UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 28, 2013

OR

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

For the transition period from __________ to __________

Commission file number: 001-35249

THE CHEFS' WAREHOUSE, INC.
(Exact name of registrant as specified in its charter)

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

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

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

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

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

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

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

Number of shares of common stock, par value $.01 per share, outstanding at August 1, 2013: 21,234,243

THE CHEFS' WAREHOUSE, INC.

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CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

Statements in this report regarding the business of The Chefs' Warehouse, Inc. (the "Company") that are not historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that involve risks and uncertainties and are based on current expectations and management estimates; actual results may differ materially. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates" and variations of these words and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond our control, are difficult to predict and/or could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. The risks and uncertainties which could impact these statements include, but are not limited to, the Company's sensitivity to general economic conditions, including the current economic environment, changes in disposable income levels and consumer discretionary spending on food-away-from-home purchases; the Company's vulnerability to economic and other developments in the geographic markets in which it operates; the risks of supply chain interruptions due to lack of long-term contracts, severe weather or more prolonged climate change, work stoppages or otherwise; the risk of loss of customers due to the fact the Company does not customarily have long-term contracts with its customers; changes in the availability or cost of the Company's specialty food products; the ability to effectively price the Company's specialty food products and reduce the Company's expenses; the relatively low margins of the foodservice distribution industry and the Company's sensitivity to inflationary and deflationary pressures; the Company's ability to successfully identify, obtain financing for and complete acquisitions of other foodservice distributors and to integrate and realize expected synergies from those acquisitions; increased fuel costs and expectations regarding the use of fuel surcharges; fluctuations in the wholesale prices of beef, poultry and seafood, including increases in these prices as a result of increases in the cost of feeding and caring for livestock; the loss of key members of the Company's management team and the Company's ability to replace such personnel; the strain on the Company's infrastructure and resources caused by its growth; and other risks and uncertainties included under the heading "Risk Factors" in our Annual Report on Form 10-K filed on March 13, 2013 with the Securities and Exchange Commission (the "SEC") and under Part II, Item 1A of the Company's Quarterly Report on Form 10-Q filed with the SEC on May 7, 2013.

PART I – FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

THE CHEFS' WAREHOUSE, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 28, 2013 (UNAUDITED)	December 28, 2012
	(In thousands, except share data)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 2,310	$ 118
Accounts receivable, net of allowance of $3,705 in 2013 and $3,440 in 2012	65,507	56,694
Inventories, net	55,855	40,402
Deferred taxes, net	3,714	2,839
Prepaid expenses and other current assets	6,035	5,452
Total current assets	133,421	105,505
Restricted cash	7,587	11,008
Equipment and leasehold improvements, net	15,554	9,365
Software costs, net	214	328
Goodwill	69,073	45,359
Intangible assets, net	45,601	35,708
Other assets	3,872	2,861
Total assets	$ 275,322	$ 210,134
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 44,200	$ 33,718
Accrued liabilities	8,213	5,291
Accrued compensation	3,941	3,519
Current portion of long-term debt	7,091	5,175
Total current liabilities	63,445	47,703
Long-term debt, net of current portion	154,921	119,352
Deferred taxes, net	6,911	2,552
Other liabilities and deferred credits	2,581	1,245
Total liabilities	227,858	170,852
Commitments and contingencies:		
Stockholders' equity:		
Preferred Stock—$0.01 par value, 5,000,000 shares authorized, no shares issued and outstanding as of June 28, 2013 and December 28, 2012	—	—
Common Stock—$0.01 par value, 100,000,000 shares authorized, 21,234,243 and 20,988,073 shares issued and outstanding as of June 28, 2013 and December 28, 2012, respectively	212	210
Additional paid in capital	21,530	21,006
Cumulative foreign currency translation adjustment	(337)	—
Retained earnings	26,059	18,066
Stockholders' equity	47,464	39,282
Total liabilities and stockholders' equity	$ 275,322	$ 210,134

See accompanying notes to condensed consolidated financial statements.

