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 March 27, 2020

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)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01	CHEF	The NASDAQ Stock Market LLC
Preferred Stock Purchase Rights	CHEF	The NASDAQ Stock Market LLC

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 every Interactive Data File required to be submitted 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 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	☐	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 May 4, 2020: 31,031,894

THE CHEFS' WAREHOUSE, INC.

FORM 10-Q

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CAUTIONARY STATEMENT REGARDING 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 following: our sensitivity to general economic conditions, including disposable income levels and changes in consumer discretionary spending; our ability to expand our operations in our existing markets and to penetrate new markets through acquisitions; we may not achieve the benefits expected from our acquisitions, which could adversely impact our business and operating results; we may have difficulty managing and facilitating our future growth; conditions beyond our control could materially affect the cost and/or availability of our specialty food products or center-of-the-plate products and/or interrupt our distribution network; our increased distribution of center-of-the-plate products, like meat, poultry and seafood, involves increased exposure to price volatility experienced by those products; our business is a low-margin business and our profit margins may be sensitive to inflationary and deflationary pressures; because our foodservice distribution operations are concentrated in certain culinary markets, we are susceptible to economic and other developments, including adverse weather conditions, in these areas; fuel cost volatility may have a material adverse effect on our business, financial condition or results of operations; our ability to raise capital in the future may be limited; we may be unable to obtain debt or other financing, including financing necessary to execute on our acquisition strategy, on favorable terms or at all; our business operations and future development could be significantly disrupted if we lose key members of our management team; significant public health epidemics or pandemics, including COVID-19, may adversely affect our business, results of operations and financial condition; and other risks and uncertainties included under the heading Risk Factors in our Annual Report on Form 10-K filed on February 24, 2020 with the Securities and Exchange Commission (the "SEC") and in this Quarterly Report on Form 10-Q.

PART I FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

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

	March 27, 2020 (unaudited)	December 27, 2019
ASSETS		
Current assets:		
Cash and cash equivalents	$ 193,517	$ 140,233
Accounts receivable, net of allowance of $25,618 in 2020 and $8,846 in 2019	144,263	175,044
Inventories, net	129,999	124,056
Prepaid expenses and other current assets	24,914	13,823
Total current assets	492,693	453,156
Equipment, leasehold improvements and software, net	125,635	92,846
Operating lease right-of-use assets	127,255	127,649
Goodwill	212,510	197,743
Intangible assets, net	145,752	138,751
Other assets	3,069	3,534
Total assets	$ 1,106,914	$ 1,013,679
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 92,621	$ 94,097
Accrued liabilities	29,477	29,847
Short-term operating lease liabilities	18,091	17,453
Accrued compensation	8,172	8,033
Current portion of long-term debt	4,069	721
Total current liabilities	152,430	150,151
Long-term debt, net of current portion	495,860	386,106
Operating lease liabilities	119,786	120,572
Deferred taxes, net	8,983	10,883
Other liabilities and deferred credits	10,238	10,034
Total liabilities	787,297	677,746
Commitments and contingencies		
Stockholders' equity:		
Preferred Stock - $0.01 par value, 5,000,000 shares authorized, no shares issued and outstanding at March 27, 2020 and December 27, 2019	—	—
Common Stock, - $0.01 par value, 100,000,000 shares authorized, 30,989,742 and 30,341,941 shares issued and outstanding at March 27, 2020 and December 27, 2019, respectively	310	304
Additional paid in capital	210,381	212,240
Accumulated other comprehensive loss	(2,426)	(2,048)
Retained earnings	111,352	125,437
Total stockholders' equity	319,617	335,933
Total liabilities and stockholders' equity	$ 1,106,914	$ 1,013,679

See accompanying notes to the consolidated financial statements.

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

	Thirteen Weeks Ended	
	March 27, 2020	**March 29, 2019**
Net sales	$ 375,431	$ 357,027
Cost of sales	284,530	266,838
Gross profit	90,901	90,189
Operating expenses	107,917	84,039
Operating (loss) income	(17,016)	6,150
Interest expense	5,124	4,551
Loss on asset disposal	42	34
(Loss) income before income taxes	(22,182)	1,565
Provision for income taxes	(8,097)	431
Net (loss) income	$ (14,085)	$ 1,134
Other comprehensive (loss) income:		
Foreign currency translation adjustments	(378)	55
Comprehensive (loss) income	$ (14,463)	$ 1,189
Net (loss) income per share:		
Basic	$ (0.48)	$ 0.04
Diluted	$ (0.48)	$ 0.04
Weighted average common shares outstanding:		
Basic	29,621,433	29,457,257
Diluted	29,621,433	29,840,979

See accompanying notes to the consolidated financial statements.

THE CHEFS' WAREHOUSE, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Unaudited)
(Amounts in thousands, except share amounts)

	Common Stock		Additional Paid in Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Total
	Shares	Amount				
Balance December 27, 2019	**30,341,941**	**$ 304**	**$ 212,240**	**$ (2,048)**	**$ 125,437**	**$ 335,933**
Net loss	—	—	—	—	(14,085)	(14,085)
Stock compensation	807,433	8	843	—	—	851
Cumulative translation adjustment	—	—	—	(378)	—	(378)
Shares surrendered to pay tax withholding	(159,632)	(2)	(2,702)	—	—	(2,704)
Balance March 27, 2020	**30,989,742**	**$ 310**	**$ 210,381**	**$ (2,426)**	**$ 111,352**	**$ 319,617**
Balance December 28, 2018	**29,968,483**	**$ 300**	**$ 207,326**	**$ (2,221)**	**$ 103,271**	**$ 308,676**
Cumulative effect adjustment due to adoption of new accounting standard	—	—	—	—	(2,027)	(2,027)
Net income	—	—	—	—	1,134	1,134
Stock compensation	(23,680)	—	915	—	—	915
Exercise of stock options	20,383	—	412	—	—	412
Cumulative translation adjustment	—	—	—	55	—	55
Shares surrendered to pay tax withholding	(24,002)	—	(742)	—	—	(742)
Balance March 29, 2019	**29,941,184**	**$ 300**	**$ 207,911**	**$ (2,166)**	**$ 102,378**	**$ 308,423**

See accompanying notes to the consolidated financial statements.

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

	Thirteen Weeks Ended	
	March 27, 2020	**March 29, 2019**
Cash flows from operating activities:		
Net (loss) income	$ (14,085)	$ 1,134
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	4,762	2,881
Amortization of intangible assets	3,298	2,877
Provision for allowance for doubtful accounts	18,431	851
Non-cash operating lease expense	244	537
Deferred taxes	(1,900)	1,131
Amortization of deferred financing fees	762	522
Stock compensation	851	915
Change in fair value of contingent earn-out liabilities	(6,812)	107
Loss on asset disposal	42	34
Changes in assets and liabilities, net of acquisitions:		
Accounts receivable	33,141	13,778
Inventories	2,501	677
Prepaid expenses and other current assets	(8,855)	(207)
Accounts payable, accrued liabilities and accrued compensation	(14,311)	(18,010)
Other assets and liabilities	3,916	164
Net cash provided by operating activities	**21,985**	**7,391**
Cash flows from investing activities:		
Capital expenditures	(3,093)	(4,125)
Cash paid for acquisitions, net of cash received	(63,450)	(27,990)
Net cash used in investing activities	**(66,543)**	**(32,115)**
Cash flows from financing activities:		
Payment of debt, finance lease and other financing obligations	(687)	(37)
Proceeds from exercise of stock options	—	412
Surrender of shares to pay withholding taxes	(838)	(742)
Cash paid for contingent earn-out liability	(500)	—
Borrowings under asset-based loan facility	100,000	—
Net cash provided by (used in) financing activities	**97,975**	**(367)**
Effect of foreign currency on cash and cash equivalents	(133)	(2)
Net change in cash and cash equivalents	53,284	(25,093)
Cash and cash equivalents-beginning of period	140,233	42,410
Cash and cash equivalents-end of period	**$ 193,517**	**$ 17,317**

See accompanying notes to the 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 Company's business consists of three operating segments: East Coast, Midwest and West Coast that aggregate into one reportable segment, foodservice distribution, which is concentrated primarily in 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, chocolateries, cruise lines, casinos and specialty food stores.

The COVID-19 Pandemic

The COVID-19 pandemic ("COVID-19") has had a material impact on the Company's business and operations and those of its customers. In an effort to limit the spread of the virus, federal, state and local governments have implemented measures that have resulted in the closure of non-essential businesses in many of the markets the Company serves, which has forced its customers in those markets to either transition their establishments to take-out service, delivery service or temporarily cease operations. Due to COVID-19, the Company incurred estimated non-cash charges of approximately $15,800 related to incremental bad debt expense and approximately $3,300 related to incremental inventory obsolescence. The adverse impact to the Company's customer base and its market capitalization were triggering events and, accordingly, the Company performed interim goodwill and long-lived asset quantitative impairment tests as described in Note 8 to these financial statements.

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 27, 2019 filed as part of the Company's Annual Report on Form 10-K, as filed with the SEC on February 24, 2020.

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 February 24, 2020, 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, COVID-19 and other factors, the results of operations for the thirteen weeks ended weeks ended March 27, 2020 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.

Guidance Adopted in Fiscal 2020

Measurement of Credit Losses on Financial Instruments: In June 2016 and as further amended in November 2018, the Financial Accounting Standards Board (the "FASB") issued guidance which requires entities to use a forward-looking expected loss model to estimate credit losses. It also requires additional disclosure related to credit quality of trade and other receivables, including information related to management's estimate of credit allowances. The Company adopted this guidance on December 28, 2019. The Company analyzes customer creditworthiness, accounts receivable balances, payment history, payment terms and historical bad debt levels when evaluating the adequacy of its allowance for doubtful accounts. In instances where a reserve has been recorded for a particular customer, future sales to the customer are either conducted using cash-on-delivery terms or the account is closely monitored so that agreed-upon payments are received prior to orders being released. A failure to pay results in held or cancelled orders. The Company also estimates receivables that will ultimately be uncollectible based upon historical write-off experience. Management incorporates current macro-economic factors in existence as of the balance sheet date that may impact the food-away-from-home industry and/or its customers, and specifically in the first quarter of fiscal 2020, the impact of COVID-19. Adoption of this guidance did not have a material effect on the Company's consolidated financial statements.

Guidance Not Yet Adopted

Simplifying the Accounting for Income Taxes: In December 2019, the FASB issued guidance that eliminates certain exceptions related to the approach for intraperiod tax allocations, the methodology for calculating income taxes in an interim period and other simplifications and clarifications. The guidance will be effective for fiscal years beginning after December 15, 2020. Early adoption is permitted. The Company expects to adopt this guidance when effective and is evaluating the impact of adoption on its consolidated financial statements.

