

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re	X	
	:	Chapter 11
	:	
QUANTUM FOODS, LLC, <i>et al.</i> , ¹	:	Case No. 14-10318 (KJC)
	:	
Debtors.	:	Jointly Administered
	:	
	:	Ref. Docket Nos. 12, 167, 324 & 352

**FIRST AMENDED ORDER AMENDING FINAL ORDER (1) AUTHORIZING
POST-PETITION FINANCING, (2) GRANTING LIENS AND PROVIDING SUPER
PRIORITY ADMINISTRATIVE EXPENSE PRIORITY, (3) AUTHORIZING
USE OF CASH COLLATERAL AND PROVIDING FOR ADEQUATE
PROTECTION, AND (4) MODIFYING THE AUTOMATIC STAY,
PURSUANT TO SECTIONS 105, 361, 362, 363 AND 364 OF THE
BANKRUPTCY CODE AND BANKRUPTCY RULES 2002, 4001 AND 9014**

This matter having come before the Court on May 21, 2014, upon the motion filed on May 15, 2014 (the “Motion”) of Quantum Foods, LLC, Quantum Foods 213-D, LLC, Quantum Culinary, LLC, GDC Logistics, LLC, and Choice One Foods, LLC, each as a debtor and debtor-in-possession (collectively, the “Debtors”), requesting entry of a First Amended Order Amending Final Order (1) Authorizing Post-Petition Financing, (2) Granting Liens and Providing Super Priority Administrative Expense Priority, (3) Authorizing Use of Cash Collateral and Providing for Adequate Protection, and (4) Modifying the Automatic Stay, Pursuant to Sections 105, 361, 362, 363 and 364 of the Bankruptcy Code and Bankruptcy Rules 2002, 4001 and 9014 [Docket No. 324];

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Quantum Foods, LLC (9437); Quantum Foods 213-D, LLC (1862); Quantum Culinary, LLC (1302); GDC Logistics, LLC (1997); Choice One Foods, LLC (9512). The Debtors’ mailing address is c/o Quantum Foods, LLC, 750 South Schmidt Road, Bolingbrook, Illinois 60440.

WHEREAS, On March 20, 2014 this Court entered its *Final Order (1) Authorizing Post-Petition Financing, (2) Granting Liens and Providing Super Priority Administrative Expense Priority, (3) Authorizing Use of Cash Collateral and Providing for Adequate Protection, and (4) Modifying the Automatic Stay, Pursuant to Sections 105, 361, 362, 363 and 364 of the Bankruptcy Code and Bankruptcy Rules 2002, 4001 and 9014* [Docket No. 167] (the “Final DIP Order”);²

WHEREAS, by the Motion, the Debtors have requested the entry of this Order to implement an amendment to the DIP Credit Agreement pursuant to the terms of the Third Amendment To Senior Secured, Superpriority Debtor-In-Possession Credit Agreement (the “Third DIP Amendment”), a copy of which is attached hereto as Exhibit A, through an amendment to the Final DIP Order;

WHEREAS, upon the record set forth by Debtors, including the Motion, the filings and pleadings in these cases, the record of the proceedings heretofore held before this Court with respect to the Motion, and sufficient cause appearing therefor and after due deliberation, the Court hereby incorporates by reference all findings in the Final DIP Order;

WHEREAS, on May 21, 2014, the U.S. Trustee filed her *Objection to the Debtors' Motion for Entry of an Order Authorizing the Debtors to Amend the Terms of That Certain Engagement Letter Entered Into by and between the Debtors and City Capital Advisors, LLC on January 28, 2014 and the Debtors' Motion to Approve First Amended Order Amending Final Order (1) Authorizing Post-Petition Financing, (2) Granting Liens and Providing Super Priority Administrative Expense Priority, (3) Authorizing Use of Cash Collateral and Providing*

² Capitalized terms used in this First Amended Order but not defined herein shall have the meanings ascribed to such terms in the Final DIP Order.

for Adequate Protection, and (4) Modifying the Automatic Stay, Pursuant to Sections 105, 361, 362, 363 and 364 of the Bankruptcy Code and Bankruptcy Rules 2002, 4001 and 9014 and the United States Trustee's Cross-Motion for Dismissal Or Conversion of the Chapter 11 Cases to Chapter 7 Cases (the "UST Objection");

WHEREAS, at the hearing on the Motion, the Debtors, DIP Agent and DIP Lenders agreed to modify the relief requested in the Motion on the terms stated on the record;

WHEREAS, the Court adjourned the UST Objection with respect to the proposed dismissal or conversion of the Debtors' chapter 11 cases on the terms forth below.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED, that:

1. The Debtors have prepared and delivered an Approved Budget (a copy of which is attached to the Third DIP Amendment as Exhibit A) to the DIP Agent and the Committee, which Approved Budget shall replace the existing Approved Budget commencing on April 25, 2014.

2. The Third DIP Amendment is approved in all respects. In the event of any conflict between the terms of the Final DIP Order and the Third DIP Amendment, the terms of the Third DIP Amendment shall control.