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

	13 Week Period Ended	
	June 28, 2013	June 29, 2012
Net sales	$ 170,157	$ 114,825
Cost of sales	126,115	84,354
Gross profit	44,042	30,471
Operating expenses	32,987	21,954
Operating income	11,055	8,517
Interest expense	1,903	895
Loss on disposal of asset	4	—
Income before income taxes	9,148	7,622
Provision for income tax expense	3,803	3,163
Net income available to common stockholders	5,345	4,459
Other comprehensive income:		
Foreign currency translation adjustments	(337)	—
Comprehensive income	$ 5,008	$ 4,459
Net income per share available to common stockholders:		
Basic	$ 0.26	$ 0.22
Diluted	$ 0.25	$ 0.21
Weighted average common shares outstanding:		
Basic	20,781,745	20,541,234
Diluted	21,018,602	20,884,977

See accompanying notes to condensed consolidated financial statements.

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

	26 Week Period Ended	
	June 28, 2013	June 29, 2012
Net sales	$ 309,576	$ 212,894
Cost of sales	230,380	156,374
Gross profit	79,196	56,520
Operating expenses	62,243	42,945
Operating income	16,953	13,575
Interest expense	3,270	1,444
Loss on asset disposal	4	—
Income before income taxes	13,679	12,131
Provision for income tax expense	5,686	5,039
Net income available to common stockholders	$ 7,993	$ 7,092
Other comprehensive income:		
Foreign currency translation adjustments	(337)	—
Comprehensive income	$ 7,656	$ 7,092
Net income per share available to common stockholders:		
Basic	$ 0.38	$ 0.35
Diluted	$ 0.38	$ 0.34
Weighted average common shares outstanding:		
Basic	20,764,739	20,526,293
Diluted	21,006,260	20,876,995

See accompanying notes to condensed consolidated financial statements.

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

	26 Week Period Ended	
	June 28, 2013	June 29, 2012
Cash flows from operating activities:		
Net income	$ 7,993	$ 7,092
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	3,573	1,382
Provision for allowance for doubtful accounts	374	344
Deferred credits	229	117
Deferred taxes	338	418
Write-off of deferred financing fees	—	237
Amortization of deferred financing fees	205	154
Stock compensation	589	360
Change in fair value of earnout	30	—
Loss on asset disposal	4	—
Changes in assets and liabilities, net of acquisitions:		
Accounts receivable	(618)	(208)
Inventories	554	(1,680)
Prepaid expenses and other current assets	839	(515)
Accounts payable and accrued liabilities	6,917	(187)
Other assets	(209)	(7)
Net cash provided by operating activities	20,818	7,507
Cash flows from investing activities:		
Capital expenditures	(3,301)	(1,968)
Cash paid for acquisitions, net of cash received	(54,028)	(19,548)
Net cash used in investing activities	(57,329)	(21,516)
Cash flows from financing activities:		
Change in restricted cash	3,421	(2)
Payment of debt	(3,565)	(29,054)
Proceeds from senior secured term loan	—	40,000
Proceeds from senior secured notes	100,000	—
Payment of deferred financing fees	(1,201)	(1,755)
Borrowings under revolving credit line	57,200	160,758
Payments under revolving credit line	(117,200)	(155,535)
Surrender of shares to pay withholding taxes	(63)	—
Net cash provided by financing activities	38,592	14,412
Effect of foreign currency on cash and cash equivalents	111	—
Net increase in cash and cash equivalents	2,192	403
Cash and cash equivalents-beginning of period	118	2,033
Cash and cash equivalents-end of period	$ 2,310	$ 2,436
Supplemental cash flow disclosures:		
Cash paid for income taxes	$ 6,020	$ 6,307
Cash paid for interest	$ 1,840	$ 1,011
Noncash investing activity:		
Capital lease	$ 913	—

See accompanying notes to condensed consolidated financial statements.