Note 2 – Revenue Recognition

Revenues from product sales are recognized at the point at which control of each product is transferred to the customer. The Company's contracts contain performance obligations which are satisfied when customers have physical possession of each product. The majority of customer orders are fulfilled within a day and customer payment terms are typically 20 to 60 days from delivery. Shipping and handling activities are costs to fulfill the Company's performance obligations. These costs are expensed as incurred and presented within *operating expenses* on the consolidated statements of operations. The Company offers certain sales incentives to customers in the form of rebates or discounts. These sales incentives are accounted as variable consideration. The Company estimates these amounts based on the expected amount to be provided to customers and records a corresponding reduction in revenue. The Company does not expect a significant reversal in the amount of cumulative revenue recognized. Sales tax billed to customers is not included in revenue but rather recorded as a liability owed to the respective taxing authorities at the time the sale is recognized.

The following table presents the Company's net sales disaggregated by principal product category:

	Thirteen Weeks Ended			
	March 27, 2020		March 29, 2019	
Center-of-the-Plate	$ 163,820	43.6%	$ 156,616	43.9%
Dry Goods	67,654	18.0%	63,754	17.9%
Pastry	54,904	14.6%	50,205	14.1%
Cheese and Charcuterie	38,130	10.2%	35,355	9.9%
Dairy and Eggs	24,716	6.6%	25,614	7.2%
Oils and Vinegars	18,190	4.8%	18,693	5.2%
Kitchen Supplies	8,017	2.2%	6,790	1.8%
Total	$ 375,431	100%	$ 357,027	100%

The Company determines its product category classification based on how the Company currently markets its products to its customers. The Company's definition of its principal product categories may differ from the way in which other companies present similar information.

Deferred Revenue

Certain customer arrangements in the Company's direct-to-consumer business, prepaid gift plans and gift card purchases, result in deferred revenues when cash payments are received in advance of performance. The Company recognizes revenue on its prepaid gift plans when control of each product is transferred to the customer. Performance obligations under the Company's prepaid gift plans are satisfied within a period of twelve months or less. Gift cards issued by the Company do not have expiration dates. The Company records a liability for unredeemed gift cards at the time gift cards are sold and the liability is relieved when the card is redeemed, the value of the card is escheated to the appropriate government agency, or through breakage. Gift card breakage is estimated based on the Company's historical redemption experience and expected trends in redemption patterns. Amounts recognized through breakage represent the portion of the gift card liability that is not subject to unclaimed property laws and for which the likelihood of redemption is remote. The Company recorded deferred revenues, reflected as *accrued liabilities* on the Company's consolidated balance sheets, of $1,351 and $1,345 as of March 27, 2020 and December 27, 2019, respectively.

Right of Return

The Company's standard terms and conditions provide customers with a right of return if the goods received are not merchantable. Customers are either issued a replacement order at no cost, or are issued a credit for the returned goods. The Company recorded a refund liability of $245 and $314 as of March 27, 2020 and December 27, 2019, respectively. Refund liabilities are reflected as *accrued liabilities* on the consolidated balance sheets. The Company recognized a corresponding asset of $151 and $194 as of March 27, 2020 and December 27, 2019, respectively, for its right to recover products from customers on settling its refund liabilities. This asset is reflected as *inventories, net* on the consolidated balance sheets.

Contract Costs

Sales commissions are expensed when incurred because the amortization period is one year or less. These costs are presented within *operating expenses* on the Company's consolidated statements of operations.

Note 3 – Net (Loss) Income per Share

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

	Thirteen Weeks Ended	
	March 27, 2020	**March 29, 2019**
Net (loss) income per share:		
Basic	$ (0.48)	$ 0.04
Diluted	$ (0.48)	$ 0.04
Weighted average common shares:		
Basic	29,621,433	29,457,257
Diluted	29,621,433	29,840,979

Reconciliation of net (loss) income per common share:

	Thirteen Weeks Ended	
	March 27, 2020	**March 29, 2019**
Numerator:		
Net (loss) income	$ (14,085)	$ 1,134
Denominator:		
Weighted average basic common shares outstanding	29,621,433	29,457,257
Dilutive effect of stock options and unvested common shares	—	383,722
Weighted average diluted common shares outstanding	29,621,433	29,840,979

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

	Thirteen Weeks Ended	
	March 27, 2020	March 29, 2019
Restricted share awards ("RSAs")	27,649	—
Convertible notes	3,484,788	91,053

Note 4 – Fair Value Measurements

Assets and Liabilities Measured at Fair Value

The Company's contingent earn-out liabilities are measured at fair value. These liabilities were estimated using Level 3 inputs. Long-term earn-out liabilities were $7,478 and $7,957 as of March 27, 2020 and December 27, 2019, respectively, and are reflected as *other liabilities and deferred credits* on the consolidated balance sheets. The remaining short-term earn-out liabilities are reflected as *accrued liabilities* 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. Changes in the fair value of contingent earn-out liabilities are reflected in *operating expenses* on the consolidated statements of operations.

The following table presents the changes in Level 3 contingent earn-out liabilities:

	Fells Point	Bassian	Sid Wainer	Other Acquisitions	Total
Balance December 27, 2019	$ 4,544	$ 7,957	$ —	$ 2,197	$ 14,698
Acquisition value	—	—	2,081	1,383	3,464
Cash payments	—	—	—	(500)	(500)
Changes in fair value	(2,583)	(1,777)	(1,602)	(850)	(6,812)
Balance March 27, 2020	$ 1,961	$ 6,180	$ 479	$ 2,230	$ 10,850

Fair Value of Financial Instruments

The following table presents the carrying value and fair value of the Company's convertible notes. In estimating the fair value of the convertible 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.

	March 27, 2020		December 27, 2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Convertible Senior Notes	$ 150,000	$ 130,977	$ 150,000	$ 165,000
Convertible Unsecured Note	$ 4,000	$ 3,595	$ 4,000	$ 4,282

Note 5 – Acquisitions

Sid Wainer

On January 27, 2020, pursuant to an asset purchase agreement, the Company acquired substantially all of the assets, including certain real-estate assets, of Sid Wainer & Son ("Sid Wainer"), a specialty food and produce distributor in New England. The purchase price was approximately $46,450 paid in cash at closing and is subject to a customary working capital true-up. The Company will also pay additional contingent consideration, if earned, in the form of an earn-out amount which could total $4,000 over a two-year period. The payment of the earn-out liability is subject to the successful achievement of certain gross profit targets. The Company estimated the fair value of this contingent earn-out liability to be $2,081 and $479 as of January 27, 2020 and March 27, 2020, respectively.

The Company is in the process of finalizing a valuation of the earn-out liability, and tangible and intangible assets of Sid Wainer as of the acquisition date. When applicable, these valuations require the use of Level 3 inputs. Goodwill for the Sid Wainer acquisition will be amortized over 15 years for tax purposes. The goodwill recorded primarily reflects the value of acquiring an established specialty food and produce distributor to leverage the Company's existing products in the markets served by Sid Wainer, to supply Sid Wainer's produce offerings to our New York market and any intangible assets that do not qualify for separate recognition. The Company reflected net sales of $25,751 and an operating loss of $1,105 for Sid Wainer in its consolidated statement of operations for the thirteen weeks ended March 27, 2020.

The table below presents unaudited pro forma consolidated income statement information of the Company as if the Sid Wainer acquisition had occurred on December 29, 2018. 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 acquisition been completed on the above date, 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 acquisition, any incremental costs for Sid Wainer 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 Sid Wainer acquisition at their respective fair values.

	Thirteen Weeks Ended	
	March 27, 2020	**March 29, 2019**
Net sales	$ 388,209	$ 402,074
Loss before income taxes	(23,187)	(439)

Additionally, during the quarter ended March 27, 2020, the Company paid approximately $17,000 for a specialty center-of-the plate distributor in New England.

The table below sets forth the purchase price allocation of these acquisitions:

	Sid Wainer	**Other Acquisitions**
Current assets	$ 24,735	$ 6,790
Customer relationships	—	6,200
Trademarks	3,500	700
Goodwill	9,645	5,131
Fixed assets	21,055	503
Right-of-use assets	8,259	1,019
Lease liabilities	(8,259)	(1,019)
Current liabilities	(10,404)	(941)
Earn-out liability	(2,081)	(1,383)
Total consideration	$ 46,450	$ 17,000

The Company recognized professional fees of $435 in *operating expenses* related to the acquisitions in the first quarter of fiscal 2020.

Note 6 – Inventories

Inventories consist primarily of finished product and are reflected net of adjustments for shrinkage, excess and obsolescence totaling $5,268 and $1,937 at March 27, 2020 and December 27, 2019, respectively. The Company incurred estimated inventory valuation adjustments of approximately $3,300 related to inventory obsolescence due to COVID-19.

Note 7 – Equipment, Leasehold Improvements and Software

Equipment, leasehold improvements and software as of March 27, 2020 and December 27, 2019 consisted of the following:

	Useful Lives	March 27, 2020	December 27, 2019
Land	Indefinite	$ 5,020	$ 1,170
Buildings	20 years	15,871	1,360
Machinery and equipment	5-10 years	25,881	21,718
Computers, data processing and other equipment	3-7 years	13,653	12,686
Software	3-7 years	29,331	29,305
Leasehold improvements	1-40 years	71,297	70,903
Furniture and fixtures	7 years	3,322	3,309
Vehicles	5-7 years	19,464	6,410
Other	7 years	95	95
Construction-in-process		9,772	9,200
		193,706	156,156
Less: accumulated depreciation and amortization		(68,071)	(63,310)
Equipment, leasehold improvements and software, net		$ 125,635	$ 92,846

Construction-in-process at March 27, 2020 and December 27, 2019 related primarily to the implementation of the Company's Enterprise Resource Planning system.

The components of depreciation and amortization expense were as follows:

	Thirteen Weeks Ended	
	March 27, 2020	March 29, 2019
Depreciation expense	$ 3,568	$ 1,973
Software amortization	$ 1,194	$ 908
	$ 4,762	$ 2,881

The net book value of equipment financed under finance leases at March 27, 2020 and December 27, 2019 was $16,337 and $3,905, respectively.

Note 8 – Goodwill and Other Intangible Assets

COVID-19 has had a material impact on the Company's customers. In an effort to limit the spread of the virus, federal, state and local governments have implemented measures that have resulted in the closure of non-essential businesses in many of the markets the Company serves, which has forced its customers in those markets to either transition their establishments to take-out service, delivery service or temporarily cease operations. These actions have led to a significant decrease in demand for the Company's products. The adverse impact to the Company's customer base and its market capitalization were triggering events and accordingly, the Company performed interim goodwill and long-lived asset quantitative impairment tests as of March 27, 2020.

Goodwill Impairment Test

The Company estimated the fair value of its reporting units using an income approach that incorporates the use of a discounted cash flow model that involves many management assumptions that are based upon future growth projections which include estimates of COVID-19's impact on our business. Assumptions include estimates of future revenues, growth rates which take into account estimated inflation rates, estimates of future levels of gross profit and operating profit, projected capital expenditures and discount rates based upon industry and competitor analyses. On the basis of these assumptions, the Company determined that the fair values of its reporting units exceeded the net carry values of their assets and liabilities by approximately $400,000, $19,000 and $14,000 for the East Coast, Midwest and West Coast reporting units, respectively. As such, goodwill was not impaired.

