

**EXHIBIT A**

**(Term Sheet)**

**F&H ACQUISITION CORP., ET AL. CASE NO. 13-13220 (KG)****Term Sheet****February 7, 2014**

*This term sheet sets forth the terms of a settlement between the Settlement Parties (as specified below) and will be the basis for a motion brought by the Debtors and the Creditors' Committee to approve the settlement pursuant to Federal Rule of Bankruptcy Procedure 9019 (the "Settlement Motion"). The terms described in this term sheet will be embodied in, among other documents, an order approving the Settlement Motion, which order will be consistent with the terms set forth herein (the "Settlement Approval Order").*

<b><i>Settlement Parties</i></b>	<p><u>Creditors' Committee</u>: The official committee of unsecured creditors appointed in the Debtors' cases.</p> <p><u>Debtors</u>: F&amp;H Acquisition Corp. and all of its debtor affiliates.</p> <p><u>GECC</u>: General Electric Capital Corporation, in its capacity as agent for the Debtors' first lien prepetition lenders and postpetition lenders (collectively, the "<b><i>First Lien Lenders</i></b>").</p> <p><u>Cerberus</u>: Cerberus Business Finance, LLC, as agent for the Debtors' second lien prepetition lenders (the "<b><i>Second Lien Lenders</i></b>," and together with the First Lien Lenders, the "<b><i>Secured Lender Parties</i></b>").</p>
<b><i>Estate Assets and Disposition Thereof</i></b>	<p>Substantially all of the assets of the Debtors' estates, including the Debtors' cash, will be sold to Cerberus or its designee (in such capacity, the "<b><i>Buyer</i></b>") pursuant to Bankruptcy Code section 363 (the "<b><i>Sale</i></b>"), the terms and conditions of which shall be consistent with this term sheet and will be set forth more fully in an asset purchase agreement between the Debtors and the Buyer (the "<b><i>APA</i></b>"), which APA may be amended from time to time provided it is consistent with this term sheet.</p> <p>On the closing date of the Sale (the "<b><i>Closing Date</i></b>"), the Buyer shall transfer \$500,000 free and clear of liens and claims of any person or entity (the "<b><i>Unencumbered Settlement Cash</i></b>") into a trust (the "<b><i>Trust</i></b>") for the benefit of general unsecured creditors and the professionals of the Creditors' Committee, provided that if the Trust is not created on or before the Closing Date, the Unencumbered Settlement Cash will be held by the Debtors' estates in a segregated account and in trust for the benefit of general unsecured creditors and the Creditors' Committee professionals pending creation of the Trust or further order of the Bankruptcy Court. Representatives of the Debtors or the Trust, as applicable, shall conduct a commercially reasonable claims reconciliation process.</p> <p>All causes of actions that are property of the Debtors or of the Debtors' estates, including, without limitation, those arising under Chapter 5 of the Bankruptcy Code or any other state or federal law (collectively, the "<b><i>Debtor Claims</i></b>") will be sold as part of the Sale pursuant to the APA; <i>provided, however</i>, that the Buyer shall agree not to prosecute, or assert, any Debtors Claims that (i) arise under Chapter 5 of the Bankruptcy Code or (ii) are released as part of the settlement described in this term sheet for any reason</p>

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	<p>whatsoever (other than as a defense or offset to an affirmative claim or cause of action brought against the Buyer based on any conduct, claim, action, or inaction arising prior to the Closing Date; <i>provided, however</i>, that nothing in this term sheet shall expand or create any third party rights or claims against the Buyer) or sell, transfer or convey any such Debtor Claims to any other Person unless such Person agrees to be bound by such covenant not to sue.</p> <p>For the avoidance of doubt, neither the respective Secured Lender Parties nor the Buyer shall have any funding obligations with respect to any Trust or the Debtors' estates from and after the closing of the Sale except those expressly contemplated herein.</p>
<p><b><i>Unpaid Amounts &amp; Budget – Wind down and professional fees</i></b></p>	<p>On the Closing Date, the Debtors shall draw on the DIP facility an amount equal to the sum of (i) the amount of all checks that have been issued postpetition but not cleared as of the Closing Date to the extent not assumed by Buyer pursuant to the APA or provided for in the Wind-Down Budget (as defined below), and (ii) the aggregate amount of all expenses (including professional fees and expenses, operating expenses, stub rent claims for all real property leases, and tax claims) incurred but not yet paid as of the Closing Date to the extent not assumed by Buyer pursuant to the APA or provided for in the Wind Down Budget (as defined below), in each case subject to the limitations set forth in Paragraph 2(f) of the Final DIP Order (the “<b>Closing Draw</b>”). The Closing Draw will be deposited into a segregated account and used to satisfy the obligations described in clauses (i) and (ii) of the immediately preceding sentence; any unused amounts remaining in such segregated account after satisfaction of such obligations will be promptly remitted to the Buyer (the “<b>Unused Cash</b>”). No claim shall be paid unless it is an allowed claim after a commercially reasonable claims reconciliation process and is provided for in the Final DIP Order; <i>provided, however</i>, any stub rent claims shall be paid upon the earliest of (X) reconciliation and agreement on the amount of the subject claim among the claimant, the Debtors, GECC and Cerberus; (Y) allowance of the subject claim by order of the Bankruptcy Court; and (Z) thirty (30) days after the expiration of the claims bar date established in the cases, unless the Debtors, GECC or Cerberus in good faith dispute the amount of the subject claim. In no event shall the postpetition lenders be obligated to fund an aggregate amount in excess of: (1) the maximum commitment under the DIP facility <u>minus</u> (2) the aggregate amount outstanding under the DIP facility as of the Closing Date just prior to giving effect to the Closing Draw.</p> <p>On the Closing Date, the Buyer will fund the wind-down budget attached hereto as <b>Exhibit “A”</b> (the “<b>Wind Down Budget</b>”) into a segregated account, which Wind Down Budget shall include (i) budgeted 503(b)(9) claims; and (ii) PACA and mechanics' liens claims; and (iii) certain specified wind down expenses. The Debtors shall be required to make the payments set forth in the Wind Down Budget in the amount and at the time set forth in the Wind Down Budget; <i>provided, however</i>, that no claim shall be paid unless it is provided for in the Wind Down Budget, and neither the Debtors, GECC or Cerberus, in good faith, dispute the amount of such claim; <i>provided further, however</i>, that any 503(b)(9) claims shall be paid</p>