THE CHEFS' WAREHOUSE, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(IN THOUSANDS, EXCEPT SHARE AMOUNTS AND PER SHARE DATA)
(Information as of June 28, 2013 and for the 13 and 26 weeks ended June 28, 2013 and June 29, 2012 is unaudited)

Note 1 – Operations and Basis of Presentation

Description of Business and Basis of Presentation

The financial statements include the consolidated accounts of The Chefs' Warehouse, Inc. (the "Company") and its direct and indirect wholly-owned subsidiaries. The Company's quarterly periods end on the thirteenth Friday of each quarter. Every six to seven years the Company will add a fourteenth week to its fourth quarter to more closely align its year end to the calendar year. The Company operates in one segment, food product distribution. The Company's customer base consists primarily of menu-driven independent restaurants, fine dining establishments, country clubs, hotels, caterers, culinary schools and specialty food stores.

Consolidation

The Company's direct and indirect wholly-owned operating companies include the following: Dairyland USA Corporation ("Dairyland"), a New York corporation engaged in business as a distributor of dairy, meat, and specialty foods; Bel Canto Foods, LLC, a New York limited liability company engaged in the business of importing primarily Mediterranean style food products; Dairyland HP LLC ("DHP"), a Delaware limited liability company engaged in the business of renting real estate; The Chefs' Warehouse Mid-Atlantic, LLC, a Delaware limited liability company engaged in a business similar to Dairyland, primarily in Maryland and the District of Columbia; The Chefs' Warehouse West Coast, LLC, a Delaware limited liability company engaged in a business similar to Dairyland, primarily in California, Nevada, Oregon and Washington; Michael's Finer Meats, LLC, a Delaware limited liability company engaged in the distribution of meat, seafood and other center-of-the-plate products, primarily in Ohio, Indiana, Illinois, Tennessee, Michigan, Kentucky, West Virginia and western Pennsylvania; The Chefs' Warehouse Midwest, LLC, a Delaware limited liability company engaged in a business similar to Dairyland, primarily in Ohio, Kentucky and Indiana; The Chefs' Warehouse Pastry Division, Inc., a Delaware corporation engaged in the distribution of gourmet chocolate, dessert and pastry products; The Chefs' Warehouse Pastry Division Canada ULC, a British Columbia unlimited liability company engaged in a business similar to The Chefs' Warehouse Pastry Division, Inc.; QZ Acquisition (USA), Inc., a Delaware corporation engaged in a business similar to The Chefs' Warehouse Pastry Division, Inc.; Qzina Specialty Foods, North America (USA), Inc., a Delaware corporation engaged in a business similar to The Chefs' Warehouse Pastry Division, Inc.; Qzina Specialty Foods, Inc., a Florida corporation engaged in a business similar to The Chefs' Warehouse Pastry Division, Inc.; Qzina Specialty Foods, Inc., a Washington corporation engaged in a business similar to The Chefs' Warehouse Pastry Division, Inc.; Qzina Specialty Foods (Ambassador), Inc., a California corporation engaged in a business similar to The Chefs' Warehouse Pastry Division, Inc.; and The Chefs' Warehouse of Florida, LLC, a Delaware limited liability company engaged in a business similar to Dairyland, primarily in southern Florida. In addition to these operating companies, the Company also owns 100% of Chefs' Warehouse Parent, LLC, a Delaware limited liability company which owns 100% of The Chefs' Warehouse Mid-Atlantic, LLC, The Chefs' Warehouse West Coast, LLC, The Chefs' Warehouse of Florida, LLC, The Chefs' Warehouse Midwest, LLC, Michael's Finer Meats Holdings, LLC, a Delaware limited liability company, QZ Acquisition (USA), Inc, and The Chefs' Warehouse Pastry Division, Inc. Dairyland owns 100% of Bel Canto Foods, LLC and Dairyland HP LLC. Michael's Finer Meats Holdings, LLC owns 100% of Michael's Finer Meats, LLC. QZ Acquisition (USA), Inc. owns 100% of Qzina Specialty Foods North America (USA), Inc. Qzina Specialty Foods North America (USA), Inc. owns 100% of Qzina Specialty Foods, Inc. (FL), Qzina Specialty Foods, Inc. (WA) and Qzina Specialty Foods (Ambassador), Inc. The Chefs' Warehouse Pastry Division, Inc. owns 100% of The Chefs' Warehouse Pastry Division Canada ULC. All significant intercompany accounts and transactions have been eliminated.