Long-lived Impairment Test

Long-lived assets, including other intangible assets, were tested for recoverability at the asset group level. The Company estimated the net undiscounted cash flows expected to be generated from the asset group over the expected useful of the asset group's primary asset. Key assumptions include future revenues, growth rates, estimates of future levels of gross profit and operating profit and projected capital expenditures necessary to maintain the operating capacity of each asset group. On the basis of these assumptions, the Company determined that the undiscounted cash flows for each of the Company's asset groups exceeded their respective carry values and therefore long-lived assets were not impaired.

Although the interim quantitative goodwill and long-lived asset impairment tests indicated no impairment existed as of March 27, 2020, the impacts of COVID-19 on our business are uncertain and will depend on future developments, and as such, it is possible that another triggering event could occur that under certain circumstances could cause us to recognize an impairment charge in the future.

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

Carrying amount as of December 27, 2019	$	197,743
Acquisitions		14,776
Foreign currency translation		(9)
Carrying amount as of March 27, 2020	$	212,510

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 March 27, 2020 and December 27, 2019 consisted of the following:

March 27, 2020		**Gross Carrying Amount**		**Accumulated Amortization**		**Net Amount**
Customer relationships	$	141,384	$	(47,889)	$	93,495
Non-compete agreements		8,579		(7,552)		1,027
Trademarks		68,646		(17,416)		51,230
Total	$	218,609	$	(72,857)	$	145,752
December 27, 2019						
Customer relationships	$	135,226	$	(45,454)	$	89,772
Non-compete agreements		8,579		(7,479)		1,100
Trademarks		64,505		(16,626)		47,879
Total	$	208,310	$	(69,559)	$	138,751

The Company occasionally makes small, tuck-in acquisitions that are immaterial, both individually and in the aggregate. Therefore, increases in goodwill and gross intangible assets per the above tables may not agree to the increases of these assets as shown for specific acquisitions in Note 5 "Acquisitions."

Amortization expense for other intangible assets was $3,298 and $2,877 for the thirteen weeks ended March 27, 2020 and March 29, 2019, respectively.

Estimated amortization expense for other intangible assets for the remainder of the fiscal year ending December 25, 2020 and each of the next four fiscal years and thereafter is as follows:

2020	$	9,956
2021		13,270
2022		12,490
2023		11,463
2024		11,119
Thereafter		87,454
Total	$	145,752

Note 9 – Debt Obligations

Debt obligations as of March 27, 2020 and December 27, 2019 consisted of the following:

	March 27, 2020	December 27, 2019
Senior secured term loan	$ 238,129	$ 238,129
Convertible senior notes	150,000	150,000
Asset-based loan facility	100,000	—
Convertible unsecured note	4,000	4,000
Finance lease and other financing obligations	16,337	3,905
Deferred finance fees and original issue discount	(8,537)	(9,207)
Total debt obligations	499,929	386,827
Less: current installments	(4,069)	(721)
Total debt obligations excluding current installments	$ 495,860	$ 386,106

As of March 27, 2020, the Company was in compliance with all debt covenants and the Company had reserved $16,641 of the asset-based loan facility ("ABL Facility") for the issuance of letters of credit. As of March 27, 2020, funds totaling $33,359 were available for borrowing under the ABL Facility. The interest rates on the Company's senior secured term loan and ABL Facility were 5.1% and 1.9%, respectively, at March 27, 2020.

Note 10 – Stockholders' Equity

Preferred Stock Purchase Rights

On March 22, 2020, the Company's board of directors approved a limited duration Preferred Stock Purchase Rights Agreement (the "Rights Agreement"). Under the Rights Agreement, the board of directors approved a dividend of one preferred share purchase right (a "Right") for each share outstanding share of the Company's common stock to purchase one one-thousandth of a share of Series A Preferred Stock of the Company at a price of $40.00 per Unit of Preferred Stock, subject to adjustment as provided in the Rights Agreement. The Rights will expire on March 21, 2021, unless the Rights are earlier redeemed or exchanged by the Company or upon the occurrence of certain transactions.

Equity Awards

The following table reflects the activity of RSAs during the thirteen weeks ended March 27, 2020:

	Shares	Weighted Average Grant Date Fair Value
Unvested at December 27, 2019	740,609	$ 27.68
Granted	822,134	18.57
Vested	(192,357)	23.89
Forfeited	(14,701)	22.06
Unvested at March 27, 2020	1,355,685	$ 22.76

The Company granted 822,134 RSAs to its employees at a weighted average grant date fair value of $18.57 during the thirteen weeks ended March 27, 2020. These awards are a mix of time-, market- and performance-based grants that generally vest over a range of periods up to three years. The Company recognized expense totaling $851 and $801 on its RSAs during the thirteen weeks ended March 27, 2020 and March 29, 2019, respectively.

At March 27, 2020, the total unrecognized compensation cost for unvested RSAs was $19,556 and the weighted-average remaining period was approximately 2.8 years. Of this total, $12,869 related to RSAs with time-based vesting provisions and $6,687 related to RSAs with performance-based vesting provisions. At March 27, 2020, the weighted-average remaining period for time-based vesting and performance-based vesting RSAs were approximately 2.8 years and 3.0 years, respectively.

The Company's stock options fully vested during the first quarter of fiscal 2019. The Company recognized expense $114 on stock options during the thirteen weeks ended March 29, 2019. No share-based compensation expense related to the Company's RSAs or stock options has been capitalized.

As of March 27, 2020, there were 1,414,655 shares available for grant under the 2019 Omnibus Equity Incentive Plan.

Note 11 – Income Taxes

In response to the COVID-19 pandemic, the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") was signed into law on March 27, 2020. The legislation provides temporary changes to the extent to which companies can carryback net operating losses, changes to interest expense deduction limitations and other tax relief provisions.

The Company's effective income tax rate was 36.5% and 27.5% for the thirteen weeks ended March 27, 2020 and March 29, 2019, respectively. The higher effective tax rate in the current period is primarily related to the Company's current net loss forecast for fiscal 2020 which, under the CARES Act, allows the Company to claim tax refunds against taxes paid in fiscal 2015 and 2017, both of which were at statutory tax rates of 35%. The Company recorded an income tax refund receivable of $8,762 as of March 27, 2020 which is reflected in *prepaid expenses and other current assets* on the Company's consolidated balance sheet.

Note 12 – Related Parties

The Chefs' Warehouse Mid-Atlantic, LLC, a subsidiary of the Company, leases a distribution facility that is 100% owned by entities controlled by Christopher Pappas, the Company's chairman, president and chief executive officer, and John Pappas, the Company's vice chairman and one of its directors, and are deemed to be affiliates of these individuals. Expense related to this facility totaled $118 and $108 during the thirteen weeks ended March 27, 2020 and March 29, 2019, respectively. This lease was amended during the first quarter of fiscal 2020 and expires on September 30, 2023.

Note 13 – Supplemental Disclosures of Cash Flow Information

	Thirteen Weeks Ended	
	March 27, 2020	March 29, 2019
Supplemental cash flow disclosures:		
Cash paid for income taxes, net of cash received	$ 334	$ 964
Cash paid for interest, net of cash received	$ 2,883	$ 5,271
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 6,700	$ 5,890
Operating cash flows from finance leases	$ 111	$ 17
ROU assets obtained in exchange for lease liabilities:		
Operating leases	$ 4,989	$ 131,819
Finance leases	$ 13,208	$ 854
Other non-cash investing and financing activities:		
Convertible notes issued for acquisitions	$ —	$ 4,000
Contingent earn-out liabilities for acquisitions	$ 3,464	$ 4,080

Note 14 – Subsequent Events

On April 27, 2020, the Company paid $2,250 to the former owners of Bassian related to their successful attainment of the gross profit targets in their earn-out agreement.

On April 16, 2020, the White House Coronavirus Task Force released guidelines for a three-phased approach to reopening the U.S. economy. The guidelines were issued to help state and local governments plan for a responsible reopening of their economies along with certain health and safety precautions. Certain state governors, including those of Florida, Ohio and Texas, markets in which we operate, announced phased reopenings of their economies in May 2020. The timing of a broad reopening of the U.S. economy cannot be predicted at this time nor can COVID-19's impact on future consumer spending behavior. The Company continues to support its customer base as they serve their communities while managing its liquidity effectively during this time of demand uncertainty. As of April 30, 2020, the Company had cash and cash equivalents of approximately $200,000 and availability on its asset-based loan facility of $33,359.

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 February 24, 2020. Unless otherwise indicated, the terms "Company", "Chefs' Warehouse", "we", "us" and "our" refer to The Chefs' Warehouse, Inc. and its subsidiaries.

Business Overview

We are a premier distributor of specialty foods in nine of the leading culinary markets in the United States. We offer more than 55,000 stock-keeping units ("SKUs"), ranging from high-quality specialty foods and ingredients to basic ingredients and staples and center-of-the-plate proteins. We serve more than 34,000 customer locations, primarily located in our sixteen 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, Inc. ("Allen Brothers"), we also sell certain of our center-of-the-plate products directly to consumers.

Effect of the COVID-19 Pandemic on our Business and Operations

The COVID-19 pandemic ("COVID-19") has had a material impact on our business and operations and those of our customers. In an effort to limit the spread of the virus, federal, state and local governments have implemented measures that have resulted in the closure of non-essential businesses in many of the markets we serve, which has forced our customers in those markets to either transition their establishments to take-out service, delivery service or temporarily cease operations. These developments have resulted in a $23.5 million decline in organic sales compared to the prior year quarter. Due to COVID-19, we incurred estimated non-cash charges of $15.8 million related to incremental bad debt expense and approximately $3.3 million related to estimated inventory obsolescence.

Our management team is responding rapidly to the changing landscape and pursuing alternate sources of revenue to mitigate the extent of sales declines in our core customer base. Our sales force is working closely with our core customers and developing solutions to help them fulfill the demand in their communities whilst complying with health and safety restrictions. We are actively entering into new business relationships with retail food outlets as they experience a sharp increase in demand. As we develop these new sales channels, we are negotiating favorable credit terms given the nature of the underlying customer base and the current market environment. In addition, our purchasing teams have worked diligently to shift our product purchases to SKUs that are in high demand. Thus far, we have not experienced difficulties in procuring products from our suppliers.

In response to the pandemic, we expanded our direct-to-consumer product offerings by launching our "Shop Like a Chef" online home delivery platform in several of the markets we serve. We now offer products directly to consumers through our Allen Brothers and "Shop Like a Chef" online platforms.

We have implemented cost control measures during this time of demand volatility. Our variable cost structure naturally decreases as our sales decrease, however, we are also reducing our fixed cost structure. Among other actions, we have postponed planned capital expenditures, returned certain equipment on short-term rental agreements, and reduced compensation expense through salary reductions, furloughs and lay-offs as we right-size our organization to current levels of demand.

Management determined COVID-19's adverse impact on our operations and our market capitalization were triggering events that required us to test goodwill and long-lived assets for impairment as of March 27, 2020. No impairments were recorded as a result of these tests. However, the impacts of COVID-19 on our business are uncertain and will depend on future developments, and as such, it is possible that another triggering event could occur that under certain circumstances could cause us to recognize an impairment charge in the future.