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	<p>upon the earliest of (X) reconciliation and agreement on the amount of the subject claim among the claimant, the Debtors, GECC and Cerberus; (Y) allowance of the subject claim by order of the Bankruptcy Court; and (Z) thirty (30) days after the expiration of the 503(b)(9) claims bar date, unless the Debtors, GECC or Cerberus in good faith dispute the amount of the subject claim. Any amounts funded by the Buyer under the Wind Down Budget that are not spent by the Debtors as set forth above shall be promptly remitted to the Buyer. For the avoidance of doubt, payments to be made under the Wind Down Budget shall be limited to the specific applicable line item in the Wind Down Budget, and any unused amounts in one line item may not be applied or carried over to any other line item (but instead shall be remitted to the Buyer).</p> <p>The sum of the Creditors' Committee fee line item in the DIP budget and Wind Down Budget shall equal \$500,000, which amount may be allocated as the Creditors' Committee professionals deem appropriate between the two budgets and which amount shall be inclusive of expenses of Creditors' Committee members. The post-default carve out for the Creditors' Committee's professionals and members shall be \$100,000.</p> <p>The Debtors shall not (i) seek approval of any retention plan, severance plan, incentive plan, or the like, or (ii) make any payments under the Managing Partner Incentive Program, in each case without the approval of Cerberus and GECC, in their sole and absolute discretion.</p>
<b><i>Exit Mechanism</i></b>	<p>The Debtors and the Creditors' Committee, in consultation with GECC and Cerberus, will negotiate in good faith the appropriate exit strategy for these cases whether through confirmation of a liquidating plan, conversion, or a structured dismissal; <i>provided, however</i>, that no exit strategy shall be in any respect inconsistent with, or threaten, hinder, or prevent the implementation of, any terms of (i) the DIP credit agreement, (ii) the entered interim DIP order or the Final DIP Order, as applicable, (iii) the APA (including all exhibits and schedules thereto), (iv) the Sale Procedures Order (as defined below), (v) the Sale Approval Order (as defined below), or (vi) this term sheet or the Settlement Approval Order.</p>
<b><i>Treatment of Deficiency Claims</i></b>	<p>With respect to any deficiency claim of the Second Lien Lenders remaining after the Closing Date, the Second Lien Lenders shall agree that such claims shall receive no distributions from the Debtors' estates or the Trust (for the avoidance of doubt, the Buyer shall receive any Unused Cash and any unspent amounts funded by the Buyer for the Wind Down Budget).</p>
<b><i>Exculpation and Releases, Lien Validation, Sale Support</i></b>	<p>The Settlement Approval Order shall approve releases attached hereto as <b><u>Exhibit "B"</u></b>, and such releases shall become operative on and as of the Closing Date.</p> <p>Any order confirming a plan or providing for a structured dismissal of the Debtors' cases shall include releases consistent with the releases set forth in Exhibit B hereto, the exculpations of each of the Debtors, the Creditors' Committee, GECC, Cerberus, the respective Secured Lender Parties, and each such parties' respective officers, directors, managements, members, professionals, representatives and other customary released parties,</p>

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	<p>including as to any actions taken in connection with the Debtors and the Debtors' chapter 11 cases, but excluding obligations of the parties under this term sheet, the APA, the agreements executed in connection with, and/or otherwise contemplated by, the APA, including, without limitation, the loan documentation in respect of the restructured first lien and second lien credit facilities being assumed by the Buyer.</p> <p>In connection with the settlement described herein, the Debtors' estates shall (i) validate and confirm, on a final basis, each and all of: (A) the Debtors' Stipulations (as defined in the interim order approving the debtor in possession financing in the Debtors' cases entered on December 17, 2013 [Docket No. 55] (the "<b>Interim DIP Order</b>")) contained in Paragraphs D.(i) – (iv) and E.(i) – (iv) of the Interim DIP Order and (B) Cerberus' "Right to Credit Bid" contained in Paragraph 5(f) of the Interim DIP Order and (ii) not subject any of the matters contained in the Debtors' Stipulations or Right to Credit Bid to any further challenge, including a Challenge (as defined in the Interim DIP Order), pursuant to Paragraph 7 of the Interim DIP Order or otherwise. The Committee and its members shall not initiate any challenge to the liens and claims of the Secured Lender Parties, including any Challenge (as defined in the Interim DIP Order and Final DIP Order), and support the Debtors' Stipulations and Cerberus' Right to Credit Bid set forth in the Interim DIP Order and Final DIP Order.</p> <p>The Creditors' Committee shall support entry of: (i) an order approving revised sale procedures that does not require an auction process and that provides for the closing of the Sale as soon as possible following entry of the Sale Approval Order, which order shall be in form and substance mutually acceptable to the parties (the "<b>Sale Procedures Order</b>"); (ii) an order approving the Sale in form and substance mutually acceptable to the parties (the "<b>Sale Approval Order</b>"); (iii) the Final DIP Order substantially in the form attached as an exhibit to the Sale Support Agreement to be filed substantially contemporaneously with the Settlement Motion (the "<b>Final DIP Order</b>"). For the avoidance of doubt, neither the Sale Procedures Order nor the Sale Approval Order nor the Final DIP Order nor any other order shall be inconsistent with the terms of this term sheet.</p>
<b>Implementation</b>	<p>The Sale Procedures Order shall be entered no later than February 14, 2014. The Settlement Approval Order, Final DIP Order, and Sale Approval Order shall be entered substantially contemporaneously, on or prior to March 3, 2014. Each of the parties hereto shall use their best efforts to obtain the entry of the Sale Procedures Order, Settlement Approval Order, Final DIP Order and Sale Approval Order, and make such orders final and unappealable.</p>

IN WITNESS WHEREOF, the parties hereto have caused this Term Sheet to be executed by their respective officers thereunto duly authorized, as of the date first written above.