Unaudited Interim Financial Statements

The accompanying unaudited condensed consolidated financial statements and the related interim information contained within the notes to such condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and the applicable rules of the Securities and Exchange Commission ("SEC") for interim information and quarterly reports on Form 10-Q. Accordingly, they do not include all the information and disclosures required by GAAP for complete financial statements. These unaudited condensed consolidated financial statements and related notes should be read in conjunction with the Company's audited consolidated financial statements and notes thereto for the fiscal year ended December 28, 2012 filed as part of the Company's Annual Report on Form 10-K, as filed with the SEC on March 13, 2013.

THE CHEFS' WAREHOUSE, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(IN THOUSANDS, EXCEPT SHARE AMOUNTS AND PER SHARE DATA)
(Information as of June 28, 2013 and for the 13 and 26 weeks ended June 28, 2013 and June 29, 2012 is unaudited)

The unaudited condensed consolidated financial statements appearing in this Form 10-Q have been prepared on the same basis as the audited consolidated financial statements included in the Company's Annual Report on Form 10-K, as filed with the SEC on March 13, 2013, and in the opinion of management include all normal recurring adjustments that are necessary for the fair statement of the Company's interim period results. The year-end condensed consolidated balance sheet data was derived from the audited financial statements but does not include all disclosures required by GAAP. Due to seasonal fluctuations and other factors, the results of operations for the 13 and 26 weeks ended June 28, 2013 are not necessarily indicative of the results to be expected for the full year.

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

Note 2 – Earnings Per Share

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

	13 Weeks Ended		26 Weeks Ended	
	June 28, 2013	June 29, 2012	June 28, 2013	June 29, 2012
Net income	$ 5,345	$ 4,459	$ 7,993	$ 7,092
Net income per share:				
Basic	$ 0.26	$ 0.22	$ 0.38	$ 0.35
Diluted	$ 0.25	$ 0.21	$ 0.38	$ 0.34
Weighted average common shares:				
Basic	20,781,745	20,541,234	20,764,739	20,526,293
Diluted	21,018,602	20,884,977	21,006,260	20,876,995

Reconciliation of net income per common share:

	13 Weeks Ended		26 Weeks Ended	
	June 28, 2013	June 29, 2012	June 28, 2013	June 29, 2012
Numerator:				
Net income	$ 5,345	$ 4,459	$ 7,993	$ 7,092
Denominator:				
Weighted average basic common shares outstanding	20,781,745	20,541,234	20,764,739	20,526,293
Dilutive effect of unvested common shares	236,857	343,743	241,521	350,702
Weighted average diluted common shares outstanding	21,018,602	20,884,977	21,006,260	20,876,995

THE CHEFS' WAREHOUSE, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(IN THOUSANDS, EXCEPT SHARE AMOUNTS AND PER SHARE DATA)
(Information as of June 28, 2013 and for the 13 and 26 weeks ended June 28, 2013 and June 29, 2012 is unaudited)

Note 3 – Derivatives

Derivatives are carried as assets or liabilities at their fair values in accordance with Accounting Standards Codification ("ASC") 820, "Fair Value Measurements". During 2012 the Company entered into a derivative contract which did not qualify for hedge accounting. In February 2012 the Company purchased an out of the money Brent Crude Option as a hedge against potential geo-political disruptions in the Middle East. This option expired on June 11, 2012.