We closed the quarter with total cash and cash equivalents of $193.5 million, inclusive of a $100.0 million draw on our asset-based loan facility on March 18, 2020. Subsequent to this draw, we had approximately $33.4 million of remaining availability under our asset-based loan facility as of March 27, 2020. We are actively monitoring our working capital to effectively manage our liquidity during this time of uncertainty and expect to use the proceeds of the draw, if any, to rescale our business when demand returns.

The future impact of COVID-19 on our business, operations and liquidity is difficult to predict at this time and is highly dependent upon decisions made by federal, state and local governments and future consumer spending behavior.

Recent Acquisitions

On February 3, 2020, the Company entered into an asset purchase agreement to acquire substantially all of the assets of Cambridge Packing Co, Inc., a specialty center-of-the-plate producer and distributor in New England. The purchase price was approximately $17.0 million paid in cash at closing and is subject to a customary working capital true-up. The Company is required to pay additional contingent consideration, if earned, of up to $3.0 million over a two-year period upon successful attainment of certain gross profit targets.

On January 27, 2020, the Company entered into an asset purchase agreement to acquire substantially all of the assets, including certain real-estate assets, of Sid Wainer & Son, a specialty food and produce distributor in New England. The purchase price was approximately $46.5 million paid in cash at closing and is subject to a customary working capital true-up. The Company is required to pay additional contingent consideration, if earned, of up to $4.0 million over a two-year period upon successful attainment of certain gross profit targets.

RESULTS OF OPERATIONS

	Thirteen Weeks Ended	
	March 27, 2020	**March 29, 2019**
Net sales	$ 375,431	$ 357,027
Cost of sales	284,530	266,838
Gross profit	90,901	90,189
Operating expenses	107,917	84,039
Operating (loss) income	(17,016)	6,150
Interest and other expense	5,166	4,585
(Loss) income before income taxes	(22,182)	1,565
Provision for income taxes	(8,097)	431
Net (loss) income	$ (14,085)	$ 1,134

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 March 27, 2020 Compared to Thirteen Weeks Ended March 29, 2019

Net Sales

	2020	**2019**	**$ Change**	**% Change**
Net sales	$ 375,431	$ 357,027	$ 18,404	5.2%

Sales growth from acquisitions contributed $41.9 million, or 11.8%, to sales growth. Organic sales declined $23.5 million, or 6.6%, versus the prior year period primarily due to impacts of COVID-19. Organic case count declined approximately 5.0% in our specialty category. In addition, specialty unique customers and placements declined 1.9% and 9.6%, respectively, compared to the prior year period. Pounds sold in our center-of-the-plate category decreased 10.0% compared to the prior year. Estimated deflation was 2.1% in our specialty category and inflation was 3.1% in our center-of-the-plate category compared to the prior year period.

Gross Profit

	2020	2019	$ Change	% Change
Gross profit	$ 90,901	$ 90,189	$ 712	0.8%
Gross profit margin	24.2%	25.3%		

Gross profit was relatively unchanged versus the prior year quarter despite the increase in net sales. Gross profit margin decreased approximately 105 basis points. Gross profit margins decreased 311 basis points in the Company's specialty category and increased 157 basis points in the Company's center-of-the-plate category compared to the prior year period. Our specialty category gross profit results include a charge of approximately $3.3 million related to estimated inventory losses from obsolescence due to impacts of COVID-19. Center-of-the-plate category gross profit was favorably impacted by a greater mix of retail sales in the current year period.

Operating Expenses

	2020	2019	$ Change	% Change
Operating expenses	107,917	84,039	$ 23,878	28.4%
Percentage of net sales	28.7%	23.5%		

The increase in operating expenses relates primarily to our recent acquisitions and an estimated non-cash charge of approximately $15.8 million related to incremental bad debt expense as a result COVID-19, partially offset by a decrease in non-cash charges due to changes in the fair value of our contingent earn-out liabilities. Total operating expenses for the thirteen weeks ended March 27, 2020 includes a $6.8 million credit due to a reduction in the fair value of our contingent earn-out liabilities compared to a charge of $0.1 million for the thirteen weeks ended March 29, 2019. Our ratio of operating expenses to net sales was higher as a result of adverse COVID-19 impacts to our sales growth and a 467 basis point increase in non-cash charges related to bad debt expense, partially offset by a 184 basis point decrease in non-cash charges related to changes in the fair value of our contingent earn-out liabilities.

Interest and Other Expense

	2020	2019	$ Change	% Change
Interest and other expense	5,166	4,585	$ 581	12.7%

Interest and other expense increased primarily due to the interest charged on our Convertible Senior Notes issued on November 22, 2019 and the $100.0 million draw on our asset-based loan facility on March 18, 2020, partially offset by lower effective interest rates charged on our outstanding debt.

Provision for Income Taxes

	2020	2019	$ Change	% Change
Provision for income taxes	(8,097)	431	$ (8,528)	(1,978.7)%
Effective tax rate	36.5%	27.5%		

The higher effective tax rate is primarily related to our current net loss forecast for fiscal 2020 which allows us to claim tax refunds against taxes paid in fiscal 2015 and 2017, both of which were at statutory tax rates of 35%.

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 and other indebtedness, operating leases, trade payables and equity financing.

Indebtedness

The following table presents selected financial information on our indebtedness (in thousands):

	March 27, 2020	December 27, 2019
Senior secured term loan	$ 238,129	$ 238,129
Total convertible debt	$ 154,000	$ 154,000
Borrowings outstanding on asset-based loan facility	$ 100,000	$ —
Finance leases and other financing obligations	$ 16,337	$ 3,905

As of March 27, 2020, we have various floating- and fixed-rate debt instruments with varying maturities for an aggregate principal amount of $492.1 million.

Liquidity

The following table presents selected financial information on liquidity (in thousands):

	March 27, 2020	December 27, 2019
Cash and cash equivalents	$ 193,517	$ 140,233
Working capital, excluding cash and cash equivalents	$ 146,746	$ 162,772
Availability under asset-based loan facility	$ 33,359	$ 133,359

We anticipate capital expenditures, excluding cash paid for acquisitions, for fiscal 2020 will be in the range of $10.0 million to $12.0 million which is down from our original estimate of $38.0 million to $42.0 million. The decrease is a result of us postponing certain investments due to COVID-19. We believe our existing balances of cash and cash equivalents, working capital and the availability under our asset-based loan facility, are sufficient to satisfy our working capital needs, capital expenditures, debt service and other liquidity requirements associated with our current operations over the next 12 months.

Cash Flows

	Thirteen Weeks Ended	
	March 27, 2020	March 29, 2019
Net (loss) income	$ (14,085)	$ 1,134
Non-cash charges	$ 19,678	$ 9,855
Changes in working capital	$ 16,392	$ (3,598)
Cash provided by operating activities	$ 21,985	$ 7,391
Cash used in investing activities	$ (66,543)	$ (32,115)
Cash provided by (used in) financing activities	$ 97,975	$ (367)

Net cash provided by operations was $22.0 million for the thirteen weeks ended March 27, 2020 consisting of a net loss of $14.1 million offset by $19.7 million of non-cash charges and cash generated from working capital of $16.4 million. The increase in non-cash charges of $9.8 million is primarily driven by an increase in non-cash bad debt expense due to COVID-19, partially offset by a $6.8 million credit due to the reduction in the fair value of our contingent earn-out liabilities. The cash generated from working capital increase of $20.0 million is primarily driven by a $19.4 million increase from accounts receivable.

Net cash used in investing activities was $66.5 million for the thirteen weeks ended March 27, 2020, driven by $63.5 million in cash used to fund acquisitions and $3.1 million in capital expenditures which included implementations of our Enterprise Resource Planning system.

Net cash provided by financing activities was $98.0 million for the thirteen weeks ended March 27, 2020, driven by a $100.0 million draw on our asset-based loan facility.

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 March 27, 2020, 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 our allowance for doubtful accounts, (ii) inventory valuation, with regard to determining inventory balance adjustments for excess and obsolete inventory, (iii) business combinations, (iv) valuing goodwill and intangible assets, (v) vendor rebates and other promotional incentives, (vi) self-insurance reserves, (vii) accounting for income taxes and (viii) contingent earn-out liabilities. Our critical accounting policies and estimates are described in the Form 10-K filed with the SEC on February 24, 2020. Pursuant to our adoption of Accounting Standards Update 2016-13 *Financial Instruments - Credit Losses: Measurement of Credit Losses on Financial Instruments* on December 28, 2019, our accounting policy for determining our allowance for doubtful accounts has been changed as follows:

Allowance for Doubtful Accounts

We analyze customer creditworthiness, accounts receivable balances, payment history, payment terms and historical bad debt levels when evaluating the adequacy of our allowance for doubtful accounts. In instances where a reserve has been recorded for a particular customer, future sales to the customer are either conducted using cash-on-delivery terms or the account is closely monitored so that agreed-upon payments are received prior to orders being released. A failure to pay results in held or cancelled orders. We also estimate receivables that will ultimately be uncollectible based upon historical write-off experience. Management incorporates current macro-economic factors in existence as of the balance sheet date that may impact the food-away-from-home industry and/or its customers, and specifically in the first quarter of fiscal 2020 the impact of the COVID-19 pandemic. We may be required to increase or decrease our allowance for doubtful accounts due to various factors, including the overall economic environment and particular circumstances of individual customers.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

As of March 27, 2020, we had an aggregate $338.1 million of indebtedness outstanding under the Term Loan and ABL Facility that bore interest at variable rates. A 100 basis point increase in market interest rates would decrease our after tax earnings by approximately $2.1 million per annum, holding other variables constant.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company, under the supervision and with the participation of its management, including the Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the design and operation of the Company's "disclosure controls and procedures" (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of March 27, 2020.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended March 27, 2020 that 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

Except as stated below, there have been no material changes to our risk factors as previously disclosed in Part I, Item 1A. included in our Annual Report on Form 10-K for the year ended December 27, 2019 filed with the SEC on February 24, 2020. In addition to the information contained herein, you should consider the risk factors disclosed in our Annual Report on Form 10-K.

Significant public health epidemics or pandemics, including COVID-19, may adversely affect our business, results of operations and financial condition.

A public health epidemic or pandemic can significantly impact our business or those of our core customers or suppliers, particularly if located in geographies in which we have significant operations. Such events could significantly impact the food-away-from-home industry and other industries that are sensitive to changes in consumer discretionary spending habits. In addition, our operations could be disrupted if we were required to quarantine employees that work at our various distribution centers and processing facilities.

For instance, the recent outbreak of COVID-19 and its development into a pandemic is resulting in governmental authorities in many locations where we operate, and in which our customers are present and suppliers operate, to impose mandatory closures, seek voluntary closures and impose restrictions on, or advisories with respect to, travel, business operations and public gatherings or interactions. Among other matters, these actions have required or strongly urged various venues where foodservice products are served, including restaurants and hotels, to reduce or discontinue operations, which has and will continue to adversely affect demand in the foodservice industry, including demand for our products and services. In addition, the perceived risk of infection and health risk associated with COVID-19, and the illness of many individuals across the globe, is resulting in many of the same effects intended by such governmental authorities to stop the spread of COVID-19. These events have had, and could continue to have, an adverse impact on numerous aspects of our business, financial condition and results of operations including, but not limited to, our growth, product costs, supply chain disruptions, labor shortages, logistics constraints, customer demand for our products and industry demand generally, consumer spending, our liquidity, the price of our securities and trading markets with respect thereto, our ability to access capital markets, and the global economy and financial markets generally. The extent to which the COVID-19 pandemic impacts our financial condition or results of operations is uncertain and will depend on future developments including new information that may emerge on the severity of the disease, the extent of the outbreak, and federal, state and local government responses, among others.