[SIGNATURE PAGE TO TERM SHEET]

**SELLERS:**

F&H ACQUISITION CORP.  
FOX & HOUND RESTAURANT GROUP  
TENT FINANCE, INC.,  
FOX & HOUND OF LITTLETON, INC.  
TENT RESTAURANT OPERATIONS, INC.  
ALABAMA FOX & HOUND, INC.  
FOX & HOUND OF ARIZONA, INC.  
FOX & HOUND OF COLORADO, INC.  
F & H RESTAURANT OF GEORGIA, INC.  
FOX & HOUND OF ILLINOIS, INC.  
FOX & HOUND OF INDIANA, INC.  
F & H OF IOWA, INC.  
FOX & HOUND OF KANSAS, INC.  
FOX & HOUND OF KENTUCKY, INC.  
FOX & HOUND OF LOUISIANA, INC.  
FOX & HOUND OF NEBRASKA, INC.  
FOX & HOUND OF MARYLAND, INC.  
FOX & HOUND OF NEW JERSEY, INC.  
FOX & HOUND OF NEW MEXICO, INC.  
FOX & HOUND OF OHIO, INC.  
FOX & HOUND OF OKLAHOMA, INC.  
WINSTON-SALEM FOX & HOUND, INC.  
CHAMPPS ENTERTAINMENT, INC.  
CHAMPPS OPERATING CORPORATION  
CHAMPPS OF MARYLAND, INC.  
F & H RESTAURANTS OF TEXAS, INC.  
F & H RESTAURANT CORP.  
FOX & HOUND OF TEXAS, INC.  
FOX & HOUND, INC.  
FOX & HOUND II, INC.  
F & H OF KENNESAW, INC.  
N. COLLINS ENTERTAINMENT, LTD.  
505 ENTERTAINMENT, LTD.  
RAIDER BEVERAGE CORPORATION  
ROCKET BEVERAGE CORPORATION  
FUQUA BEVERAGE CORP.  
JACKSON BEVERAGE CORPORATION  
SHENANDOAH BEVERAGE CORP.  
BRYANT BEVERAGE CORPORATION  
DOWNTOWN BEVERAGE CORP.  
WILLOWBROOK BEVERAGE CORP.  
CHAMPPS ENTERTAINMENT OF TEXAS, INC.







**DIP LENDER AND**  
**FIRST LIEN LENDER:**

ORIX FINANCE, LP

BY: 

NAME: Christopher L. Smith

TITLE: Authorized Representative

[SIGNATURE PAGE TO TERM SHEET]

**DIP LENDER AND**  
**FIRST LIEN LENDER:**

WELLS FARGO CAPITAL FINANCE, LLC

BY: 

NAME: Stuart Galt

TITLE: SVP

[SIGNATURE PAGE TO TERM SHEET]

*[Handwritten signature in blue ink]*

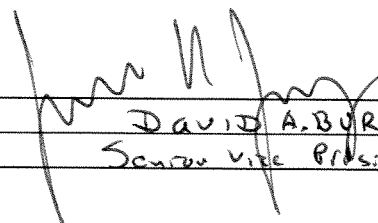
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Michael Rebock

**DIP LENDER AND**  
**FIRST LIEN LENDER:**

FIFTEENTH INVESTMENT SPONSOR LIMITED

GEFF as Servicer:

BY:   
NAME: DAVID A. BURGER  
TITLE: Senior Vice President

[SIGNATURE PAGE TO TERM SHEET]

**SECOND LIEN AGENT:**

CERBERUS BUSINESS FINANCE, LLC (as  
Second Lien Agent on behalf of the Second Lien  
Lenders under the Prepetition Second Lien Credit  
Agreement and not in its individual capacity)

BY: 

NAME: Eric F. Miller

TITLE: Executive Vice President

**SECOND LIEN LENDER:**

ABLECO FINANCE LLC

BY: 

NAME: Eric F. Miller

TITLE: Senior Vice President

**SECOND LIEN LENDER:**

A5 FUNDING L.P.

By: A5 Fund Management LLC  
Its: General Partner

BY: 

NAME: Eric Miller

TITLE: Vice President



**SECOND LIEN LENDER:**

CERBERUS OFFSHORE LEVERED I L.P.

By: COL I GP Inc.

