

Exhibit A

INTERSTATE BAKERIES CORPORATION
SUMMARY OF PLAN TERMS
(the "Plan Term Sheet")

THIS SUMMARY IS NOT AN OFFER WITH RESPECT TO ANY SECURITIES OR SOLICITATION OF ACCEPTANCES OF A CHAPTER 11 PLAN PURSUANT TO SECTION 1125 OF THE BANKRUPTCY CODE. ANY SUCH OFFER OR SOLICITATION WILL BE MADE ONLY IN COMPLIANCE WITH ALL APPLICABLE SECURITIES LAWS AND PROVISIONS OF THE BANKRUPTCY CODE. THIS OUTLINE IS BEING PROVIDED IN FURTHERANCE OF SETTLEMENT DISCUSSIONS AND IS ENTITLED TO PROTECTION PURSUANT TO FED. R. EVID. 408 AND ANY SIMILAR RULE OF EVIDENCE. THE TRANSACTIONS DESCRIBED IN THIS OUTLINE ARE SUBJECT IN ALL RESPECTS TO, AMONG OTHER THINGS, DEFINITIVE DOCUMENTATION, INCLUDING THE PLAN, DISCLOSURE STATEMENT AND RELATED DOCUMENTS.

Unless otherwise provided herein, capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Commitment Letter to which this Exhibit A is attached.

1. Asset-Based Revolving Credit Facility ("ABL Facility")

Committed Amount: \$125,000,000.

Term: 5 years.

Use of Proceeds: The ABL Facility will be undrawn as of the Effective Date and available for general corporate purposes.

Other Terms: As set forth in the commitment letter, dated September 12, 2008, among IBC, Interstate Brands Corporation and General Electric Capital Corporation, a copy of which is attached to the Commitment Letter as Exhibit F.

2. Term Loan Facility ("Term Loan Facility")

Principal Amount: \$339,000,000.

Term: 5 years, bullet.

Other Terms: As set forth in the commitment letter, dated September 12, 2008, among IBC, Interstate Brands Corporation and Silver Point Finance, LLC and its affiliates, a copy of which is attached to the Commitment Letter as Exhibit G. The principal amount of the Term Loan Facility may be increased in accordance with the terms set forth in Exhibit J hereto.

3. New 3rd Lien Notes (“New 3rd Lien Notes”)

Principal Amount: \$147,300,000.

Term: 6 years, bullet.

Other Terms: As set forth in Exhibit H to the Commitment Letter. The principal amount of the New 3rd Lien Notes may be decreased in accordance with the terms set forth in Exhibit J hereto.

4. New Convertible Debt

Principal Amount: \$171,600,000.

Term: 10 years, bullet.

Other Terms: As set forth in Exhibit C to the Commitment Letter.

5. New Common Stock

On the Effective Date, the Reorganized Company will issue shares of New Common Stock as more fully described in Exhibit B to the Commitment Letter. The New Common Stock will be subject to dilution from conversions of New Convertible Debt, exercises of Warrants and stock options, restricted stock and stock appreciation rights issued to directors, officers and employees of the Reorganized Company under the Long Term Incentive Plan (as defined below) and the employee equity sharing plans to be established in accordance with the collective bargaining agreements to be entered into in connection with the Transaction.

6. Warrants

On the Effective Date, the Reorganized Company will issue Warrants to Investors and the lenders party to the Term Loan Facility (the “Term Loan Facility Lenders”), in each case reflecting the terms set forth in Exhibit D to the Commitment Letter. Each Term Loan Facility Lender may assign its right to receive Warrants on the Effective Date to an affiliate of such Term Loan Facility Lender whose identity has been disclosed to Investors in writing prior to the date of the Commitment Letter or to any other affiliate of such Term Loan Facility Lender reasonably acceptable to Investors (each such affiliate, a “Permitted Affiliate”).

7. Management Pool

Prior to confirmation of the Plan, the Plan (or an exhibit thereto) and the Confirmation Order shall provide for approval of a management incentive plan for senior management and selected employees and directors of the Reorganized Company, which management incentive plan shall provide incentive compensation in the form of stock options and restricted stock in the Reorganized Company (the “Long Term Incentive Plan”). The Long Term Incentive Plan shall be effective as of the Effective Date, and any grant or award made under the Long Term Incentive Plan shall not be subject to amendment by the Reorganized Company in a manner adverse to the recipient thereof without such recipient’s prior written consent.

The Debtors shall describe in the Plan (or an exhibit thereto), no later than the confirmation of the Plan, the terms of employment agreements that are to be assumed or entered into by the Debtors or the Reorganized Company, in each case to be effective as of the Effective Date (including the CEO Employment Agreement (as defined below), the “Executive Employment Agreements”). The Long Term Incentive Plan and the Executive Employment Agreements shall be in form and substance satisfactory to Investors, and the establishment of the Long Term Incentive Plan and the assumption or entry into the Executive Employment Agreements as provided for in the Plan (or an exhibit thereto) shall be subject to the consent of Investors prior to confirmation of the Plan. Except as provided for in the CEO Employment Agreement, which shall cover the terms of Craig Jung’s participation in the Long Term Incentive Plan, stock options and restricted stock reserved for issuance in connection with the Long Term Incentive Plan shall be protected against dilution from conversions of New Convertible Debt (other than conversions of any New Convertible Debt issued as “PIK” interest on other New Convertible Debt) and exercises of Series C Warrants, but shall be diluted upon exercises of Series A Warrants, Series B Warrants and stock appreciation rights issued to employees of the Reorganized Company under the employee equity sharing plans to be established in accordance with the collective bargaining agreements to be entered into in connection with the Transaction. The Debtors shall assume the employment agreement of Craig Jung (the “CEO Employment Agreement”), and enter into or assume the other Executive Employment Agreements, in each case to be approved in the Confirmation Order and effective as of the Effective Date and for purposes of these agreements, the term “Emergence Date” shall be synonymous with the term “Effective Date” hereunder.