3. All expenses incurred pursuant to the Approved Budget on or after April 25, 2014 through the earlier of (i) the final date of the Approved Budget and (ii) the date three Business Days after delivery of a Trigger Notice, shall be included in the Carve Out as defined in paragraph 25 of the Final DIP Order. The Transaction Fee, Compensation and Costs (as defined in their respective engagement letters) and any other reimbursable expenses payable to Tiger Capital Group, LLC and its affiliates and City Capital Advisors, LLC under their respective

agreements shall be deemed an expense payable from the first gross proceeds of any applicable disposition of the Debtors' assets.

4. In addition to funding the items in the Approved Budget, the Agent and Lenders shall fund a \$45,000 advance to be used by the Creditors' Committee to fund the Creditors' Committee's pursuit of Bankruptcy Recoveries and, subject to the terms of the Third DIP Amendment, secured by and repayable to the DIP Lenders out of the first proceeds (net of costs and expenses) of the Bankruptcy Recoveries.

5. Notwithstanding anything to the contrary in the Loan Documents, the DIP Orders, the Pre-Petition Loan Documents or otherwise: (i) the DIP Agent and DIP Lenders shall not have any interest in Commercial Tort Claims (other than Commercial Tort Claims against Raging Bull Acquisition Company LLC and its affiliates (including without limitation Oak Tree Capital Management, L.P.) ("Raging Bull Recoveries"); provided, however, that the DIP Agent and DIP Lenders shall be entitled to payment in full of any amounts owed by any DIP Guarantors under their Facility Guaranties prior to any recovery by the Debtors' estates on any Commercial Tort Claims (or other claims) against any DIP Guarantors; (ii) all Raging Bull Recoveries shall be distributed as set forth in Section 1.(e) of the Third DIP Amendment; and (iii) all Bankruptcy Recoveries shall be distributed as set forth in Section 1.(f) of the Third DIP Amendment.

6. Except as expressly set forth in paragraph 5, above, the DIP Agent and the DIP Lenders shall continue to be entitled to all of the same rights, liens, priorities and protections provided for under the Final DIP Order, as amended by this First Amendment to Final DIP Order, and the DIP Loan Documents.

7. Notwithstanding any other agreements to the contrary, including without limitation the Second Stipulation Between the Official Unsecured Creditors Committee and Crystal Financial LLC, Agent for the Pre-Petition Lenders and the DIP Lenders, for Extension of Challenge Period [Docket No. 301], the Challenge Period Termination Date shall be the date of entry of this Order and no Challenge Proceeding shall be brought, and therefore the Prepetition Agent and the Prepetition Lenders are entitled to the benefit of all the releases contained in the Final DIP Order, including, without limitation, the Debtors' Stipulations contained in Finding E thereof.

8. The release provided in Section 9 of the Third DIP Amendment is hereby approved and effective as of the date of the entry of this Order, and shall be binding on the Debtors, their estates, the Committee and their successors.

9. Nothing in this Order shall be deemed to modify Paragraph 25(c) of the Final DIP Order or the Third DIP Amendment. Furthermore, nothing in this Order shall be deemed to modify the treatment of the Deposit as defined in the Stalking Horse Agreement and as set forth in Paragraph 4 of the *Order (A) Approving Bid Procedures for the Sale of Substantially All of the Debtors' Assets and Authorizing the Debtors to Enter into the Stalking Horse Agreement, (B) Scheduling the Auction, (C) Authorizing Reimbursement of Purchaser Expenses, (D) Approving the Deposit Escrow Agreement, (E) Approving the Assumption and Assignment Procedures related to the Sale, (F) Scheduling the Sale Hearing and (G) Approving the Form of Sale Notice* (the "Bid Procedures Order") [Docket 162] and as further detailed in the bidding procedures attached as Exhibit A to the Bid Procedures Order.

10. The terms and provisions of this First Amendment to Final DIP Order shall be valid and binding upon Debtors, all creditors of Debtors and all other parties-in-interest

from and after the date of the entry of this First Amendment to Final DIP Order by this Court. The terms and provisions of this First Amendment to Final DIP Order shall be effective immediately upon entry of this First Amendment to Final DIP Order pursuant to Bankruptcy Rules 6004(g) and 7062.

11. A status conference on the UST Objection shall be held on June 26, 2014 at 3:00 p.m. (ET) (the "June Hearing"). A hearing on the UST Objection shall be held on July 2, 2014 at 4:00 p.m. (ET) to the extent the Court determines at the June Hearing that the UST Objection shall go forward with respect to the dismissal or conversion of the Debtors' chapter 11 cases. The UST Objection is otherwise overruled with respect to the Motion.

12. Except as expressly set forth in this First Amendment to Final DIP Order, all of the terms, conditions and provisions of the Final DIP Order and the DIP Loan Documents are hereby ratified and reaffirmed in all respects and shall remain in full force and effect.