Its: General Partner

BY: 

NAME: Eric Miller

TITLE: Vice President

**SECOND LIEN LENDER:**

CERBERUS N-1 FUNDING LLC

BY: 

NAME: Eric Miller

TITLE: vice president

[SIGNATURE PAGE TO TERM SHEET]

**SECOND LIEN LENDER:**

ORIX FINANCE, LP

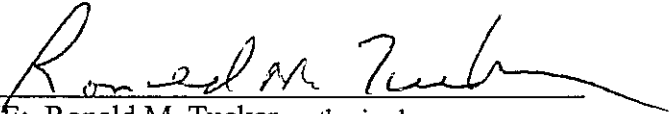
BY: 

NAME: Christopher L. Smith

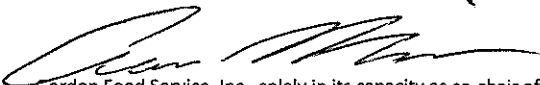
TITLE: Authorized Representative

[SIGNATURE PAGE TO TERM SHEET]

**THE OFFICIAL COMMITTEE**  
**OF UNSECURED CREDITORS:**

BY:   
NAME: Ronald M. Tucker, authorized  
representative of Simon Properties Group, LP,  
solely in his capacity as  
TITLE: Co-Chair of the Creditors' Committee

**THE OFFICIAL COMMITTEE  
OF UNSECURED CREDITORS:**

  
Gordon Food Service, Inc., solely in its capacity as co-chair of the  
BY: Creditor's Committee  
NAME: Aaron Mockridge, authorized representative of Gordon Food Service, Inc.  
TITLE: Co-Chair of the Creditor's Committee

[SIGNATURE PAGE TO TERM SHEET]

**SECOND LIEN AGENT:**

CERBERUS BUSINESS FINANCE, LLC (as Buyer  
under the Asset Purchase Agreement)

BY: 

NAME: Eric F. Miller

TITLE: Executive Vice President

**EXHIBIT “A”****Wind Down Budget (1)**

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(\$ thousands)

503(b)(9), PACA and Mechanic lien claims (2)	\$	3,162
Wind down officer	\$	125
Trustee fees		30
Professional fees		
Company counsel		250
UCC Advisors (3)		300
Epiq		75
Accounting / tax		50
Other		65
Unsecured Settlement		500
WARN Act liability	Amount to be determined pursuant to Section 3.1(c)	

## Notes:

- (1) Any unused funds in the Wind Down Budget shall be remitted to Buyer to reduce the outstanding principal balance of the First Lien Term A Obligations, if any
- (2) Amounts for 503b9, PACA and Mechanics lien claims are collectively capped at the amount listed above and shall be reduced to the extent paid following the date hereof and prior to the Closing
- (3) Total UCC legal and financial advisors' fees, costs and expenses, plus the reimbursement of individual creditors' committee members, drawn under the DIP and allowed for under the Wind Down Budget are not to exceed \$500 in the aggregate

**EXECUTION VERSION****EXHIBIT “B”****RELEASE**

This RELEASE (this “Release”) is made as of February 7, 2014, by and among (i) F&H Acquisition Corp., a Delaware corporation; Fox & Hound Restaurant Group, a Delaware corporation; TENT Finance, Inc., a Delaware corporation; Fox & Hound of Littleton, Inc., a Colorado corporation; TENT Restaurant Operations, Inc., a Delaware corporation; Alabama Fox & Hound, Inc., an Alabama corporation; Fox & Hound of Arizona, Inc., an Arizona corporation; Fox & Hound of Colorado, Inc., a Colorado corporation; F & H Restaurant of Georgia, Inc., a Georgia corporation; Fox & Hound of Illinois, Inc., an Illinois corporation; Fox & Hound of Indiana, Inc., an Indiana corporation; F & H of Iowa, Inc., an Iowa corporation; Fox & Hound of Kansas, Inc., a Kansas corporation; Fox & Hound of Kentucky, Inc., a Kentucky corporation; Fox & Hound of Louisiana, Inc., a Louisiana corporation; Fox & Hound of Nebraska, Inc., a Nebraska corporation; Fox & Hound of Maryland, Inc., a Maryland corporation; Fox & Hound of New Jersey, Inc., a New Jersey corporation; Fox & Hound of New Mexico, Inc., a New Mexico corporation; Fox & Hound of Ohio, Inc., an Ohio corporation; Fox & Hound of Oklahoma, Inc., an Oklahoma corporation; Winston-Salem Fox & Hound, Inc., a Delaware corporation; Champps Entertainment, Inc., a Delaware corporation; Champps Operating Corporation, a Minnesota corporation; Champps of Maryland, Inc., a Maryland corporation; F & H Restaurants of Texas, Inc., a Texas corporation; F & H Restaurant Corp., a Delaware corporation; Fox & Hound of Texas, Inc., a Delaware corporation; Fox & Hound, Inc., a Texas corporation; Fox & Hound II, Inc., a Texas corporation; F & H of Kennesaw, Inc., a Georgia corporation; N. Collins Entertainment, Ltd., a Texas limited partnership; 505 Entertainment, Ltd., a Texas limited partnership; Raider Beverage Corporation, a Texas corporation; Rocket Beverage Corporation, a Texas corporation; Fuqua Beverage Corp., a Texas corporation; Jackson Beverage Corporation, a Texas corporation; Shenandoah Beverage Corp., a Texas corporation; Bryant Beverage Corporation, a Texas corporation; Downtown Beverage Corp., a Texas corporation; Willowbrook Beverage Corp., a Texas corporation; and Champps Entertainment of Texas, Inc., a Texas corporation (collectively, “Sellers”); (ii) General Electric Capital Corporation, a Delaware corporation, as DIP Agent on behalf of the DIP Lenders under the DIP Credit Agreement and not in its individual capacity (the “DIP Agent”), and each DIP Lender party hereto (the “DIP Lenders”); (iii) General Electric Capital Corporation, a Delaware corporation, as Prepetition First Lien Agent on behalf of the Prepetition First Lien Lenders under the Prepetition First Lien Credit Agreement and not in its individual capacity (the “First Lien Agent”), and each Prepetition First Lien Lender party hereto (the “First Lien Lenders”); (iv) Cerberus Business Finance, LLC, a Delaware limited liability company, as Prepetition Second Lien Agent on behalf of the Prepetition Second Lien Lenders under the Prepetition Second Lien Credit Agreement and not in its individual capacity (the “Second Lien Agent”), and each Prepetition Second Lien Lender party hereto (the “Second Lien Lenders”); (v) the Second Lien Agent, as Buyer (as defined below); and (vi) the Official Committee of Unsecured Creditors of the Sellers (the “Creditors’ Committee”).