For the avoidance of doubt, with the exception of the requirement that the Debtors assume the CEO Employment Agreement, entry into or assumption of any employment agreement shall not be a condition precedent to Investors’ commitments under the Commitment Letter or the Investment Agreement.

8. Governance Agreement

Each holder of New Common Stock (including those receiving shares of New Common Stock upon conversion of any New Convertible Debt or exercise of any Warrant) will be required to enter into a Governance Agreement reflecting the terms set forth on Exhibit E to the Commitment Letter.

9. Distributions to Senior Secured Creditors

On the Effective Date, in full satisfaction and discharge of the Prepetition Debt (including any claim for default rate interest), holders of Prepetition Debt (the “Senior Secured Creditors”) will receive distributions of New 3rd Lien Notes and New Convertible Debt, in each case as more fully described in the Commitment Letter. Nothing herein relieves the obligations of the Debtors to make all payments required under the final order approving the DIP Facility, including adequate protection payments.

10. Distributions to Unsecured Creditors

On the Effective Date, all general unsecured prepetition claims against the Debtors will be discharged and extinguished in accordance with the provisions of the Plan and the Bankruptcy Code, and no distribution will be made under the Plan to the holders of such claims (such holders, the “Unsecured Creditors”).

11. Claims Treatment

Each Administrative Claim and Priority Claim to be paid in full on the latest to occur of (1) the Effective Date, (2) the date that such claim becomes an allowed claim and (3) the date that such claim becomes payable under any agreement between the applicable Debtor and the holder of such claim.

Secured Tax Claims and Other Secured Claims to be unimpaired.

Intercompany Claims to be treated as set forth in IBC's currently filed plan of reorganization.

Claims of the Senior Secured Creditors to be impaired as described in the Commitment Letter.

Claims of the Unsecured Creditors to be impaired, with no distribution to be made under the Plan to the Unsecured Creditors.

All existing equity interests of IBC to be impaired, with no distribution to be made under the Plan to holders thereof, and all such existing equity interests of IBC (including all equity interests and rights thereto under IBC's Rights Agreement with UMB Bank, N.A., as rights agent, and all warrants, conversion rights, rights of first refusal and other rights, contractual or otherwise, to acquire or receive any equity interests in IBC) shall be deemed cancelled as of the Effective Date.

12. Conditions

The Investment is subject to the conditions set forth in the Commitment Letter.

13. Other

The Plan shall provide for general mutual releases and exculpation by the Debtors, the estate and the reorganized Debtors for the benefit of (1) all individuals who served as directors and officers of the Debtors at any time during the period the Cases have been pending through the Effective Date (collectively, the "Directors and Officers"), (2) the Plan Supporters, the lenders and agent under the DIP Facility, the Prepetition Agent and the Senior Secured Creditors and their respective affiliates (including, but not limited to, all claims asserted by the Debtors in the First Amended and Restated Complaint to Avoid and Recover Certain Transfers and for Judgment (Ad. Pro. 06-04192)), (3) Investors and its affiliates and (4) the advisors, attorneys and consultants to each of the foregoing. The terms of such general mutual releases and exculpation shall be in form and substance customary for transactions of this type and mutually agreed to by the Debtors, the Plan Supporters, the lenders under the DIP Facility, the agent under the DIP Facility, the Prepetition Agent, the Senior Secured Creditors and Investors. In addition, the Plan shall provide for the allowance in full as prepetition claims of all the Prepetition Debt.

In addition, the reorganized Debtors shall assume all existing indemnification obligations of the Debtors in favor of the Directors and Officers (whether in the Debtors' bylaws, contracts or otherwise), and the Plan shall include provisions for the purchase of director and officer liability insurance for the directors and officers of the reorganized Debtors and, in addition, director and officer liability insurance tail coverage for any directors and officers of the Debtors who were serving as such immediately before the Effective Date, which insurance coverage shall be in form, amount and structure reasonably satisfactory to the Debtors and Investors.

Except as otherwise explicitly provided in the Plan, all property comprising the Debtors' estates (including any avoidance claims and other causes of action) shall revert in each of the Debtors and, ultimately, in the reorganized Debtors, free and clear of all claims, liens, charges, encumbrances, rights and interests of creditors and equityholders. Other than as set forth in this Section 13, the reorganized Debtors, in their sole and absolute discretion, will determine whether to bring, settle, release or compromise any avoidance claims or other causes of actions (or decline to do any of the foregoing). The reorganized Debtors may prosecute (or decline to prosecute) such litigation claims in accordance with the best interests of the reorganized Debtors or any successors holding such rights of action.

The Debtor corporations shall not be substantively consolidated.