ITEM 2. UNREGISTERD 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
December 28, 2019 to January 24, 2020	—	$ —	—	—
January 25, 2020 to February 21, 2020	22,899	37.28	—	—
February 22, 2020 to March 27, 2020	136,733	13.50	—	—
Total	159,632	$ 16.91	—	—

(1) During the thirteen weeks ended March 27, 2020, we withheld 159,632 shares of our common stock to satisfy tax withholding requirements related to restricted shares of our common stock awarded to our officers and key employees resulting from either elections under 83(b) of the Internal Revenue Code of 1986, as amended, or upon vesting of such awards.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit No.	Description
3.1	Certificate of Designation of the Voting Powers, Designation, Preferences and Relative, Participating, Optional or Other Special Rights and Qualifications, Limitations and Restrictions of the Series A Preferred Stock of The Chefs' Warehouse, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K filed on March 23, 2020)
4.1	Rights Agreement, dated as of March 22, 2020, between The Chefs' Warehouse, Inc. and American Stock Transfer & Trust Company, LLC, as Rights Agent (incorporated by reference to Exhibit 4.1 to the Company's Form 8-K filed on March 23, 2020)
10.1	Form of Restricted Share Award Agreement under The Chefs' Warehouse, Inc. 2019 Omnibus Equity Incentive Plan*
10.2	The Chefs' Warehouse, Inc. Executive Change in Control Plan*
10.3	Form of Executive Severance Agreement*
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 – the instance document does not appear on the Interactive Data File because its XBRL tags are embedded within the Inline XBRL 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
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.

* Compensatory Plan or Arrangement

SIGNATURES

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 May 6, 2020.

THE CHEFS' WAREHOUSE, INC.
(Registrant)

Date: May 6, 2020	/s/ James Leddy
	James Leddy Chief Financial Officer (Principal Financial Officer)
Date: May 6, 2020	/s/ Timothy McCauley
	Timothy McCauley Chief Accounting Officer (Principal Accounting Officer)

THE CHEFS' WAREHOUSE, INC.
RESTRICTED SHARE AWARD AGREEMENT
(Officers and Employees)

THIS RESTRICTED SHARE AWARD AGREEMENT (this "Agreement") is made and entered into as of the day of March 25, 2020 (the "Grant Date"), between The Chefs' Warehouse, Inc., a Delaware corporation (together with its Subsidiaries, the "Company"), and [___] (the "Grantee"). Capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in The Chefs' Warehouse, Inc. 2019 Omnibus Equity Incentive Plan (the "Plan").

WHEREAS, the Company has adopted the Plan, which permits the issuance of restricted shares of the Company's common stock, no par value per share (the "Common Stock"); and

WHEREAS, pursuant to the Plan, the Committee responsible for administering the Plan has granted an award of restricted shares to the Grantee as provided herein.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Grant of Restricted Shares.

(a) The Company hereby grants to the Grantee an award (the "Award") of shares of Common Stock of the Company (the "Shares" or the "Restricted Shares") on the terms and conditions set forth in this Agreement and as otherwise provided in the Plan.

(b) The Grantee's rights with respect to the Award shall remain forfeitable at all times prior to the dates on which the restrictions shall lapse in accordance with Sections 2 and 3 hereof.

2. Terms and Rights as a Stockholder.

(a) Except as otherwise provided herein and subject to such other exceptions as may be determined by the Committee in its discretion, the Restricted Period (as defined in Section 2(b)(ii) below) shall expire with respect to the following percentages of the Restricted Shares granted herein as set forth below:

Percentage of Restricted Shares	Date
50%	March 25, 2021
50%	March 25, 2022

All Awards shall be subject to a minimum vesting period of not less than one year from the Grant Date, except as otherwise provided in accordance with Section 14.3 of the Plan.

(b) The Grantee shall have all rights of a stockholder with respect to the Restricted Shares, including the right to receive dividends and the right to vote such Shares, subject to the following restrictions:

(i) the Grantee shall not be entitled to the removal of the restricted legends or restricted account notices or to delivery of the stock certificate (if any) for any Shares until the expiration of the Restricted Period as to such Shares and the fulfillment of any other restrictive conditions set forth herein;

(ii) none of the Restricted Shares may be sold, assigned, transferred, pledged, hypothecated or otherwise encumbered or disposed of during the "Restricted Period" as to such Shares and until the fulfillment of any other restrictive conditions set forth herein;

(iii) except as provided in Sections 2(c) and (d) below or otherwise determined by the Committee at or after the grant of the Award hereunder, any Restricted Shares as to which the applicable Restricted Period has not expired (or other restrictive conditions have not been met) shall be forfeited by the Grantee, and all rights of the Grantee to such Shares shall terminate, without further obligation on the part of the Company, unless the Grantee remains in the continuous employment (or other service-providing capacity) of the Company for the entire Restricted Period applicable to such Shares; and

(iv) any dividends paid on Restricted Shares during the Restricted Period shall not be paid to the Grantee unless the Grantee remains in the continuous employment (or other service-providing capacity) of the Company for the entire Restricted Period applicable to such Shares and until the Grantee fulfills any other restrictive conditions set forth herein; provided, however, that any dividends otherwise payable with respect to Restricted Shares that are forfeited pursuant to Section 2(a) shall not be paid.

(c) In the event of a termination of the Grantee's employment from the Company before the end of the Restricted Period (i) by the Grantee for Good Reason (as defined below) or (ii) as a result of death or Disability, the Restricted Period shall automatically terminate (to the extent not already expired) as to the number of Restricted Shares awarded hereunder on a pro rata basis, which shall be based on a fraction, the numerator of which is the number of months Grantee was employed by the Company from the Grant Date to the termination of employment and denominator of which will be 24 months. All other Restricted Shares then outstanding shall be forfeited by the Grantee, and all rights of the Grantee to such Shares shall terminate, without further obligation on the part of the Company.

(d) Notwithstanding the foregoing, the Restricted Period shall automatically terminate as to all Restricted Shares awarded hereunder (as to which such Restricted Period has not previously terminated) in the following circumstances:

(i) upon termination of the Grantee's employment from the Company without Cause; and

(ii) immediately prior to a Change in Control; provided, that if this Award is assumed in the Change in Control transaction under the terms set forth in Section 12.3 of the Plan, the Restricted Period shall run according to the schedule set forth in Section 2(a) hereof except that in the event of the termination of the Grantee's employment within one year following the Change in Control, if the Grantee's employment with the Company (or its successor) is terminated by (A) the Grantee for Good Reason (as defined below), or (B) the Company for any reason other than for Cause, the Restricted Period shall terminate with respect to 100% of the Shares.

Any Shares, any other securities of the Company and any other property (except for cash dividends) distributed with respect to the Restricted Shares shall be subject to the same restrictions, terms and conditions as such Restricted Shares.

(e) If the Grantee's employment is terminated for Cause by the Company or the Grantee resigns at any time without Good Reason, any Restricted Shares as to which the applicable Restricted Period has not expired (or other restrictive conditions have not been met) shall be forfeited by the Grantee, and all rights of the Grantee to such Shares shall terminate, without further obligation on the part of the Company.

"Good Reason" is defined as (i) a material reduction in a Grantee's position, authority, duties or responsibilities; (ii) any material reduction in a Grantee's annual base salary or bonus opportunity; or (iii) the relocation (other than by mutual agreement) of the office at which the Grantee is to perform the majority of his or her duties to a location more than 30 miles from the location at which the Grantee performed such duties immediately prior to the relocation; provided, however, that the Grantee must notify the Company of the conduct that is the basis for the potential Good Reason termination in writing within forty-five (45) days of its initial existence, such notice shall describe the conduct the Grantee believes to constitute Good Reason and the Company shall have fifteen (15) days to cure such conduct. If the Company cures the conduct that is the basis for the potential termination for Good Reason within such fifteen (15) day period, the Grantee's notice of termination shall be deemed withdrawn. If the Grantee does not give notice to the Company within ninety (90) days after an event giving rise to Good Reason, the Grantee's right to claim Good Reason termination on the basis of such event shall be deemed waived.

3. Termination of Restrictions. Following the termination of the Restricted Period, and provided that all other restrictive conditions set forth herein have been met, all restrictions set forth in this Agreement or in the Plan relating to such portion or all, as applicable, of the Restricted Shares shall lapse as to such portion or all, as applicable, of the Restricted Shares, and a stock certificate for the appropriate number of Shares, free of the restrictions and restrictive stock legend, shall, upon request, be delivered to the Grantee or Grantee's beneficiary or estate, as the case may be, pursuant to the terms of this Agreement (or, in the case of book-entry Shares, such restrictions and restricted stock legend shall be removed from the confirmation and account statements delivered to the Grantee in book-entry form).

4. Delivery of Shares.

(a) As of the date hereof, certificates representing the Restricted Shares may be registered in the name of the Grantee and held by the Company or transferred to a custodian appointed by the Company for the account of the Grantee subject to the terms and conditions of the Plan and shall remain in the custody of the Company or such custodian until their delivery to the Grantee or Grantee's beneficiary or estate as set forth in Sections 4(b) and (c) hereof or their forfeiture or reversion to the Company as set forth in Section 2(b) hereof. The Committee may, in its discretion, provide that the Grantee's ownership of Restricted Shares prior to the lapse of any transfer restrictions or any other applicable restrictions shall, in lieu of such certificates, be evidenced by a "book entry" (i.e., a computerized or manual entry) in the records of the Company or its designated agent in accordance with and subject to the applicable provisions of the Plan.

(b) If certificates shall have been issued as permitted in Section 4(a) above, certificates representing Restricted Shares in respect of which the Restricted Period has lapsed pursuant to this Agreement shall be delivered to the Grantee upon request following the date on which the restrictions on such Restricted Shares lapse.

(c) If certificates shall have been issued as permitted in Section 4(a) above, certificates representing Restricted Shares in respect of which the Restricted Period lapsed upon the Grantee's death shall be delivered to the executors or administrators of the Grantee's estate as soon as practicable following the receipt of proof of the Grantee's death satisfactory to the Company.

(d) Any certificate representing Restricted Shares shall bear (and confirmation and account statements sent to the Grantee with respect to book-entry Shares may bear) a legend in substantially the following form or substance:

THE SHARES OF STOCK REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, PLEDGED OR OTHERWISE DISPOSED OF WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933 AND UNDER APPLICABLE BLUE SKY LAW OR UNLESS SUCH SALE, TRANSFER, PLEDGE OR OTHER DISPOSITION IS EXEMPT FROM REGISTRATION THEREUNDER.