WHEREAS, this Release is being entered into in connection with (i) the Term Sheet, dated as of February 7, 2014, by and among the Creditors’ Committee, the Sellers, the DIP Agent, the First Lien Agent, the Second Lien Agent and Buyer (the “Settlement Term Sheet”), (ii) that certain Asset Purchase Agreement, dated as of February 7, 2014, by and among Sellers



and the Second Lien Agent (solely in its capacity as agent and not in its individual capacity and together with its designee(s), "Buyer") (the "Asset Purchase Agreement"; capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Asset Purchase Agreement), and (iii) that certain Sale Support Agreement, dated as of February 7, 2014, by and among the DIP Agent, DIP Lenders, First Lien Agent, First Lien Lenders, Second Lien Agent, Second Lien Lenders and Buyer (the "Sale Support Agreement").

NOW, THEREFORE, in consideration of the consideration provided in the Asset Purchase Agreement and the Sale Support Agreement, the mutual covenants, agreements, promises and releases set forth herein, and for other good and valuable consideration, the parties hereto agree as follows:

1. Release of the DIP Lender Released Parties.

(a) Effective as of, and subject to the occurrence of, the entry of the Order of the Bankruptcy Court approving the Settlement Term Sheet (the "Settlement Order") and the Closing Date, each Seller, each on behalf of itself, its respective bankruptcy estate, and its respective employees, officers, managers, directors, representatives, agents, successors, assigns (excluding Buyer) and attorneys (collectively, the "Seller Parties"), the First Lien Agent and each First Lien Lender, each on behalf of itself and its employees, officers, managers, directors, representatives, agents, successors, assigns and attorneys (collectively, the "First Lien Lender Parties"), the Second Lien Agent and each Second Lien Lender, each on behalf of itself and its employees, officers, managers, directors, representatives, agents, successors, assigns and attorneys (collectively, the "Second Lien Lender Parties"), Buyer, each on behalf of itself and its employees, officers, managers, directors, representatives, agents, successors, assigns and attorneys (the "Buyer Parties"), the Creditors' Committee, on behalf of itself and its representatives, agents, successors, assigns and professionals (collectively, the "Creditors' Committee Parties"), each hereby releases, acquits and forever discharges the DIP Agent, each DIP Lender and each of their respective Affiliates, employees, officers, directors, managers, members, representatives, agents, attorneys, direct or indirect equityholders, successors, predecessors and assigns (collectively, the "DIP Lender Released Parties"), each in any and all capacities under the DIP Credit Agreement, from any and all claims, rights, demands, causes of action, suits, debts, obligations, liabilities, damages, losses, fees, costs and expenses (including attorneys' fees, costs and expenses), whether based on federal, state, local, statutory or common Law or any other Law, rule, or regulation, of any kind, nature and/or description, matured or unmatured, liquidated or unliquidated, accrued or unaccrued, actual or potential, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not asserted, threatened, alleged or litigated, at law, equity or otherwise (collectively, "Claims"), that have arisen or could have arisen or that could arise in the future on account of, arising out of, relating to, or resulting from any circumstances, conduct, facts, events, transactions, acts, occurrences, statements, representations, misrepresentations or omissions, errors, negligence, breach of contract, tort, violation of Law, matter or cause occurring or arising prior to the Closing Date or attributable to such period, in each case which any of the Seller Parties, First Lien Lender Parties, Second Lien Lender Parties, Buyer Parties, or Creditors' Committee Parties has had, now has, or may have in the future (including any Claims transferred to Buyer pursuant to the Asset Purchase Agreement) against any of the DIP Lender Released Parties in connection with or arising out of (i) the DIP Credit Agreement, any transactions contemplated thereby or any action

or omission in connection therewith, (ii) Sellers or their businesses, (iii) the Bankruptcy Cases and (iv) the Sale Support Agreement (the foregoing release being the “DIP Lender Release”); provided, that the DIP Lender Release shall not include (x) Claims arising from the willful misconduct or fraud of the DIP Lender Released Parties as finally determined by a court of competent jurisdiction or (y) Claims in connection with or arising out of this Release, the Settlement Term Sheet, the Asset Purchase Agreement and the agreements entered into in connection with and/or otherwise contemplated by, the Asset Purchase Agreement, including without limitation, the Restructured First Lien Credit Agreement or any other “Loan Document” as defined therein and the Restructured Second Lien Credit Agreement or any other “Loan Document” as defined therein.

(b) It is the intention of the Seller Parties, First Lien Lender Parties, Second Lien Lender Parties, Buyer Parties and Creditors’ Committee Parties in executing this Release that, upon the entry of the Settlement Order and the Closing Date, this Release shall be effective as a bar to each and every Claim mentioned or implied in Section 1(a), and each Seller Party, First Lien Lender Party, Second Lien Lender Party, Buyer Party and Creditors’ Committee Party hereby knowingly and voluntarily waives any and all such Claims. Each Seller Party, First Lien Lender Party, Second Lien Lender Party, Buyer Party and Creditors’ Committee Party expressly consents that this Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims, demands, charges and causes of action (notwithstanding any state statute that expressly limits the effectiveness of a general release of the unknown, unsuspected and unanticipated Claims).