Dated: May ²¹~~22~~ 2014

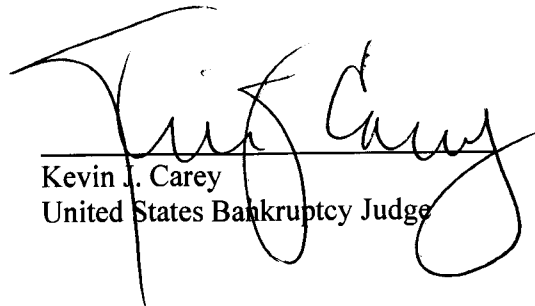

Kevin J. Carey
United States Bankruptcy Judge

Exhibit A

THIRD DIP AMENDMENT

**THIRD AMENDMENT
TO SENIOR SECURED, SUPERPRIORITY DEBTOR-IN-POSSESSION CREDIT
AGREEMENT**

THIS THIRD AMENDMENT TO SENIOR SECURED, SUPERPRIORITY DEBTOR-IN-POSSESSION CREDIT AGREEMENT (this "Amendment"), is dated as of May 15, 2014 by and among (i) **Quantum Foods, LLC**, as debtor and debtor-and-possession (the "Lead Borrower"), (ii) the other Borrowers party hereto, each as a debtor and debtor-in-possession (together with the Lead Borrower, the "Borrowers"), (iii) the lenders party hereto (the "Lenders"), and (iv) **Crystal Financial LLC**, in its capacities as administrative agent and collateral agent (in such capacities, the "Agent") under the DIP Credit Agreement (as defined below).

WITNESSETH:

WHEREAS, the Borrowers and certain Guarantors (such Guarantors collectively with the Borrowers, the "Loan Parties"), the Lenders and the Agent are party to a certain Senior Secured, Superpriority Debtor-in-Possession Credit Agreement dated as of February 20, 2014 (as amended and in effect, the "DIP Credit Agreement"); and

WHEREAS, certain Events of Default have occurred and are continuing under the DIP Credit Agreement and as a result thereof, pursuant to a notice dated April 25, 2014 (the "Termination Notice") from the Agent to the Loan Parties, among other things, the Agent notified the Loan Parties that as a result of the occurrence of such Events of Default, the Agent declared the Revolving Commitments of each Lender under the DIP Credit Agreement to make Loans to be terminated, and advised the Loan Parties that if any further Loans were to be made, the Lenders would do so only if the Lenders, in their sole and exclusive discretion, determined to do so;

WHEREAS, as a result of the receipt of the Termination Notice, the Borrowers have been forced to cease their ordinary course operations; and

WHEREAS, the Agent has notified the Loan Parties from time to time of the willingness of the Lenders, in their sole discretion, to make certain Loans to the Borrowers to pay certain specified expenses of the Borrowers; and

WHEREAS, the Borrowers are in the process of liquidating the Collateral subject to and in accordance with any conditions which may be imposed by the Bankruptcy Court, and notwithstanding the fact that the Agent and the Lenders have no obligation to make further Loans or other extensions of credit under the DIP Credit Agreement, the Lenders desire to make certain Loans to the Borrowers to pay certain specified expenses of the Borrowers from time to time in accordance with the terms of the Approved Budget in order to allow the Borrowers to maximize the net recovery from the liquidation of the Collateral; and

WHEREAS, notwithstanding the fact that the Agent and the Lenders currently have no obligation to make further Loans or other extensions of credit under the DIP Credit Agreement, the Borrowers, the Lenders and the Agent desire to amend certain provisions of the DIP Credit Agreement as provided herein to clarify the basis upon which the Agent and the Lenders shall be obligated to make Loans and other extension of credit to the Borrowers from time to time; and

WHEREAS, on April 25, 2014, the Agent delivered the Carve Out Trigger Notice to the Lead Borrower, its lead counsel, the U.S. Trustee and lead counsel to the Creditors' Committee; and

WHEREAS, the Agent and the Lenders have agreed, subject to the terms and conditions hereof, to withdraw the Carve Out Trigger Notice and to reinstate the Professional Expense Carve Out and to modify the Professional Expense Carve Out as set forth herein; and

WHEREAS, the Borrowers, the Lenders and the Agent desire to amend certain other provisions of the DIP Credit Agreement as provided herein and subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises, the covenants and agreements contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Borrowers, the Lenders and the Agent hereby agree as follows:

