. Vice President

Sentry Insurance a Mutual Company
as a Lender
By: Invesco Senior Secured Management, Inc. as Sub-Advisor

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

Seven Sticks CLO Ltd.,
as a Lender
By: Guggenheim Partners Investment Management, LLC, as Collateral Manager

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

Shriners Hospitals for Children,
as a Lender
By: Guggenheim Partners Investment Management, LLC, as Manager

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

Sonoma County Employee's Retirement Association,
as a Lender
By: Guggenheim Partners Investment Management, LLC, as Investment Manager

By: /s/ Katilin Trinh
Katilin Trinh
Title: Authorized Person

Steele Creek CLO 2014-1, LTD.,
as a Lender
By: Steele Creek Investment Management LLC

By: /s/ Michael Audino
Michael Audino
Title: Senior Analyst

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Steele Creek CLO 2015-1, LTD.,
as a Lender

By: /s/ Michael Audino
Michael Audino
Title: Senior Analyst

Steele Creek CLO 2016-1, LTD.,
as a Lender

By: /s/ Michael Audino
Michael Audino
Title: Senior Analyst

Swiss capital Pro Loan III Plc,
as a Lender
By: Guggenheim Partners Investment Management, LLC as Investment Advisor

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

Swiss Capital Pro Loan V Plc,
as a Lender
By: Guggenheim Partners Investment Management, LLC as Investment Advisor

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

Swiss capital Pro Loan VIII Plc,
as a Lender
By: Guggenheim Partners Investment Management, LLC as Investment Advisor

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

The City of New York Group Trust,
as a Lender
By: Invesco Senior Secured Management, Inc. as Investment Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

The Society Incorporated By Lloyd's Act 1871 By The Name of Lloyd's
as a Lender
By: Guggenheim Partners Investment Management, LLC as Investment Manager

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

The United States Life Insurance Company in the City of New York
as a Lender
By: Invesco Senior Secured Management, Inc. as Investment Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

The Variable Annuity Life Insurance Company,
as a Lender
By: Invesco Senior Secured Management, Inc. as Investment Manager

By: /s/ Kevin Egan
Kevin Egan
Title: Authorized Individual

Trinity Health Corporation
as a Lender
By: Guggenheim Partners Investment Management, LLC as Manager

By: /s/ Kaitlin Trinh
Kaitlin Trinh
Title: Authorized Person

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Upland CLO, LTD.,
as a Lender
By: Invesco Senior Secured Management, Inc. as Collateral Manager

By: /s/ Kevin Egan
Egan, Kevin
Title: Authorized Individual

VENTURE XII CLO, Limited.,
as a Lender
By: its investment advisor MJX Venture Management LLC

By: /s/ John Calaba
John Calaba
Title: Managing Director

VENTURE XIII CLO, Limited.,
as a Lender
By: its investment advisor MJX Venture Management LLC

By: /s/ John Calaba
John Calaba
Title: Managing Director

VENTURE XIV CLO, Limited.,
as a Lender
By: its investment advisor MJX Venture Management LLC

By: /s/ John Calaba
John Calaba
Title: Managing Director

VENTURE XIX CLO, Limited.,
as a Lender
By: its investment advisor MJX Venture Management LLC

By: /s/ John Calaba
John Calaba
Title: Managing Director

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VENTURE XV CLO, Limited.,
as a Lender
By: its investment advisor MJX Venture Management LLC

By: /s/ John Calaba
John Calaba
Title: Managing Director

VENTURE XVI CLO, Limited.,
as a Lender
By: its investment advisor MJX Venture Management LLC

By: /s/ John Calaba
John Calaba
Title: Managing Director

VENTURE XVII CLO, Limited.,
as a Lender
By: its investment advisor MJX Venture Management LLC

By: /s/ John Calaba
John Calaba
Title: Managing Director

VENTURE XVIII CLO, Limited.,
as a Lender
By: its investment advisor MJX Venture Management LLC

By: /s/ John Calaba
John Calaba
Title: Managing Director

VENTURE XX CLO, Limited.,
as a Lender
By: its investment advisor MJX Venture Management LLC

By: /s/ John Calaba
John Calaba
Title: Managing Director

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VENTURE XXI CLO, Limited.,
as a Lender
By: its investment advisor MJX Venture Management LLC

By: /s/ John Calaba
John Calaba
Title: Managing Director

VENTURE XXII CLO, Limited.,
as a Lender
By: its investment advisor MJX Venture Management LLC

By: /s/ John Calaba
John Calaba
Title: Managing Director

VENTURE XXIII CLO, Limited.,
as a Lender
By: its investment advisor MJX Venture Management LLC

By: /s/ John Calaba
John Calaba
Title: Managing Director

VENTURE XXIV CLO, Limited.,
as a Lender
By: its investment advisor MJX Venture Management LLC

By: /s/ John Calaba
John Calaba
Title: Managing Director

VENTURE XXV CLO, Limited.,
as a Lender
By: its investment advisor MJX Venture Management LLC

By: /s/ John Calaba
John Calaba
Title: Managing Director

[SIGNATURE PAGE TO SECOND AMENDMENT TO CREDIT AGREEMENT]

VENTURE XXVIII CLO, Limited.,
as a Lender
By: its investment advisor MJX Venture Management LLC

By: /s/ John Calaba
John Calaba
Title: Managing Director

Waddell & Reed Advisors High Income Fund,
as a Lender

By: /s/ Chad Gunther
Chad Gunther
Title: Sr. Vice President

Wellfleet CLO 2016-1, Ltd.,
as a Lender

By: /s/ Dennis Talley
Dennis Talley
Title: Portfolio Manager

Wellfleet CLO 2016-2, Ltd.,
as a Lender

By: /s/ Dennis Talley
Dennis Talley
Title: Portfolio Manager

Exhibit 31.1

CERTIFICATIONS

I, Christopher Pappas, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Chefs' Warehouse, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and Rule 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 8, 2017

/s/ Christopher Pappas

By: Christopher Pappas
Chairman, President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS

I, John D. Austin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Chefs' Warehouse, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and Rule 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 8, 2017

/s/ John D. Austin

By: John D. Austin
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Exhibit 32.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report of The Chefs’ Warehouse, Inc. (the “Company”) on Form 10-Q for the quarter ended September 29, 2017, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Christopher Pappas, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 8, 2017	By:	/s/ Christopher Pappas
		Christopher Pappas
		Chairman, President and Chief Executive Officer
		(Principal Executive Officer)

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the SEC or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of The Chefs' Warehouse, Inc. (the "Company") on Form 10-Q for the quarter ended September 29, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John D. Austin, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 8, 2017	By:	/s/ John D. Austin
		John D. Austin
		Chief Financial Officer
		(Principal Financial Officer and Principal Accounting Officer)

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the SEC or its staff upon request.