## 2. Release of the First Lien Lender Released Parties.

(a) Effective as of, and subject to the occurrence of, the entry of the Settlement Order and the Closing Date, the DIP Agent and each DIP Lender, each on behalf of itself and its respective employees, officers, managers, directors, representatives, agents, successors, assigns and attorneys (collectively, the “DIP Lender Parties”), and each of the Seller Parties, Second Lien Lender Parties, the Buyer Parties and the Creditors’ Committee Parties hereby releases, acquits and forever discharges the First Lien Agent, each First Lien Lender and each of their respective Affiliates, employees, officers, directors, managers, members, representatives, agents, attorneys, direct or indirect equityholders, successors, predecessors and assigns (collectively, the “First Lien Lender Released Parties”), each in any and all capacities under the Prepetition First Lien Credit Agreement, from any and all Claims, that have arisen or could have arisen or that could arise in the future on account of, arising out of, relating to, or resulting from any circumstances, conduct, facts, events, transactions, acts, occurrences, statements, representations, misrepresentations or omissions, errors, negligence, breach of contract, tort, violation of Law, matter or cause occurring or arising prior to the Closing Date or attributable to such period, in each case which any of the Seller Parties, DIP Lender Parties, Second Lien Lender Parties, Buyer Parties, or Creditors’ Committee Parties has had, now has, or may have in the future (including any Claims transferred to Buyer pursuant to the Asset Purchase Agreement) against any of the First Lien Lender Released Parties in connection with or arising out of (i) the Prepetition First Lien Credit Agreement, any transactions contemplated thereby or any action or omission in connection therewith, (ii) Sellers or their businesses, (iii) the Bankruptcy Cases and (iv) the Sale Support Agreement (the foregoing release being the “First Lien Lender Release”); provided, that the First Lien Lender Release shall not include (x) Claims

arising from the willful misconduct or fraud of the First Lien Lender Released Parties as finally determined by a court of competent jurisdiction or (y) Claims in connection with or arising out of this Release, the Settlement Term Sheet, the Asset Purchase Agreement and the agreements entered into in connection with and/or otherwise contemplated by, the Asset Purchase Agreement, including without limitation, the Restructured First Lien Credit Agreement or any other "Loan Document" as defined therein and the Restructured Second Lien Credit Agreement or any other "Loan Document" as defined therein.

(b) It is the intention of the Seller Parties, DIP Lender Parties, Second Lien Lender Parties, Buyer Parties and Creditors' Committee Parties in executing this Release that, upon the entry of the Settlement Order and the Closing Date, this Release shall be effective as a bar to each and every Claim mentioned or implied in Section 2(a), and each Seller Party, DIP Lender Party, Second Lien Lender Party, Buyer Party and Creditors' Committee Party hereby knowingly and voluntarily waives any and all such Claims. Each Seller Party, DIP Lender Party, Second Lien Lender Party, Buyer Party and Creditors' Committee Party expressly consents that this Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims, demands, charges and causes of action (notwithstanding any state statute that expressly limits the effectiveness of a general release of the unknown, unsuspected and unanticipated Claims).

### 3. Release of the Second Lien Lender Released Parties.

(a) Effective as of, and subject to the occurrence of, the entry of the Settlement Order and the Closing Date, each of the Seller Parties, DIP Lender Parties, First Lien Lender Parties, Buyer Parties and the Creditors' Committee Parties hereby releases, acquits and forever discharges the Second Lien Agent, each Second Lien Lender and each of their respective Affiliates (including without limitation, Cerberus Capital Management, L.P. and its related funds and accounts, and Cerberus Business Finance, LLC), employees, officers, directors, managers, members, representatives, agents, attorneys, direct or indirect equityholders, successors, predecessors and assigns (collectively, the "Second Lien Lender Released Parties"), each in any and all capacities under the Prepetition Second Lien Credit Agreement, from any and all Claims, that have arisen or could have arisen or that could arise in the future on account of, arising out of, relating to, or resulting from any circumstances, conduct, facts, events, transactions, acts, occurrences, statements, representations, misrepresentations or omissions, errors, negligence, breach of contract, tort, violation of Law, matter or cause occurring or arising prior to the Closing Date or attributable to such period, in each case which any of the Seller Parties, DIP Lender Parties, First Lien Lender Parties, Buyer Parties, or Creditors' Committee Parties has had, now has, or may have in the future (including any Claims transferred to Buyer pursuant to the Asset Purchase Agreement) against any of the Second Lien Lender Released Parties in connection with or arising out of (i) the Prepetition Second Lien Credit Agreement, any transactions contemplated thereby or any action or omission in connection therewith, (ii) Sellers or their businesses, (iii) the Bankruptcy Cases and (iv) the Sale Support Agreement (the foregoing release being the "Second Lien Lender Release"); provided, that the Second Lien Lender Release shall not include (x) Claims arising from the willful misconduct or fraud of the Second Lien Lender Released Parties as finally determined by a court of competent jurisdiction or (y) Claims in connection with or arising out of this Release, the Settlement Term Sheet, the Asset Purchase Agreement and the agreements entered into in connection with and/or otherwise

contemplated by, the Asset Purchase Agreement, including without limitation, the Restructured First Lien Credit Agreement or any other “Loan Document” as defined therein and Restructured Second Lien Credit Agreement or any other “Loan Document” as defined therein.

(b) It is the intention of the Seller Parties, DIP Lender Parties, First Lien Lender Parties, Buyer Parties and Creditors’ Committee Parties in executing this Release that, upon the entry of the Settlement Order and the Closing Date, this Release shall be effective as a bar to each and every Claim mentioned or implied in Section 3(a), and each Seller Party, DIP Lender Party, First Lien Lender Party, Buyer Party and Creditors’ Committee Party hereby knowingly and voluntarily waives any and all such Claims. Each Seller Party, DIP Lender Party, First Lien Lender Party, Buyer Party and Creditors’ Committee Parties expressly consents that this Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims, demands, charges and causes of action (notwithstanding any state statute that expressly limits the effectiveness of a general release of the unknown, unsuspected and unanticipated Claims).