1. **AMENDMENTS TO DIP CREDIT AGREEMENT.** The provisions of the DIP Credit Agreement are hereby amended as follows:
 - a. The DIP Credit Agreement is hereby amended by deleting the term "Borrowing Base" and all references to Loans to be made and Letters of Credit to be issued based on the Borrowing Base. Any Credit Extensions made pursuant to the DIP Credit Agreement shall be made solely in accordance with the Approved Budget.
 - b. Each of the Borrowers, the Agent and the Lenders acknowledge and agree that the budget attached hereto as Exhibit A and incorporated by reference herein shall be deemed the "Approved Budget" as of the date hereof unless replaced in accordance with Section 7.15 of the DIP Credit Agreement.
 - c. Prior to an Event of Default occurring after the date hereof, the Agent and Lenders shall fund all amounts set forth in the Approved Budget.
 - d. In addition to funding in the Approved Budget, the Agent and Lenders shall fund a \$45,000 advance to be used by the Creditors' Committee to fund the Creditors' Committee's pursuit of Bankruptcy Recoveries and, subject to 1(e), such advance shall be secured by and repayable to the Lenders out of the first proceeds (net of costs and expenses) of the Bankruptcy Recoveries.
 - e. The Agent and Lenders waive any and all interests they have, whether pre-petition or post-petition, in all Commercial Tort Claims (other than Commercial Tort Claims against Raging Bull Acquisition Company LLC and its affiliates (including without limitation Oak Tree Capital Management, L.P.) ("Raging Bull"))

Recoveries))), whether provided in the Loan Documents, the DIP Orders, the Pre-Petition Loan Documents or otherwise; provided, however, that Agent and Lenders shall be entitled to payment in full of any amounts owed by the Guarantors under the Facility Guaranty and/or by the limited guarantors pursuant to the Amended and Restated Limited Guaranty prior to any recovery by the Debtors' estates on any Commercial Tort Claims (or other claims) against any Guarantors. Proceeds of Raging Bull Recoveries shall be distributed as follows:

- i) First, to pay any accrued fees and expenses of pursuing Raging Bull Recoveries;
 - ii) Second, 80% of all further Raging Bull Recoveries to the Agent and Lenders and 20% to the Debtors' estates for the benefit of administrative, priority and general unsecured creditors other than Agent and Lenders.
- f. Bankruptcy Recoveries shall be distributed as follows:
 - i) First, \$45,000 to the Agent to provide for the repayment of the \$45,000 described in section 1(d);
 - ii) Second, to pay any accrued fees and expenses of pursuing Bankruptcy Recoveries;
 - iii) Third, to the Debtors' estates for the benefit of administrative, priority and general unsecured creditors other than Agent and Lenders until the estates have received One Million Dollars (\$1,300,000); and
 - iv) Fourth, 50% of all further Bankruptcy Recoveries to the Agent and Lenders and 50% to the Debtors' estates for the benefit of administrative, priority and general unsecured creditors other than Agent and Lenders.
- g. Each of the Borrowers, the Agent and the Lenders acknowledge and agree that on and after the date hereof, all Borrowing Base Certificates and related Collateral reporting requirements set forth in Section 6.02 of the DIP Credit Agreement shall be replaced with the requirements set forth in Exhibit B attached hereto and incorporated by reference herein.
- h. The DIP Credit Agreement is hereby amended by deleting Sections 6.01(a), (b) and (c) thereof in their entirety.
- i. By their execution below, the Agent and the Lenders hereby confirm the withdrawal of the Carve Out Trigger Notice and the reinstatement of the Professional Expense Carve Out under the DIP Credit Agreement.
- j. The definition of "Professional Expense Carve Out" under the Credit Agreement is hereby replaced in its entirety with the following:

“Professional Expense Carve Out” shall mean a carve out for the following expenses: (i) all fees required to be paid to the Clerk of the Bankruptcy Court; (ii) all statutory fees payable to the U.S. Trustee pursuant to 28 U.S.C. § 1930(a)(6) and 28 U.S.C. § 156(c); (iii) all accrued and unpaid fees, disbursements, costs and expenses incurred by Case Professionals to the extent allowed at any time, through the date of service by the Agent of a Carve Out Trigger Notice, as limited by the respective Approved Budget amounts for each Case Professional or category of Case Professional through the date of service of said Carve Out Trigger Notice, whether allowed by the Bankruptcy Court prior to or after delivery of a Carve Out Trigger Notice less the amount of pre-petition retainers received by such Case Professionals; (iv) all accrued amounts set forth in the Approved Budget, through and including the earlier of (A) the last date of such Approved Budget and (B) three Business Days after delivery of a Carve Out Trigger Notice; (v) all monthly fees and expense reimbursement due to Tiger Capital Group, LLC (“Tiger”) and City Capital Advisors (“City Capital”) (or such other firms retained by the Borrowers and satisfactory to the Agent) relating to the disposition of the Borrowers’ assets pursuant to their respective retention agreements with the Borrowers as approved by the Bankruptcy Court (or as modified with the consent of Agent); and (vi) all accrued and unpaid fees, disbursements, costs and expenses incurred by the Case Professionals after the date of service of a Carve Out Trigger Notice, to the extent allowed at any time, in an aggregate amount not to exceed (x) the lesser of (A) \$150,000 or (B) the remaining amount of such fees, disbursements, costs and expenses as set forth in the Approved Budget, less (y) the amount of pre-petition retainers received by such Case Professionals and not applied to the fees, disbursements, costs and expenses set forth in clause (iii) above. The Transaction Fee, Compensation and Costs (as defined in their respective retention agreements) and any other reimbursable expenses payable to Tiger and City Capital under their respective retention agreements shall be deemed an expense payable from the first gross proceeds of any applicable disposition of the Borrowers’ assets. The Professional Expense Carve-Out shall be reduced on a dollar-for-dollar basis by any payments of fees or expenses of the Case Professionals.