THIS CERTIFICATE AND THE SHARES OF STOCK REPRESENTED HEREBY ARE SUBJECT TO THE TERMS AND CONDITIONS (INCLUDING FORFEITURE AND RESTRICTIONS AGAINST TRANSFER) CONTAINED IN THE CHEFS' WAREHOUSE, INC. 2011 OMNIBUS EQUITY INCENTIVE PLAN (THE "PLAN") AND THE RESTRICTED SHARE AWARD AGREEMENT (THE "AGREEMENT") BETWEEN THE OWNER OF THE RESTRICTED SHARES REPRESENTED HEREBY AND THE CHEFS' WAREHOUSE, INC. (THE "COMPANY"). THE RELEASE OF SUCH SHARES FROM SUCH TERMS AND CONDITIONS SHALL BE MADE ONLY IN ACCORDANCE WITH THE PROVISIONS OF THE PLAN AND THE AGREEMENT AND ALL OTHER APPLICABLE POLICIES AND PROCEDURES OF THE COMPANY, COPIES OF WHICH ARE ON FILE AT THE COMPANY.

5. Effect of Lapse of Restrictions. To the extent that the Restricted Period applicable to any Restricted Shares shall have lapsed, the Grantee may receive, hold, sell or otherwise dispose of such Shares free and clear of the restrictions imposed under the Plan and this Agreement upon compliance with applicable legal requirements.

6. No Right to Continued Employment. This Agreement shall not be construed as giving the Grantee the right to be retained in the employ of the Company, and subject to any other written contractual arrangement between the Company and the Grantee, the Company may at any time dismiss the Grantee from employment, free from any liability or any claim under the Plan.

7. Adjustments. The Committee may make equitable and proportionate adjustments in the terms and conditions of, and the criteria included in, this Award in recognition of unusual or nonrecurring events (and shall make adjustments for the events described in Section 4.2 of the Plan) affecting the Company or the financial statements of the Company or of changes in applicable laws, regulations, or accounting principles in accordance with the Plan whenever the Committee determines that such events affect the Shares. Any such adjustments shall be effected in a manner that precludes the material enlargement of rights and benefits under this Award.

8. Amendment to Award. Subject to the restrictions contained in the Plan, the Committee may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate the Award, prospectively or retroactively; provided that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would materially and adversely affect the rights of the Grantee or any holder or beneficiary of the Award shall not to that extent be effective without the consent of the Grantee, holder or beneficiary affected.

9. Withholding of Taxes. The Grantee shall make an election under Section 83(b) of the Code with respect to the Award and the Award made pursuant to this Agreement shall be conditioned upon the prompt payment to the Company of any applicable withholding obligations or withholding taxes by the Grantee ("Withholding Taxes"). The Grantee shall complete the Section 83(b) Election Form provided on Exhibit A, and provide such completed copies of the Section 83(b) Election Form to the Internal Revenue Service and the Company, in accordance with the instructions provided. Failure by the Grantee to pay such Withholding Taxes or failure to make an election under Section 83(b) of the Code in a timely manner will render this Agreement and the Award granted hereunder null and void *ab initio* and the Restricted Shares granted hereunder will be immediately cancelled. The Company may satisfy the required Withholding Taxes by withholding from the Shares included in the Award that number of whole shares necessary to satisfy such taxes as of the date the restrictions lapse with respect to such Shares based on the Fair Market Value of the Shares, or by requiring the Grantee to remit to the Company the proper Withholding Taxes in cash.

10. Plan Governs. The Grantee hereby acknowledges receipt of a copy of (or electronic link to) the Plan and agrees to be bound by all the terms and provisions thereof. The terms of this Agreement are governed by the terms of the Plan, and in the case of any inconsistency between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall govern.

11. Severability. If any provision of this Agreement is, or becomes, or is deemed to be invalid, illegal, or unenforceable in any jurisdiction or as to any Person or the Award, or would disqualify the Plan or Award under any laws deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to the applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Award, such provision shall be stricken as to such jurisdiction, Person or Award, and the remainder of the Plan and Award shall remain in full force and effect.

12. Recoupment. All Awards granted under the Plan and any payment made under the Plan shall be subject to recoupment in accordance with Section 14.6 of the Plan.

13. Notices. All notices required to be given under this Award shall be deemed to be received if delivered or mailed as provided for herein, to the parties at the following addresses, or to such other address as either party may provide in writing from time to time.

To the Company: The Chefs' Warehouse, Inc.
100 East Ridge Road
Ridgefield, CT 06877
Attn: Corporate Secretary

To the Grantee: The address then maintained with respect to the Grantee in the Company's records.

14. Governing Law. The validity, construction and effect of this Agreement shall be determined in accordance with the laws of the State of Delaware without giving effect to conflicts of laws principles.

15. Successors in Interest. This Agreement shall inure to the benefit of and be binding upon any successor to the Company. This Agreement shall inure to the benefit of the Grantee's legal representatives. All obligations imposed upon the Grantee and all rights granted to the Company under this Agreement shall be binding upon the Grantee's heirs, executors, administrators and successors.

16. Resolution of Disputes. Any dispute or disagreement which may arise under, or as a result of, or in any way related to, the interpretation, construction or application of this Agreement shall be determined by the Committee. Any determination made hereunder shall be final, binding and conclusive on the Grantee and the Company for all purposes.

IN WITNESS WHEREOF, the parties have caused this Restricted Share Award Agreement to be duly executed effective as of the day and year first above written.

THE CHEFS' WAREHOUSE, INC.

By: __

GRANTEE: By: __

Exhibit A

INSTRUCTIONS FOR COMPLETING SECTION 83(b) ELECTION

Attached is an Internal Revenue Code Section 83(b) Election Form. To make an election under Section 83(b) of the Internal Revenue Code (a "**Section 83(b) Election**") in connection with this award, you must completely fill out three copies of the enclosed election form and mail as indicated.

1. One copy of the Section 83(b) Election Form should be mailed to the Internal Revenue Service (see attached chart for the appropriate Internal Revenue Service center) **within 30 days of the Grant Date**.

2. One copy of the Section 83(b) Election Form should be delivered to: [ENTER APPROPRIATE PERSON/ADDRESS AT THE COMPANY].

3. One copy of the Section 83(b) Election Form should be retained by you for your records.

ELECTION PURSUANT TO SECTION 83(B) OF THE INTERNAL REVENUE CODE

The undersigned taxpayer hereby makes this election pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended (the "**Code**"), and Treasury Regulations Section 1.83-2 promulgated thereunder.

1. Taxpayer's General Information:
   - Name: ____
   - Address: ____

     ____
   - Social Security # or Taxpayer ID #: ___________________
2. Description of Property with respect to which the election is being made:
3. Date on which the property was transferred:
4. Taxable year for which the election is being made:
5. Nature of restriction or restrictions to which the property is subject:
6. The fair market value of the property at the time of transfer (determined without regard to any restriction other than a restriction which by its terms will never lapse):
7. The amount (if any) paid for the property:
8. The amount to include in gross income is $

The undersigned taxpayer will file this election with the Internal Revenue Service office with which the taxpayer files his or her annual income tax return not later than 30 days after the date of the transfer of the property. A copy of the election also will be furnished to the person for whom the services were performed. The undersigned is the person performing the services in connection with which the property was transferred.

The undersigned understands that the foregoing election may not be revoked except with the consent of the Internal Revenue Commissioner.

Dated: ______________________________

Signature: ____________________________

Print Taxpayer Name: ___________________

IRS SERVICE CENTERS FOR SECTION 83(B) ELECTION FORMS

IF you live in:	**Use this address**
Florida, Louisiana, Mississippi, Texas	Department of the Treasury Internal Revenue Service Austin, TX 73301-0002
Alaska, Arizona, California, Colorado, Hawaii, Idaho, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming	Department of the Treasury Internal Revenue Service Fresno, CA 93888-0002
Arkansas, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Montana, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Wisconsin	Department of the Treasury Internal Revenue Service Fresno, CA 93888-0002
Alabama, Georgia, Kentucky, Missouri, New Jersey, North Carolina, South Carolina, Tennessee, Virginia	Department of the Treasury Internal Revenue Service Kansas City, MO 64999-0002
Delaware, Maine, Massachusetts, Missouri, New Hampshire, New York, Vermont	Department of the Treasury Internal Revenue Service Kansas City, MO 64999-0002
Connecticut, District of Columbia, Maryland, Pennsylvania, Rhode Island, West Virginia	Department of the Treasury Internal Revenue Service Ogden, UT 84201-0002
A foreign country, U.S. possession or territory* or use an APO or FPO address, or file Form 2555, 2555-EZ, 4563, or 8891, or are a dual-status alien	Department of the Treasury Internal Revenue Service Austin, TX 73301-0215

* If you live in American Samoa, Puerto Rico, Guam, the U.S. Virgin Islands, or the Northern Mariana Islands, see IRS Pub. 570.

The Chefs' Warehouse, Inc.
Executive Change in Control Plan

1. Purpose. The purpose of The Chefs' Warehouse, Inc. Executive Change in Control Plan (the "***Plan***") is to assist selected officers and executives of The Chefs' Warehouse, Inc. (the "***Company***") in making a successful transition upon certain involuntary terminations following a Change in Control of the Company and to reduce the potential distraction of management personnel in the face of the uncertainty that a potential Change in Control could engender.

2. Definitions. For purposes of this Plan, the following words and phrases have the meanings specified below:

2.1 "***Accountants***" has the meaning set forth in Section 8.2.

2.2 "***Administrator***" has the meaning set forth in Section 3.

2.3 "***Base Salary***" the highest rate of annual base salary approved to be paid to the Participant by the Company (regardless of whether it is paid in cash or another form, including equity) during the greater of the twelve (12)-month period preceding (a) the Participant's date of termination and (b) the Change in Control Date.

2.4 "***Board***" means the Board of Directors of the Company.

2.5 "***Cause***" means any one or more of the following:

(a) the Participant's commission of, or plea of nolo contendere to (i) any felony or (ii) another crime, in either case involving dishonesty or which reflects negatively upon the Company or its affiliates or otherwise impair or impede its operations;

(b) the Participant's engaging in any willful misconduct, gross negligence, act of dishonesty, violence or threat of violence that is injurious to the Company or its affiliates;

(c) the Participant's material breach of any material written policy of the Company or its affiliates;

(d) the Participant's material failure to comply with any material applicable laws and regulations or professional standards relating to the business of the Company or its affiliates; or

(e) any other misconduct by the Participant that is injurious to the financial condition or business reputation of the Company or its affiliates.

; provided, however, that with respect to clauses (b), (c), (d) and (e), the Company must notify the Participant of the conduct that is the basis for the potential Cause termination in writing within forty-five (45) days of its initial existence and the Participant shall have fifteen (15) days to cure such conduct, to the extent it can be cured, to prevent a termination for Cause by the Company. If the Participant cures the conduct that is the basis for the potential termination for Cause within such fifteen (15) day period, the Company's notice of termination shall be deemed withdrawn.