Financial Statement Presentation

The effect of the Company's derivative instruments on its condensed consolidated statements of operations for the 13 weeks and 26 weeks ended June 28, 2013 and June 29, 2012 was as follows:

		13 Weeks Ended		26 Weeks Ended	
		June 28, 2013	June 29, 2012	June 28, 2013	June 29, 2012
	Location of income (expense) recognized on derivative				
Derivatives not designated as hedging instruments:					
Brent crude oil option	Operating expenses	—	(18)	—	(17)

Note 4 – Fair Value Measurements; Fair Value of Financial Instruments

The Company accounts for certain assets and liabilities at fair value. The Company categorizes each of its fair value measurements in one of the following three levels based on the lowest level input that is significant to the fair value measurement in its entirety:

Level 1—Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets.

Level 2—Observable inputs other than quoted prices in active markets for identical assets and liabilities include the following:

a) quoted prices for similar assets in active markets;

b) quoted prices for identical or similar assets in inactive markets;

c) inputs other than quoted prices that are observable for the asset; and

d) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset.

Level 3—Inputs to the valuation methodology are unobservable (i.e., supported by little or no market activity) and significant to the fair value measure.

THE CHEFS' WAREHOUSE, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(IN THOUSANDS, EXCEPT SHARE AMOUNTS AND PER SHARE DATA)
(Information as of June 28, 2013 and for the 13 and 26 weeks ended June 28, 2013 and June 29, 2012 is unaudited)

Assets and Liabilities Measured at Fair Value

As of June 28, 2013, the Company's only asset or liability measured at fair value was the contingent earn-out liability for the Queensgate acquisition. This liability has an estimated fair value of $2,148 and was estimated using Level 3 inputs. During the 13 and 26 weeks ended June 28, 2013, the fair value of this liability increased $30 and was reflected in operating expenses. The Company had no assets or liabilities reflected at fair value as of December 28, 2012.

Fair Value of Financial Instruments

The carrying amounts reported in the Company's condensed consolidated balance sheets for accounts receivable and accounts payable approximate fair value due to the immediate to short-term maturity of these financial instruments. The fair values of the current and former revolving credit facilities and term loans approximated their book values as of June 28, 2013 and December 28, 2012, as these instruments had variable interest rates that reflected current market rates. The carrying amount of the Company's senior secured notes at June 28, 2013 approximates fair value as this transaction was consummated during the quarter ended June 28, 2013.

Note 5 – Acquisitions

The Company accounts for acquisitions in accordance with ASC 805 "Business Combinations". Assets acquired and liabilities assumed are recorded in the accompanying consolidated balance sheet at their estimated fair values as of the acquisition date. Results of operations are included in the Company's financial statements from the date of acquisition. For the acquisitions noted below, the Company used the income approach to determine the fair value of the customer relationships, the relief from royalty method to determine the fair value of trademarks and the comparison of economic income using the with/without approach to determine the fair value of non-compete agreements. The Company used Level 3 inputs to determine the fair value of all these intangible assets.

On May 1, 2013, the Company acquired 100% of the equity interests of Qzina Specialty Foods North America Inc. ("Qzina"), a British Columbia, Canada corporation based in Pompano Beach, Florida. Founded in 1982, Qzina is a leading supplier of gourmet chocolate, dessert and pastry products dedicated to the pastry professional. At the time of its acquisition, Qzina supplied more than 3,000 products to some of the finest restaurants, bakeries, patisseries, chocolatiers, hotels and cruise lines throughout the U.S. and Canada. The total purchase price for Qzina was approximately $32,144 at closing, net of $578 of cash (subject to customary post-closing working capital adjustments) and was funded with borrowings under the revolving credit facility portion of the Company's senior secured credit facilities. The Company expensed $149 of legal fees in operating expenses related to the acquisition in the 13 week period ended June 28, 2013. Pro forma financial information with respect to the acquisition of Qzina is not required to be included in these financial statements since the effects of the acquisition are not material to the Company's consolidated financial statements. The Company is in the process of performing a valuation of the tangible and intangible assets of Qzina. These assets will be valued at fair value using Level 3 inputs. Other intangible assets are expected to be amortized over 10 years. Goodwill for the Qzina acquisition will not be deductible for tax purposes.