- k. Each of the Borrowers, the Agent and the Lenders hereby acknowledge and agree that any so called “turn-key sale” consummated by the Borrowers with respect to any of their locations, whether such sale is arranged by City Capital or otherwise, shall be subject to the approval of the Agent in its sole discretion.
- l. Section 6.21(b) of the DIP Credit Agreement is hereby deleted in its entirety and the following is substituted in its stead:

“(b) On or before May 15, 2014, the Borrowers shall have filed a motion under Section 365 of the Bankruptcy Code requesting extension of the date on which the Borrowers must assume or reject leases to 210 days after the entry of the order for relief, with an order so extending that deadline to be have been entered by the Bankruptcy Court on or before May 28, 2014; provided that, in the event that the Borrowers shall not have filed such motion on or before May 15, 2014, the Agent may do so on the Borrowers behalf and the Borrowers hereby grant the Agent a power of attorney to so file such motion. The Borrowers may not, without the prior written consent of the Agent, assume, assume and assign, or reject leases.”

- m. Section 6.21 of the DIP Credit Agreement is hereby amended by adding the following clause (d) at the end thereof:

“(d) The Borrowers shall have engaged a liquidation firm satisfactory to the Agent to conduct a sale of all or substantially all of the Borrowers’ assets on or before May 15, 2014, and the Borrowers shall have obtained an order of the Bankruptcy Court approving such engagement on or before May 28, 2014.”
 - n. Section 8.01(b) is hereby deleted in its entirety and the following is substituted in its stead:

““(b) Specific Covenants. Any Loan Party fails to perform or observe any term, covenant or agreement contained in any of Sections 6.01, 6.02, 6.03, 6.05, 6.07, 6.10, 6.11, 6.12, 6.13, 6.21 (other than 6.21(c)(vi) or (vii)) or ARTICLE VII; or”
 - o. Each of Sections 8.01(j), 8.01(l), 8.01(n) and 8.01(s) is hereby deleted in its entirety and “[Reserved]” is substituted in its stead.
2. **COSTS AND EXPENSES.** Each Borrower agrees that the Agent may charge the Loan for all reasonable fees, costs and expenses incurred by the Agent in connection with this Amendment, including, without limitation, reasonable legal fees and costs (and without duplication, the allocated cost of in-house legal counsel), as set forth in the DIP Credit Agreement and the DIP Orders.
 3. **CONDITIONS TO EFFECTIVENESS.** This Amendment shall become effective on the date (the “Third Amendment Effective Date”) upon which each of the following have occurred:
 - a. the Agent shall have received one or more counterparts of this Amendment, duly executed, completed and delivered by the Agent, each Lender and each Borrower; and
 - b. Approval by the Bankruptcy Court.
 4. **NO OTHER AMENDMENTS; ACKNOWLEDGMENT OF OBLIGATIONS.** Except for the amendments set forth in Section 2 of this Amendment, the DIP Credit Agreement and the other Loan Documents shall remain unchanged and in full force and effect. Nothing in this Amendment is intended, or shall be construed, to constitute a novation or an accord and satisfaction of any Borrower’s Obligations under or in connection with the DIP Credit Agreement and any other Loan Document or to modify, affect or impair the perfection or continuity of the Agent’s security interest in, (on behalf of itself and Lenders) security titles to or other liens on any Collateral for the Obligations.
 5. **REPRESENTATIONS AND WARRANTIES.** Each Borrower hereby represents and warrants to the Agent and the Lenders as follows:
 - a. **Representations and Warranties.** Each Borrower hereby represents and warrants that, after giving effect to this Amendment, each of such Borrower’s

representations and warranties contained in the Loan Documents is true and correct on and as of the date hereof, except for Section 5.07 of the DIP Credit Agreement and except for any representation and warranty that relates by its terms only to a specified date (in which case, it shall be true on and as of such date).