#### 4. Release of the Buyer Released Parties.

(a) Effective as of, and subject to the occurrence of, the entry of the Settlement Order and the Closing Date, each of the Seller Parties, DIP Lender Parties, First Lien Lender Parties, Second Lien Lender Parties and Creditors’ Committee Parties hereby releases, acquits and forever discharges Buyer and each of its Affiliates, employees, officers, directors, managers, members, representatives, agents, attorneys, direct or indirect equityholders, successors, predecessors and assigns (collectively, the “Buyer Released Parties”), from any and all Claims, that have arisen or could have arisen or that could arise in the future on account of, arising out of, relating to, or resulting from any circumstances, conduct, facts, events, transactions, acts, occurrences, statements, representations, misrepresentations or omissions, errors, negligence, breach of contract, tort, violation of Law, matter or cause occurring or arising prior to the Closing Date or attributable to such period, in each case which any of the Seller Parties, DIP Lender Parties, First Lien Lender Parties, Second Lien Lender Parties, or Creditors’ Committee Parties has had, now has, or may have in the future against any of the Buyer Released Parties in connection with or arising out of (i) Sellers or their businesses, (ii) the Bankruptcy Cases and (iii) the Sale Support Agreement (the foregoing release being the “Buyer Release”); provided, that the Buyer Release shall not include (x) Claims arising from the willful misconduct or fraud of the Buyer Released Parties as finally determined by a court of competent jurisdiction or (y) Claims in connection with or arising out of this Release, the Settlement Term Sheet, the Asset Purchase Agreement and the agreements entered into in connection with and/or otherwise contemplated by, the Asset Purchase Agreement, including without limitation, the Restructured First Lien Credit Agreement or any other “Loan Document” as defined therein and Restructured Second Lien Credit Agreement or any other “Loan Document” as defined therein.

(b) It is the intention of the Seller Parties, DIP Lender Parties, First Lien Lender Parties, Second Lien Lender Parties and Creditors’ Committee Parties in executing this Release that, upon the entry of the Settlement Order and the Closing Date, this Release shall be effective as a bar to each and every Claim mentioned or implied in Section 4(a), and each Seller Party, DIP Lender Party, First Lien Lender Party, Second Lien Lender Party and Creditors’ Committee Parties hereby knowingly and voluntarily waives any and all such Claims. Each

Seller Party, DIP Lender Party, First Lien Lender Party, Second Lien Lender Party and Creditors' Committee Parties expressly consents that this Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims, demands, charges and causes of action (notwithstanding any state statute that expressly limits the effectiveness of a general release of the unknown, unsuspected and unanticipated Claims).

5. Release of the Sellers Released Parties.

(a) Effective as of, and subject to the occurrence of, the entry of the Settlement Order and the Closing Date, each of the Seller Parties, DIP Lender Parties, First Lien Lender Parties, Second Lien Lender Parties, Buyer Parties and Creditors' Committee Parties hereby releases, acquits and forever discharges each of the Sellers and each of their respective Affiliates, employees, officers, directors, managers, members, representatives, agents, attorneys, direct or indirect equityholders, successors, predecessors and assigns, Steve Johnson, James Zielke, Kenneth Syvarth and Fran Vavala (collectively, the "Sellers Released Parties"), from any and all Claims, that have arisen or could have arisen or that could arise in the future on account of, arising out of, relating to, or resulting from any circumstances, conduct, facts, events, transactions, acts, occurrences, statements, representations, misrepresentations or omissions, errors, negligence, breach of contract, tort, violation of Law, matter or cause occurring or arising prior to the Closing Date or attributable to such period, in each case which any of the Seller Parties, DIP Lender Parties, First Lien Lender Parties, Second Lien Lender Parties, Buyer Parties, or Creditors' Committee Parties has had, now has, or may have in the future against any of the Sellers Released Parties in connection with or arising out of (i) the DIP Credit Agreement, the Prepetition First Lien Credit Agreement or the Prepetition Second Lien Credit Agreement, any transactions contemplated under any such agreement, or any action or omission in connection with any such agreement, (ii) Sellers or their businesses, (iii) the Bankruptcy Cases, (iv) the Sale Support Agreement and (v) the certain promissory notes issued by each of Steve Johnson, James Zielke, Kenneth Syvarth and Fran Vavala, in favor of the Company on March 15, 2012, in the principal amounts of \$240,539, \$155,139, \$52,894 and \$8,827, respectively (the foregoing release being the "Sellers Release"); provided, that the Sellers Release shall not include (x) Claims arising from the willful misconduct or fraud of the Sellers Released Parties or (y) Claims in connection with or arising out of this Release, the Settlement Term Sheet, the Asset Purchase Agreement and the agreements entered into in connection with and/or otherwise contemplated by, the Asset Purchase Agreement, including without limitation, the Restructured First Lien Credit Agreement or any other "Loan Document" as defined therein and Restructured Second Lien Credit Agreement or any other "Loan Document" as defined therein.

(b) It is the intention of the Seller Parties, DIP Lender Parties, First Lien Lender Parties, Second Lien Lender Parties, Buyer Parties and Creditors' Committee Parties in executing this Release that, upon the entry of the Settlement Order and the Closing Date, this Release shall be effective as a bar to each and every Claim mentioned or implied in Section 5(a), and each Seller Party, DIP Lender Party, First Lien Lender Party, Second Lien Lender Party, Buyer Party and Creditors' Committee Party hereby knowingly and voluntarily waives any and all such Claims. Each Seller Party, DIP Lender Party, First Lien Lender Party, Second Lien Lender Party, Buyer Party and Creditors' Committee Party expressly consents that this Release shall be given full force and effect according to each and all of its express terms and provisions,

including those relating to unknown and unsuspected Claims, demands, charges and causes of action (notwithstanding any state statute that expressly limits the effectiveness of a general release of the unknown, unsuspected and unanticipated Claims).