On December 31, 2012, the Company purchased substantially all the assets of Queensgate Foodservice ("Queensgate"), a foodservice distributor based in Cincinnati, Ohio. The purchase price for Queensgate was approximately $21,900 (subject to customary post-closing working capital adjustments), which the Company financed with borrowings under the revolving credit facility portion of the Company's senior secured credit facilities. Additionally, the purchase price may be increased by up to $2,400 based upon the achievement of certain EBITDA milestones over a two-year period following the closing. At December 31, 2012, the Company estimated the fair value of this contingent consideration to be $2,118 based upon the most likely expected payout. This contingent liability will be adjusted to fair value on a quarterly basis and is estimated to be $2,148 at June 28, 2013. The Company expensed $69 of legal fees in operating expenses related to the acquisition in the 13 week period ended March 29, 2013. Pro forma financial information with respect to the acquisition of Queensgate is not required to be included in these financial statements since the effects of the acquisition are not material to the Company's consolidated financial statements. The Company has completed a preliminary valuation of the tangible and intangible assets of Queensgate. These assets were valued at fair value using Level 3 inputs. Other intangible assets consist of customer relationships, which will be amortized over 7 years, and covenants not to compete, which will be amortized over 5 years. Goodwill for the Queensgate acquisition will be amortized for tax purposes over 15 years.

THE CHEFS' WAREHOUSE, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(IN THOUSANDS, EXCEPT SHARE AMOUNTS AND PER SHARE DATA)
(Information as of June 28, 2013 and for the 13 and 26 weeks ended June 28, 2013 and June 29, 2012 is unaudited)

On August 10, 2012, the Company acquired 100% of the outstanding equity interests of Michael's Finer Meats, LLC, an Ohio corporation ("Michael's"), for approximately $52,973, net of $536 of cash. Michael's distributes an extensive portfolio of custom cut beef, seafood and other center-of-the-plate products to many of the leading restaurants, country clubs, hotels and casinos in Ohio, Indiana, Illinois, Tennessee, Michigan, Kentucky, West Virginia and western Pennsylvania. The Company financed the purchase price with borrowings under the revolving credit facility portion of the Company's senior secured credit facilities. During the third quarter of fiscal 2012 the Company expensed $85 of legal fees in operating expenses related to the acquisition. The Company has completed a formal valuation of the intangible and certain tangible assets of Michael's. The financial statements reflect the results of the valuation of the goodwill, intangible assets and fixed assets the Company acquired in the transaction. These assets were valued at fair value using Level 3 inputs. Other intangible assets consist of customer relationships, which will be amortized over 10 years, two trademarks, which will be amortized over 12-20 years, and covenants not to compete, which will be amortized over 5 years. Goodwill for the Michael's acquisition will be amortized for tax purposes over a period of 15 years. Michael's contributed revenue of $23,008 and $44,155 and income before provision for taxes of $1,719 and $2,890 for the 13 and 26 weeks ended June 28, 2013, respectively.

On April 27, 2012, the Company acquired 100% of the outstanding common stock of Praml International, Ltd., a Nevada corporation ("Praml"), for approximately $19,548 in cash. Praml is a leading specialty foodservice company that has serviced the Las Vegas and Reno markets for over 20 years. The Company financed the purchase price with borrowings under the revolving credit facility portion of the Company's senior secured credit facilities. During the second quarter of fiscal 2012 the Company expensed $23 of legal fees in operating expenses related to the acquisition. Pro forma financial information with respect to the acquisition of Praml is not required to be included in these financial statements since the effects of the acquisition are not material to the Company's consolidated financial statements. The Company has completed a valuation of the tangible and intangible assets of Praml. These assets were valued at fair value using Level 3 inputs. Other intangible assets consist of customer relationships, which will be amortized over 11 years, covenants not to compete, which will be amortized over 6 years, and two trademarks, which will be amortized over 1-20 years. Goodwill for the Praml acquisition is not deductible for tax purposes.