- b. **Binding Effect of Documents.** This Amendment and the other Loan Documents have been duly executed and delivered to the Agent and the Lenders by such Borrower and are in full force and effect, as modified hereby. This Amendment constitutes the legal, valid and binding obligation of each Borrower enforceable in accordance with its terms. Each Guarantor hereby confirms that the Guaranty to which it is a party will continue to guarantee to the fullest extent possible, the Guaranteed Obligations (as defined in such Guaranty) and ratifies all the provisions of the Guaranty and all other Loan Documents to which it is a party.
 - c. **No Conflict, Etc.** The execution, delivery and performance of this Amendment by such Borrower will not violate any law, rule, regulation or order or contractual obligation or organizational document of such Borrower and will not result in, or require, the creation or imposition of any lien, claim or encumbrance of any kind on any of its properties or revenues.
6. **ADVICE OF COUNSEL.** Each of the parties represents to each other party hereto that it has discussed this Amendment with its counsel.
7. **SEVERABILITY OF PROVISIONS.** In case any provision of or obligation under this Amendment shall be invalid, illegal or unenforceable in any applicable jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.
8. **COUNTERPARTS.** This Amendment may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument. Delivery of an executed signature page of this Amendment by facsimile transmission or electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.
9. **RELEASE.**
- a. In consideration of the agreements of the Agent and the Lenders contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each Borrower, on behalf of itself and its successors, assigns, and other legal representatives, hereby absolutely, unconditionally and irrevocably releases, remises and forever discharges the Agent and each Lender and its respective successors and assigns, and its respective present and former shareholders, affiliates, subsidiaries, divisions, predecessors, directors, officers, attorneys, employees and other representatives (the Agent, the Lenders and all such other persons being hereinafter referred to

collectively as the “Releasees” and individually as a “Releasee”), of and from all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any and all other claims, counterclaims, defenses, rights of set-off, demands and liabilities whatsoever (individually, a “Claim” and collectively, “Claims”) of every name and nature, known or unknown, suspected or unsuspected, both at law and in equity, which either Borrower or any of its respective successors, assigns, or other legal representatives may now or hereafter own, hold, have or claim to have against the Releasees or any of them for, upon, or by reason of any circumstance, action, cause or thing whatsoever which arises at any time on or prior to the Third Amendment Effective Date, including, without limitation, for or on account of, or in relation to, or in any way in connection with the DIP Credit Agreement or any of the other Loan Documents or transactions thereunder or related thereto.

- b. Each Borrower understands, acknowledges and agrees that its release set forth above may be pleaded as a full and complete defense and may be used as a basis for an injunction against any action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of the provisions of such release.
- c. Each Borrower agrees that no fact, event, circumstance, evidence or transaction which could now be asserted or which may hereafter be discovered shall affect in any manner the final, absolute and unconditional nature of the release set forth above.

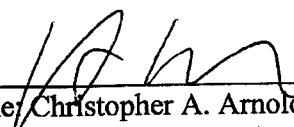
- 10. **GOVERNING LAW.** THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE BANKRUPTCY CODE AND THE LAWS OF THE STATE OF NEW YORK.
- 11. **ENTIRE AGREEMENT.** The DIP Credit Agreement and the other Loan Documents as and when amended through this Amendment embodies the entire agreement between the parties hereto relating to the subject matter thereof and supersedes all prior agreements, representations and understandings, if any, relating to the subject matter thereof.
- 12. **NO STRICT CONSTRUCTION, ETC.** The parties hereto have participated jointly in the negotiation and drafting of this Amendment. In the event an ambiguity or question of intent or interpretation arises, this Amendment shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Amendment. Time is of the essence for this Amendment.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to Senior Secured, Superpriority Debtor-in-Possession Credit Agreement to be duly executed and delivered as of the day and year specified at the beginning hereof.

AGENT AND LENDERS:

CRYSTAL FINANCIAL LLC, as Agent
and as a Lender

By: 
Name: Christopher A. Arnold
Title: Senior Managing Director

SOLAR CAPITAL LTD., as a Lender

By: _____
Name:
Title:

DA FUNDING, LLC, as a Lender

By: _____
Name:
Title:


IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to Senior Secured, Superpriority Debtor-in-Possession Credit Agreement to be duly executed and delivered as of the day and year specified at the beginning hereof.

AGENT AND LENDERS:

CRYSTAL FINANCIAL LLC, as Agent
and as a Lender

By: _____
Name: Christopher A. Arnold
Title: Managing Director

SOLAR CAPITAL LTD., as a Lender

By:  _____
Name: Bruno S. Gerson
Title: Executive Vice President

DA FUNDING, LLC, as a Lender

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to Senior Secured, Superpriority Debtor-in-Possession Credit Agreement to be duly executed and delivered as of the day and year specified at the beginning hereof.

AGENT AND LENDERS:


CRYSTAL FINANCIAL LLC, as Agent
and as a Lender

By: _____
Name: Christopher A. Arnold
Title: Managing Director

SOLAR CAPITAL LTD., as a Lender

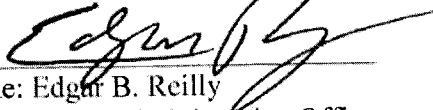
By: _____
Name:
Title:

DA FUNDING, LLC, as a Lender

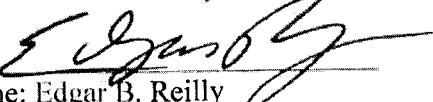
By: 
Name: Robert DeAngelis
Title: Executive Manager Director

BORROWERS:

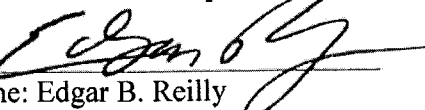
QUANTUM FOODS, LLC, as Lead Borrower and
as a Borrower, debtor and debtor-in-possession

By: 
Name: Edgar B. Reilly
Title: Chief Administrative Officer

QUANTUM FOODS 213-D, LLC, as a Borrower,
debtor and debtor-in-possession

By: 
Name: Edgar B. Reilly
Title: Chief Administrative Officer


QUANTUM CULINARY, LLC, as a Borrower,
debtor and debtor-in-possession

By: 
Name: Edgar B. Reilly
Title: Chief Administrative Officer

GDC LOGISTICS, LLC, as a Borrower, debtor and
debtor-in-possession

By: 
Name: Edgar B. Reilly
Title: Chief Administrative Officer

CHOICE ONE FOODS, LLC, as a Borrower,
debtor and debtor-in-possession

By: 
Name: Edgar B. Reilly
Title: Chief Administrative Officer

GUARANTORS:

NORTHSTAR FOODS (QRME), LLC, as a
Guarantor, debtor and debtor-in-possession

By: _____

Name:

Title:

QUANTUM ROSA MYSTIC ENTERPRISES,
LLC, as Guarantor, debtor and debtor-in-possession

By: _____

Name:

Title:

The undersigned hereby acknowledge receipt of the foregoing amendment and hereby confirms that the Amended and Restated Limited Guaranty dated January 2, 2014 to which it is a party is ratified and confirmed in all respects:

By: _____
Edward B. Bleka

By: _____
Jane Bleka

BLEKA PROPERTIES, LLC

By: _____
Name:
Title:

EXHIBIT A

APPROVED BUDGET

Quantum Foods, LLC
Wind-Down Budget: Cash Flow Forecast

	Week: Actual / Forecast (A / F):														Total
	1 2-May	2 9-May	3 16-May	4 23-May	5 30-May	6 6-Jun	7 13-Jun	8 20-Jun	9 27-Jun	10 4-Jul	11 11-Jul	12 18-Jul	13 25-Jul	14 1-Aug	
Disbursements:															
Pre 4/25 Admin Claims	(1,093)	(25)	(2,094)	(273)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(98)	(3,686)
Payroll & Related	-	(915)	(302)	(727)	(86)	(79)	(199)	(88)	(81)	(196)	(3)	(3)	(3)	(95)	(2,871)
Facility Related	(162)	(519)	(32)	(32)	(32)	(420)	(157)	(157)	(32)	(420)	(20)	(20)	(20)	(20)	(2,043)
Customer-Related, Insurance & Other	(187)	(267)	(840)	(115)	(154)	(215)	(28)	(28)	(28)	(59)	(20)	(20)	(20)	(20)	(1,999)
Liquidator Costs	-	-	-	-	-	-	-	-	-	(701)	-	-	-	-	(701)
Professional Fees	(786)	-	(376)	(30)	(1,563)	-	-	-	-	(848)	-	-	-	(303)	(3,906)
Total disbursements	(2,227)	(1,726)	(3,644)	(1,178)	(1,860)	(739)	(409)	(297)	(165)	(2,249)	(68)	(68)	(138)	(438)	(15,206)
Asset recoveries:															
Accounts Receivable	-	4,646	4,400	2,577	5,377	4,547	177	177	177	177	177	-	-	-	22,429
Inventory	-	-	-	600	600	600	600	600	600	600	-	-	-	-	4,203
Machinery & Equipment	-	-	-	-	-	-	-	-	-	7,100	-	-	-	-	7,100
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	108	108
Total asset recoveries	-	4,646	4,400	3,177	5,977	5,147	777	777	777	7,877	177	-	-	108	33,840
Net cash flow	(2,227)	2,920	756	1,999	4,117	4,408	368	480	612	5,628	109	(68)	(138)	(330)	18,634
Net cash flow - cumulative	\$ (2,227)	\$ 693	\$ 1,448	\$ 3,448	\$ 7,565	\$ 11,973	\$ 12,341	\$ 12,821	\$ 13,433	\$ 19,061	\$ 19,170	\$ 19,102	\$ 18,965	\$ 18,634	
DIP roll-forward															
Starting balance	45,208	42,288	41,533	39,533	35,416	31,008	30,640	30,160	29,548	23,920	23,811	23,879	24,016	24,016	-
Plus: disbursements	1,726	3,644	1,178	1,860	739	409	297	165	2,249	68	68	138	438	438	12,978
Less: recoveries	(4,646)	(4,400)	(3,177)	(5,977)	(5,147)	(777)	(777)	(777)	(777)	(7,877)	(177)	-	(108)	(108)	(33,840)
Ending balance	42,288	41,533	39,533	35,416	31,008	30,640	30,160	29,548	23,920	23,811	23,879	24,016	24,347	24,347	24,347
Professional fees outstanding	2,152	2,359	2,146	2,283	848	925	998	1,065	1,123	323	368	412	450	-	-
Administrative claims outstanding	12,950	10,521	8,464	8,210	8,474	8,442	8,292	8,098	8,071	8,026	8,001	7,976	7,883	7,313	7,313

Notes:

Pre 4/25 Admin Claims payments are primarily comprised of payroll, benefits, and customer settlement payments.