6. Release of the Creditors' Committee.

(a) Effective as of, and subject to the occurrence of, the entry of the Settlement Order and the Closing Date, each of the Seller Parties, DIP Lender Parties, First Lien Lender Parties, Second Lien Lender Parties and Buyer Parties hereby releases, acquits and forever discharges the Creditors' Committee, and its professionals (collectively, the "Creditors' Committee Released Parties") and together with the DIP Lender Released Parties, First Lien Lender Released Parties, Second Lien Lender Released Parties, Buyer Released Parties and Sellers Released Parties, the "Released Parties"), from any and all Claims that have arisen or could have arisen or that could arise in the future on account of, arising out of, relating to, or resulting from any circumstances, conduct, facts, events, transactions, acts, occurrences, statements, representations, misrepresentations or omissions, errors, negligence, breach of contract, tort, violation of Law, matter or cause occurring or arising prior to the Closing Date or attributable to such period, in each case which any of the Seller Parties, DIP Lender Parties, First Lien Lender Parties, Second Lien Lender Parties or Buyer Parties has had, now has, or may have in the future against any of the Creditors' Committee Released Parties in connection with or arising out of (i) Sellers or their businesses and (ii) the Bankruptcy Cases (the foregoing release being the "Creditors' Committee Release"); provided, that the Creditors' Committee Release shall not include (x) Claims arising from the willful misconduct or fraud of the Creditors' Committee Released Parties or (y) Claims in connection with or arising out of this Release, the Settlement Term Sheet, the Asset Purchase Agreement and the agreements entered into in connection with and/or otherwise contemplated by, the Asset Purchase Agreement, including without limitation, the Restructured First Lien Credit Agreement or any other "Loan Document" as defined therein and Restructured Second Lien Credit Agreement or any other "Loan Document" as defined therein.

(b) It is the intention of the Seller Parties, DIP Lender Parties, First Lien Lender Parties, Second Lien Lender Parties and Buyer Parties in executing this Release that, upon the entry of the Settlement Order and the Closing Date, this Release shall be effective as a bar to each and every Claim mentioned or implied in Section 6(a), and each Seller Party, DIP Lender Party, First Lien Lender Party, Second Lien Lender Party and Buyer Party hereby knowingly and voluntarily waives any and all such Claims. Each Seller Party, DIP Lender Party, First Lien Lender Party, Second Lien Lender Party and Buyer Party expressly consents that this Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims, demands, charges and causes of action (notwithstanding any state statute that expressly limits the effectiveness of a general release of the unknown, unsuspected and unanticipated Claims).

7. Claims Transferred to Buyer Under Asset Purchase Agreement. Notwithstanding anything to the contrary in this Release, all of Sellers' Claims and causes of action, including Claims and causes of action arising under Chapter 5 of the Bankruptcy Code (whether or not asserted as of the Closing Date) and all recoveries and proceeds thereof affected by this Release shall be transferred to Buyer under the Asset Purchase Agreement and shall not be pursued by

Buyer pursuant to this Release, other than to the extent that Buyer asserts Sellers' Claims and causes of action, including Claims and causes of action arising under Chapter 5 of the Bankruptcy Code, as a defense or offset to an affirmative claim or cause of action brought against Buyer based on any conduct, claim, action, or inaction arising prior to the Closing Date, which rights are expressly preserved, and not released, by Buyer.

8. Covenant Not to Sue. Each of the Seller Parties, DIP Lender Parties, First Lien Lender Parties, Second Lien Lender Parties, Buyer Parties and Creditors' Committee Parties hereby represents that it has not commenced or filed, and covenants that it will not commence or file, with any local, state or federal agency, court or arbitrator any complaints, charges, claims, lawsuits or grievances, or actions of any kind, whether civil, criminal or administrative, against any of the Released Parties with respect to any Claim released by it pursuant to this Release, and further represents that it has not assigned or transferred any Claim or any interest therein to any other person or entity other than as set forth in the Asset Purchase Agreement.

9. Waiver of California Civil Code Section 1542 and Similar Provisions of Applicable Law. To the extent that California law is deemed to apply to the release provisions set forth herein, each of the parties hereby warrants, represents and agrees that it is fully aware of California Civil Code Section 1542, which provides as follows:

**SECTION 1542. GENERAL RELEASE.** A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Each of the parties hereby knowingly and voluntarily waives and relinquishes the provisions, rights and benefits of Section 1542 and all similar federal, state or country laws, rights, rules, or legal principles of any other jurisdiction that may be applicable herein, and any rights it may have to invoke the provisions of any such law now or in the future with respect to the Claims being released by it pursuant to this Release, and each of parties hereby agrees and acknowledges that this Section 9 is an essential term of this Release. In connection with the releases set forth herein, each of the parties acknowledges that it is aware that it or its attorneys or others may hereafter discover claims or facts presently unknown or unsuspected in addition to or different from those which it now knows or believes to be true with respect to the subject matter of the Claims being released pursuant to this Release. Nevertheless, it is the intention of parties hereto in executing this Release to fully, finally, and forever settle and release all matters and all claims relating thereto, which exist, hereafter may exist or might have existed (whether or not previously or currently asserted in any action) constituting Claims released pursuant to this Release.

10. Representation. In entering into this Release, each of the parties consulted with, and has been represented by, legal counsel and expressly disclaims any reliance on any representations, acts or omissions by any of the Released Parties and hereby agrees and acknowledges that the validity and effectiveness of the releases set forth above do not depend in any way on any such representations, acts and/or omissions or the accuracy, completeness or validity thereof.