The table below details the assets and liabilities acquired as part of the acquisitions of Qzina as of May 1, 2013, Queensgate as of December 31, 2012, Michael's as of August 10, 2012 and Praml as of April 27, 2012, and the allocation of the purchase price paid in connection with these acquisitions.

	Qzina(1)	Queensgate(1)	Michael's	Praml
Current assets	$22,945	$ 4,140	$16,161	$ 3,315
Customer relationships	—	2,000	12,431	4,187
Trademarks	—	—	12,724	1,369
Goodwill	9,227	14,622	11,845	12,866
Non-compete agreement	—	2,920	477	1,254
Other amortizable intangibles	7,363	—	—	—
Fixed assets	1,146	1,909	2,871	—
Deferred tax assets	—	—	86	—
Deferred tax liability	(2,431)	(771)	—	(2,676)
Capital leases	(137)	—	(343)	—
Earn-out liability	—	(2,118)	—	—
Current liabilities	(5,391)	(817)	(2,743)	(767)
Purchase price	$32,722	$ 21,885	$53,509	$19,548

(1) Assets and liabilities acquired for Qzina and Queensgate are preliminary and subject to change upon completion of the Company's final valuation.

(IN THOUSANDS, EXCEPT SHARE AMOUNTS AND PER SHARE DATA)

The table below presents unaudited pro forma consolidated income statement information for the Company as if Michael's had been included in the Company's consolidated results for the entire period reflected. The pro forma information has been prepared using the purchase method of accounting, giving effect to the Michael's acquisition as if the acquisition had been completed on December 31, 2011. The pro forma information is not necessarily indicative of the Company's results of operations had the acquisition of Michael's been completed on that date, nor is it necessarily indicative of the Company's future results. The pro forma information does not reflect any cost savings from operating efficiencies or synergies that could result from the acquisition, and also does not reflect additional revenue opportunities following the acquisition. The pro forma information includes adjustments to record the assets and liabilities of Michael's at their respective fair values based on the Company's final valuation and to give effect to the financing for the acquisition and related transactions.

	13 Weeks Ended June 29, 2012	26 Weeks Ended June 29, 2012
Net sales	$ 137,105	$ 255,477
Income before provision for income taxes	8,746	13,501

Pro forma net sales reflect the combined revenues of the Company and Michael's. Pro forma income before provision for income taxes reflects the combined Company's and Michael's income before provision for income taxes with the following pro forma adjustments: 1) depreciation of equipment was adjusted for the fair market adjustment of the equipment acquired in the Michael's acquisition, 2) interest expense was adjusted to reflect interest on the borrowings under the Company's senior secured credit facilities, which were used to finance the acquisition of Michael's, 3) the intangible assets acquired in the Michael's acquisition were amortized over their estimated useful lives, 4) the private equity management fees of Michael's that were charged by certain of Michael's prior owners were eliminated, 5) the closing costs of the Company and Michael's were eliminated and 6) the transaction bonuses paid by Michael's were eliminated.

Note 6 – Inventory

Inventory consists of finished product and is recorded on a first-in, first-out basis. Inventory is reflected net of reserves for shrinkage and obsolescence totaling $970 and $650 at June 28, 2013 and December 28, 2012, respectively.

Note 7 – Restricted Cash

On April 26, 2012, DHP entered into a financing arrangement under the New Markets Tax Credit ("NMTC") program under the Internal Revenue Code of 1986, as amended (the "Code"), pursuant to which Commercial Lending II LLC ("CLII"), a community development entity and a subsidiary of JPMorgan Chase Bank, N.A., provided to DHP an $11,000 construction loan (the "NMTC Loan") to help fund DHP's expansion and build-out of the Company's new Bronx, NY distribution facility. The proceeds from the NMTC Loan, net of construction payments, are reflected as restricted cash on the balance sheet. For more information on the NMTC Loan see Note 10.