Any retention payments included for insiders shall be payable only as a direct carve out by the lenders from collateral proceeds, and shall not be an obligation of the company directly.

Quantum Foods, LLC
Wind-Down Budget: Professional Fees

	Week: Actual / Forecast (A / F): Week-End:														Total
	1 F 2-May	2 F 9-May	3 F 16-May	4 F 23-May	5 F 30-May	6 F 6-Jun	7 F 13-Jun	8 F 20-Jun	9 F 27-Jun	10 F 4-Jul	11 F 11-Jul	12 F 18-Jul	13 F 25-Jul	14 F 1-Aug	
Professional fee accrual															
Beginning balance	\$ 2,725	\$ 2,152	\$ 2,359	\$ 2,146	\$ 2,283	\$ 848	\$ 925	\$ 998	\$ 1,065	\$ 1,123	\$ 323	\$ 368	\$ 412	\$ 450	\$ 2,725
Accrual (post-4/25)	213	208	163	168	128	78	73	68	58	48	45	44	38	28	1,355
Payments	(786)	-	(376)	(30)	(1,563)	-	-	-	-	(848)	-	-	-	(303)	(3,906)
Application of retainer	-	-	-	-	-	-	-	-	-	-	-	-	-	(174)	(174)
Ending balance	2,152	2,359	2,146	2,283	848	925	998	1,065	1,123	323	368	412	450	-	-
FTI															
Beginning balance	975	490	615	715	790	500	530	560	590	610	120	130	140	150	975
Accrual (post-4/25)	125	125	100	75	75	30	30	30	20	10	10	10	10	-	650
Retainer application	-	-	-	-	-	-	-	-	-	-	-	-	-	(100)	(100)
Payments	(610)	-	-	-	(365)	-	-	-	-	(500)	-	-	-	(50)	(1,525)
Ending balance	490	615	715	790	500	530	560	590	610	120	130	140	150	-	-
Winston & Strawn															
Beginning balance	650	695	740	765	785	150	165	180	190	200	60	70	80	90	650
Accrual (post-4/25)	45	45	25	20	15	15	15	10	10	10	10	10	10	10	250
Retainer application	-	-	-	-	-	-	-	-	-	-	-	-	-	(35)	(35)
Payments	-	-	-	-	(650)	-	-	-	-	(150)	-	-	-	(65)	(865)
Ending balance	695	740	765	785	150	165	180	190	200	60	70	80	90	-	-
Young Conaway															
Beginning balance	250	139	154	169	179	65	70	75	80	85	25	28	30	33	250
Accrual (post-4/25)	15	15	15	10	10	5	5	5	5	5	3	3	3	3	100
Retainer application	-	-	-	-	-	-	-	-	-	-	-	-	-	(27)	(27)
Payments	(126)	-	-	-	(124)	-	-	-	-	(65)	-	-	-	(8)	(323)
Ending balance	139	154	169	179	65	70	75	80	85	25	28	30	33	0	-
City Capital															
Beginning balance	60	10	10	10	10	-	-	-	-	-	-	-	-	-	60
Accrual (post-4/25)	-	-	-	30	-	-	-	-	-	-	-	-	-	-	30
Payments	(50)	-	-	(30)	(10)	-	-	-	-	-	-	-	-	-	(90)
Ending balance	10	10	10	10	-	-	-	-	-	-	-	-	-	-	-
UCC: FA & Legal															
Beginning balance	635	640	645	274	279	25	30	35	40	45	25	30	34	37	635
Accruals (post-4/25)	5	5	5	5	5	5	5	5	5	5	5	4	3	3	65
Payments	-	-	(376)	-	(259)	-	-	-	-	(25)	-	-	-	(40)	(700)
Ending balance	640	645	274	279	25	30	35	40	45	25	30	34	37	-	-
Claims & Noticing Agent / Other															
Beginning balance	50	53	55	58	60	13	15	18	20	23	13	15	18	20	50
Accrual (post-4/25)	3	3	3	3	3	3	3	3	3	3	3	3	3	3	35
Retainer application	-	-	-	-	-	-	-	-	-	-	-	-	-	(12)	(12)
Payments	-	-	-	-	(50)	-	-	-	-	(13)	-	-	-	(10)	(73)
Ending balance	53	55	58	60	13	15	18	20	23	13	15	18	20	-	-

EXHIBIT B

REPORTING REQUIREMENTS

The following shall be delivered by the Borrowers on a daily basis, in each case in a form acceptable to the Agent:

1. Disbursements made by line item tied to Approved Budget
2. Disbursements made to each vendor
3. Loan balance roll-forward
4. Operating account roll-forward
5. Checks and float roll-forward
6. Collateral roll-forward by asset class