2.6 "***Change in Control***" means any one of the following:

(a) any person or entity, including a "group" as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended, other than the Company or a wholly-owned Subsidiary thereof or any employee benefit plan of the Company or any of its Subsidiaries, becomes the beneficial owner of the Company's securities having 35% or more of the combined voting power of the then outstanding securities of the Company that may be cast for the election of directors of the Company (other than as a result of an issuance of securities initiated by the Company in the ordinary course of business);

(b) as the result of, or in connection with, any cash tender or exchange offer, merger or other business combination, sale of assets or contested election, or any combination of the foregoing transactions, less than a majority of the combined voting power of the then outstanding securities of the Company or any successor corporation or entity entitled to vote generally in the election of the directors of the Company or such other corporation or entity after such transaction are held in the aggregate by the holders of the Company's securities entitled to vote generally in the election of directors of the Company immediately prior to such transaction;

(c) during any period of two consecutive years, individuals who at the beginning of any such period constitute the Board cease for any reason to constitute at least a majority thereof, unless the election, or the nomination for election by the Company's stockholders, of each director of the Company first elected during such period was approved by a vote of at least two-thirds of the directors of the Company then still in office who were directors of the Company at the beginning of any such period; or

(d) the stockholders of the Company approve a plan of complete liquidation of the Company or the sale or disposition by the Company of all or substantially all of the Company's assets, other than a liquidation of the Company into a wholly owned subsidiary.

2.7 "***Change in Control Date***" means the date on which a Change in Control is consummated.

2.8 "***Code***" means the U.S. Internal Revenue Code of 1986, as amended, and any successor thereto.

2.9 "***Committee***" means the Compensation Committee of the Board.

2.10 "***Company***" means The Chefs' Warehouse, Inc., and any successor.

2.11 "***Covered Payments***" has the meaning set forth in Section 8.1.

2.12 "***Date of Separation***" means, with respect to a Participant, the date on which a Participant incurs a termination of employment.

2.13 "***Eligible Executive***" has the meaning set forth in Section 4.

2.14 “***Excise Tax***” has the meaning set forth in Section 8.1.

2.15 “***Good Reason***” means any one or more of the following actions or omissions:

(a) any material reduction in a Participant’s position, authority, duties or responsibilities following the Change in Control as compared to such level immediately prior to the Change in Control;

(b) any material reduction in a Participant’s annual base salary or bonus opportunity as in effect immediately prior to the Change in Control; or

(c) the relocation (other than by mutual agreement) of the office at which the Participant is to perform the majority of his or her duties following the Change in Control to a location more than 30 miles from the location at which the Participant performed such duties prior to the Change in Control.

; provided, however, that the Participant must notify the Company of the conduct that is the basis for the potential Good Reason termination in writing within forty-five (45) days of its initial existence, such notice shall describe the conduct the Participant believes to constitute Good Reason and the Company shall have fifteen (15) days to cure such conduct. If the Company cures the conduct that is the basis for the potential termination for Good Reason within such fifteen (15) day period, the Participant’s notice of termination shall be deemed withdrawn. If the Participant does not give notice to the Company as described in this Section 2.15 within ninety (90) days after an event giving rise to Good Reason, the Participant’s right to claim Good Reason termination on the basis of such event shall be deemed waived.

2.16 “***Participant***” has the meaning set forth in Section 4.

2.17 “***Payment Date***” has the meaning set forth in Section 6.1.

2.18 “***Plan***” means this The Chefs’ Warehouse, Inc. Executive Change in Control Severance Plan, as described in this document and as amended from time to time.

2.19 “***Release***” has the meaning set forth in Section 7.

2.20 “***Severance Multiple***” means the number applicable to a Participant’s position as set forth on Exhibit A, as amended from time to time.

2.21 “***Subsidiary***” means any Person (other than the Company) of which 50% or more of its voting power or its equity securities or equity interest is owned directly or indirectly by the Company.

3. Administration. The Plan shall be administered by the Committee (the “***Administrator***”). Subject to the provisions of the Plan, the Administrator shall have exclusive authority to interpret and administer the Plan, to establish, amend and rescind appropriate rules and regulations relating to the Plan, to delegate some or all of its authority under the Plan to the extent permitted by law, and to take all such steps and make all such determinations in connection with the Plan and the benefits granted pursuant to the Plan as it may deem necessary or advisable. Any decision of the Administrator in the interpretation and administration of the Plan, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned.

4. Eligibility. Eligibility under the Plan is limited to certain senior executives and officers of the Company as determined by the Administrator from time to time (“***Eligible Executives***”). The Administrator in its sole discretion will select and notify those Eligible Executives who will participate in the Plan (“***Participants***”).

5. No Effect on Equity Awards. This Plan does not alter or amend any vesting or other terms and conditions of any equity-based compensation awards under the Company’s equity incentive compensation plan(s), which shall be governed by the terms and conditions set forth in the equity incentive compensation plan(s) and separate written grant agreements.

6. Change in Control Severance Benefits.

6.1 Upon a termination of a Participant’s employment by the Company without Cause or a resignation by the Participant for Good Reason during the two (2)-year period commencing on the Change in Control Date, subject to the provisions of the Plan, the Participant shall receive the following benefits:

(a) A cash amount equal to the Participant’s Base Salary multiplied by the applicable Severance Multiple;

(b) A cash amount equal to the Participant’s target annual bonus for the year of termination multiplied by the applicable Severance Multiple; and

(c) (i) if the termination of employment occurs during the calendar year in which the Change in Control occurs, a prorated target annual bonus for the year of termination and (ii) if the termination of employment occurs in a calendar year following the calendar year in which the Change in Control occurs, a prorated annual bonus for the year of termination paid at the same time and in the same form as annual bonuses are paid to active employees generally based on actual performance in respect of the performance year; provided, however, that all individual performance goals shall be deemed attained at 100%.

The amounts payable pursuant to Sections 6.1(a), (b), and (c)(i) shall be made in a cash lump sum on the 60th day following the Date of Separation (the “***Payment Date***”), provided that the Participant executes the Release and the Release becomes effective and irrevocable in its entirety prior to such date. If the Release does not become effective and irrevocable prior to the 60th day following the Date of Separation, the Company shall have no obligation to make any payments or provide benefits pursuant to this Plan.

6.2 Benefits Payment. In addition, upon a termination of a Participant’s employment by the Company without Cause or a resignation by the Participant for Good Reason during the two (2)-year period commencing on the Change in Control Date, in lieu of benefits continuation, the Company shall pay to the Participant on the Payment Date, a lump-sum cash payment in the amount set forth on Exhibit B. Nothing in this Section 6.2 shall be construed to impair or reduce a Participant’s rights under COBRA or other applicable law.

6.3 Outplacement Payment. In addition, upon a termination of a Participant’s employment by the Company without Cause or a resignation by the Participant for Good Reason during the two (2)-year period commencing on the Change in Control Date, in lieu of reimbursement for outplacement services, the Company shall pay to the Participant on the Payment Date, a lump-sum cash payment in the amount set forth on Exhibit C.

6.4 Legal Fees. The Company shall pay all legal fees incurred by a Participant in connection with the Participant's enforcement of his or her rights under the Plan.

7. Release.

7.1 Release. A Participant shall only be entitled to receive the payments and benefits pursuant to Section 6 if he or she shall have executed and delivered (and, if applicable, not revoked) a release of claims against the Company (and its officers, directors, employees, affiliates, stockholders, etc.) in a form satisfactory to the Company in the Company's sole discretion (the "***Release***"), and such Release shall be in full force and effect. The form of Release shall be delivered to the Participant by the Company at the time of, or within seven (7) days following, the termination of the Participant's employment. From the date of delivery of the form of Release to the Participant by the Company, the Participant shall have a minimum of twenty-one (21) and a maximum of forty-five (45) days, as set forth therein, to review and execute the Release and deliver it to the Company. If required by law in order for the Release to become fully effective, the Participant shall be given the opportunity to revoke all or a portion the Release within seven (7) days after execution and delivery thereof (the "***Release Revocation Period***"). Should the Participant revoke all or any portion of the Release within any such revocation period, then the Participant will be treated hereunder as if he or she did not execute the Release.

7.2 If a Participant breaches any provision of the Release, the Administrator may determine that the Participant (i) will forfeit any unpaid portion of the payments provided pursuant to this Plan and (ii) will repay to the Company any amounts previously paid to him or her.

8. Section 280G.

8.1 Notwithstanding any other provision of this Plan or any other plan, arrangement or agreement to the contrary, if any of the payments or benefits provided or to be provided by the Company or its affiliates to a Participant or for the Participant's benefit pursuant to the terms of this Plan or otherwise ("***Covered Payments***") constitute parachute payments within the meaning of Section 280G of the Code and would, but for this Section 8 be subject to the excise tax imposed under Section 4999 of the Code (or any successor provision thereto) or any similar tax imposed by state or local law or any interest or penalties with respect to such taxes (collectively, the "***Excise Tax***"), then the Covered Payments shall be payable either (i) in full or (ii) reduced to the minimum extent necessary to ensure that no portion of the Covered Payments is subject to the Excise Tax, whichever of the foregoing (i) or (ii) results in the Executive's receipt on an after-tax basis of the greatest amount of benefits after taking into account the applicable federal, state, local and foreign income, employment and excise taxes (including the Excise Tax). Any such reduction shall be made by the Company in its sole discretion consistent with the requirements of Section 409A of the Code.

8.2 Any determination required under this Section 8 shall be made in writing in good faith by the accounting firm which was the Company's independent auditor immediately before the Change in Control (the "***Accountants***"). The Company and the Participant shall provide the Accountants with such information and documents as the Accountants may reasonably request in order to make a determination under this Section 8. The Company shall be responsible for all fees and expenses of the Accountants.

9. Section 409A. Notwithstanding anything to the contrary contained in this Plan, the payments and benefits provided under this Plan are intended to comply with or be exempt from Section 409A of the Code, and the provisions of this Plan shall be interpreted or construed with that intent. The Administrator may modify the payments and benefits under this Plan at any time solely as necessary to avoid adverse tax consequences under Section 409A; provided, however, that this Section 9 shall not create any obligation on the part of the Administrator to make such modifications or take any other action.

9.1 It is intended that the terms "termination" and "termination of employment" as used herein shall constitute a "separation from service" within the meaning of Section 409A.

9.2 Anything in the Plan to the contrary notwithstanding, each payment of compensation made to a Participant shall be treated as a separate and distinct payment from all other such payments for purposes of Section 409A.

9.3 The actual date of payment pursuant to the Plan shall be within the sole discretion of the Company. In no event may a Participant be permitted to control the year in which payment occurs.

9.4 Anything in the Plan to the contrary notwithstanding, if a Participant is a "specified employee" (within the meaning of Treasury Regulation Section 1.409A-1(i)) on the date of the Participant's termination of employment, then any payment or benefit which would be considered "nonqualified deferred compensation" within the meaning of Section 409A that the Participant is entitled to receive upon the Participant's termination of employment and which otherwise would be payable during the six-month period immediately following the Participant's termination of employment will instead be paid or made available on the first day of the seventh month following the Participant's termination of employment (or, if earlier, the date of the Participant's death).

9.5 With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A: (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit; (ii) the amount of expenses eligible for reimbursement, or in-kind benefits, provided during any taxable year shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year; and (iii) such payments shall be made on or before the last day of the Participant's taxable year following the taxable year in which the expense occurred, or such earlier date as required hereunder.

10. Withholding. The Company shall be entitled to withhold from payments to or on behalf of the Participant taxes and other authorized deductions.

11. Governing Law. This Plan shall be construed, interpreted and governed in accordance with the laws of the State of Delaware, without reference to rules relating to conflicts of law. Any disputes under this Plan shall be settled in the courts of New York County, New York.

12. Effect on Other Plans. This Plan supersedes in all respects any severance or change in control benefit plans, arrangements or policies of the Company that apply to Participants upon a Change in Control. Notwithstanding the foregoing, the Company and the Board reserve the right to adhere to other policies and practices that may be in effect for other groups of employees.

13. Amendment and Modification. Prior to a Change in Control, this Plan (including Exhibit A) may be modified, amended or terminated at any time

by the Administrator without notice to Participants. Notwithstanding the foregoing, for a period of two (2) years following a Change in Control, the Plan (including Exhibit A) may not be discontinued, terminated or amended in such a manner that decreases the benefits payable to any Participant or that makes any provision less favorable for any Participant without the consent of the Participant.

14. No Employment Rights. Neither this Plan nor the benefits hereunder shall be a term of the employment of any employee, and the Company shall not be obligated in any way to continue the Plan. The terms of this Plan shall not give any employee the right to be retained in the employment of the Company.

15. Effective Date. This Plan shall become effective as of the date of its adoption by the Board.

Exhibit A

Severance Multiples

Executive	**Applicable Severance Multiple**
Chief Executive Officer	3
Section 16 Officers	2
Other Eligible Executives	1

Exhibit B

Benefits Payment

Executive	**Lump Sum Benefits Payment**
Chief Executive Officer	$75,000
Section 16 Officers	$50,000
Other Eligible Executives	$25,000

Exhibit C

Outplacement Payment

Executive	**Lump Sum Benefits Payment**
Chief Executive Officer	$30,000
Section 16 Officers	$30,000
Other Eligible Executives	$20,000

SEVERANCE AGREEMENT

THIS SEVERANCE AGREEMENT (this "Agreement") is made as of [ ] (the "Effective Date") by and between The Chefs' Warehouse, Inc., a Delaware corporation (together with its subsidiaries and affiliates, the "Company"), and [ ] ("Employee").

WHEREAS, Employee is currently employed with the Company as [ ];

WHEREAS, Employee currently receives severance benefits under Employee's [Offer Letter/Severance Agreement] and the Company wishes to enhance those benefits; and

WHEREAS, the parties wish to set forth all of the obligations between them with respect to the subject matter herein.

NOW, THEREFORE, in consideration of Employee's continued employment with the Company and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Agreement Term. The Agreement shall commence as of the Effective Date and, subject to earlier termination of Employee's employment, continue until March 25, 2022 (the "Initial Term"). Unless a Non-Renewal Notice (as defined below) is given or Employee's employment is earlier terminated, the term of this Agreement shall, as of and following the expiration of the Initial Term, be automatically extended for additional twelve (12) month periods (individually, and collectively, the "Renewal Term" and together with the Initial Term, the "Term"). The Board of Directors of the Company (the "Board") may elect to terminate the automatic extension of the Initial Term or any Renewal Term, as applicable by giving written notice of such election not less than ninety (90) days prior to the end of such term (the "Non-Renewal Notice").

2. Severance. If Employee's employment is terminated by the Company without Cause (as defined in the Company's Executive Change in Control Plan) or Employee resigns for Good Reason (as defined below), subject to the provisions of this Agreement, Employee shall receive the following on the first payroll period following the Release Effective Date:

2.1 a cash amount equal to [2x/1.5x] (i) Employee's Base Salary (as defined below) and (ii) target annual bonus for the year of termination, to be paid in equal payroll installments over [24 months]/[18 months] commencing on the first payroll period following the Release Effective Date; provided that if there is a Change in Control (as defined in the Company's Executive Change in Control Plan) during the period where Employee is receiving installment payments, all outstanding installment payments under this section shall be paid in a lump-sum as of or within 60 days of the Change in Control;

2.2 a lump sum cash payment of [$50,000]/[$37,500] in lieu of benefits continuation, provided that nothing in this section shall be construed to impair or reduce Employee's rights under COBRA or other applicable law;

2.3 a lump sum cash payment of $30,000 in lieu of reimbursement for outplacement services; and

2.4 to extent applicable, any earned but unpaid annual bonus with respect to the year prior to the year of termination.

3. Release. Employee shall only be entitled to receive the payments and benefits pursuant to Section 2 of this Agreement if he or she shall have executed and delivered (and, if applicable, not revoked) a release of claims against the Company (and its officers, directors, employees, affiliates, stockholders, etc.) in a form satisfactory to the Company in the Company's sole discretion (the "Release"), and such Release shall be in full force and effect. The form of Release shall be delivered to Employee by the Company at the time of, or within seven (7) days following, the termination of Employee's employment. From the date of delivery of the form of Release to Employee by the Company, Employee shall have a minimum of twenty-one (21) and a maximum of forty-five (45) days, as set forth therein, to review and execute the Release and deliver it to the Company. If required by law in order for the Release to become fully effective, Employee shall be given the opportunity to revoke all or a portion the Release within seven (7) days after execution and delivery thereof otherwise the release will become effective as the date the Release is delivered to the Company (the "Release Effective Date"). Should Employee revoke all or any portion of the Release within any such revocation period, then Employee will be treated hereunder as if he or she did not execute the Release.

If Employee breaches any provision of the Release, the Company may determine that Employee (i) will forfeit any unpaid portion of the payments provided pursuant to this Agreement and (ii) will repay to the Company any amounts previously paid to him or her.

4. Accrued Amounts. Upon any termination of employment, Employee shall be entitled to any accrued but unpaid amounts required to be paid in accordance with applicable law.

5. Legal Fees. In the event of any dispute between the Company, Employee or others regarding the validity or enforceability of, or liability under, or breach by the Company of, any provision of this Agreement, the Company agrees to pay any legal fees and/or expenses that Employee may reasonably incur as a result of such dispute to the extent that Employee is the prevailing party in the dispute as to at least one issue; provided, however, that payment of legal fees and/or expenses shall not be provided to Employee later than the last day of the second calendar year in which the relevant fees or expenses were incurred.

6. Definitions.

6.1 "Base Salary" means the highest rate of annual base salary approved to be paid to Employee by the Company (regardless of whether it is paid in cash or another form, including equity) during the twelve (12)-month period preceding Employee's date of termination.

6.2 "Good Reason" means (i) a material reduction in Employee's position, authority, duties or responsibilities; (ii) any material reduction in Employee's annual base salary or bonus opportunity; or (iii) the relocation (other than by mutual agreement) of the office at which Employee is to perform the majority of his or her duties to a location more than 30 miles from the location at which Employee performed such duties prior to the change; provided, however, that Employee must notify the Company of the conduct that is the basis for the potential Good Reason termination in writing within forty-five (45) days of its initial existence, such notice shall describe the conduct Employee believes to constitute Good Reason and the Company shall have fifteen (15) days to cure such conduct. If the Company cures the conduct that is the basis for the potential termination for Good Reason within such fifteen (15) day period, Employee's notice of termination shall be deemed withdrawn. If Employee does not give notice to the Company within ninety (90) days after an event giving rise to Good Reason, Employee's right to claim Good Reason termination on the basis of such event shall be deemed waived.

7. Withholding. The Company shall be entitled to withhold from payments to or on behalf of Employee taxes and other authorized deductions.

8. At-Will Employment. Nothing in this Agreement is intended or may be construed to create an employment relationship of any particular duration. Employee acknowledges and agrees that he or she is an "at will" employee of the Company, and that either party may terminate Employee's employment at any time, with or without Cause, and with or without notice.

9. Governing Law. This Agreement shall be construed, interpreted and governed in accordance with the laws of the State of Delaware, without reference to rules relating to conflicts of law. Any disputes under this Agreement shall be settled in the courts of New York County, New York.

10. No Effect on Equity Awards. This Agreement does not alter or amend any vesting or other terms and conditions of any equity-based compensation awards under the Company's equity incentive compensation plan(s), which shall be governed by the terms and conditions set forth in the equity incentive compensation plan(s) and separate written grant agreements.

11. Entire Agreement. During the Term, this Agreement supersedes any severance provisions in any other arrangement with the Company, including Employee's [offer letter/severance agreement dated X]; provided that any post-termination restrictive covenants or obligations that Employee is subject to under any arrangement will continue to apply. Upon the expiration of this Agreement, any agreements that Employee has with the Company, including Employee's [offer letter/severance agreement] will control with respect to payments upon termination not in connection with a Change in Control. To the extent there is a Change in Control during the Term, Employee will only receive benefits under the Executive Change in Control Plan and will not receive any benefits under this Agreement.

12. Section 409A of the Code. Notwithstanding anything to the contrary contained in this Agreement, the payments and benefits provided under this Agreement are intended to comply with or be exempt from Section 409A of the Code, and the provisions of this Agreement shall be interpreted or construed with that intent. The Company may modify the payments and benefits under this Agreement at any time solely as necessary to avoid adverse tax consequences under Section 409A; provided, however, that this Section 12 shall not create any obligation on the part of the Company to make such modifications or take any other action.

12.1 It is intended that the terms "termination" and "termination of employment" as used herein shall constitute a "separation from service" within the meaning of Section 409A.

12.2 Anything in this Agreement to the contrary notwithstanding, each payment of compensation made to Employee shall be treated as a separate and distinct payment from all other such payments for purposes of Section 409A.

12.3 The actual date of payment pursuant to this Agreement shall be within the sole discretion of the Company. In no event may Employee be permitted to control the year in which payment occurs.

12.4 Anything in this Agreement to the contrary notwithstanding, if Employee is a "specified employee" (within the meaning of Treasury Regulation Section 1.409A-1(i)) on the date of Employee's termination of employment, then any payment or benefit which would be considered "nonqualified deferred compensation" within the meaning of Section 409A that Employee is entitled to receive upon Employee's termination of employment and which otherwise would be payable during the six-month period immediately following Employee's termination of employment will instead be paid or made available on the first day of the seventh month following Employee's termination of employment (or, if earlier, the date of Employee's death).

12.5 With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A: (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit; (ii) the amount of expenses eligible for reimbursement, or in-kind benefits, provided during any taxable year shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year; and (iii) such payments shall be made on or before the last day of Employee's taxable year following the taxable year in which the expense occurred, or such earlier date as required hereunder.

[*signature page follows*]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

THE CHEFS' WAREHOUSE, INC.

By: __
Name:
Title:

By: __
[ ]

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: May 6, 2020

/s/ Christopher Pappas

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

Exhibit 31.2

CERTIFICATIONS

I, James Leddy, 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: May 6, 2020

/s/ James Leddy

By: James Leddy
Chief Financial Officer
(Principal Financial 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 March 27, 2020, 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: May 6, 2020	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 March 27, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James Leddy, 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: May 6, 2020	By:	/s/ James Leddy
		James Leddy
		Chief Financial Officer
		(Principal Financial 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.