(IN THOUSANDS, EXCEPT SHARE AMOUNTS AND PER SHARE DATA)

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Note 8 – Equipment and Leasehold Improvements

As of the dates indicated, plant, equipment and leasehold improvements consisted of the following:

		As of	
	Useful Lives	June 28, 2013	December 28, 2012
Land	Indefinite	$ 426	$ —
Buildings	20 years	1,439	—
Machinery and equipment	5-10 years	6,449	6,268
Computers, data processing and other equipment	3-7 years	5,589	5,152
Leasehold improvements	7-15 years	8,955	8,518
Furniture and fixtures	7 years	1,005	617
Vehicles	5 years	990	839
Other	7 years	95	85
Construction-in-process		5,280	1,555
		30,228	23,034
Less: accumulated depreciation and amortization		(14,674)	(13,669)
Equipment and leasehold improvements, net		$ 15,554	$ 9,365

Construction-in-process at June 28, 2013 and December 28, 2012 relates primarily to the build out of the Company's new distribution facility in Bronx, NY. The Company expects to spend approximately $21,000 to complete the build out and move into this facility during fiscal 2014.

As of each of June 28, 2013 and December 28, 2012, the Company had $342 of computer equipment and $337 of vehicles financed by capital leases. The Company recorded depreciation of $40 and $28 on these assets during the 13 weeks ended June 28, 2013 and June 29, 2012, respectively, and $80 and $56 on these assets during the 26 weeks ended June 28, 2013 and June 29, 2012, respectively.

Depreciation expense on equipment and leasehold improvements was $515 and $418 for the 13 weeks ended June 28, 2013 and June 29, 2012, respectively, and $1,077 and $777 for the 26 weeks ended June 28, 2013 and June 29, 2012, respectively.

Gross capitalized software costs were $1,613 at each of June 28, 2013 and December 28, 2012. Capitalized software is recorded net of accumulated amortization of $1,399 and $1,285 at June 28, 2013 and December 28, 2012, respectively. Depreciation expense on software was $55 and $53 for the 13 weeks ended June 28, 2013 and June 29, 2012, respectively, and $114 and $100 for the 26 weeks ended June 28, 2013 and June 29, 2012, respectively.

During the 13 and 26 weeks ended June 28, 2013 the Company incurred interest expense of $1,903 and $3,270 respectively. The Company capitalized interest expense of $17 and $28, respectively, during the same periods. Capitalized interest related to the build out of its new Bronx, NY distribution facility. No interest was capitalized during the corresponding periods of 2012.

THE CHEFS' WAREHOUSE, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(IN THOUSANDS, EXCEPT SHARE AMOUNTS AND PER SHARE DATA)
(Information as of June 28, 2013 and for the 13 and 26 weeks ended June 28, 2013 and June 29, 2012 is unaudited)

Note 9 – Goodwill and Other Intangible Assets

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

Carrying amount as of December 30, 2011	$20,590
Goodwill acquired during the year	24,769
Carrying amount as of December 28, 2012	45,359
Goodwill acquired during the year	23,792
Foreign currency translation	(78)
Carrying amount as of June 28, 2013	$69,073

Other intangible assets consist of customer relationships, which are amortized over a period ranging from 6 to 13 years, trademarks, which are amortized over a period ranging from 1 to 20 years, and non-compete agreements, which are amortized over a period of 5 to 6 years. Other intangible assets were comprised of the following at June 28, 2013 and December 28, 2012:

	Gross Carrying Amount	Accumulated Amortization	Net Amount
June 28, 2013			
Customer relationships	$23,852	$ (2,866)	$20,986
Non-compete agreements	4,651	(619)	4,032
Other amortizable intangibles	7,278	(150)	7,128
Trademarks	14,393	(938)	13,455
Total	$50,174	$ (4,573)	$45,601
December 28, 2012			
Customer relationships	$21,849	$ (1,601)	$20,248
Non-compete agreements	1,731	(175)	1,556
Trademarks	14,393	(489)	13,904
Total	$37,973	$ (2,265)	$35,708

Amortization expense for other intangibles was $1,224 and $277 for the 13 weeks ended June 28, 2013 and June 29, 2012, respectively, and $2,302 and $449 for the 26 weeks ended June 28, 2013 and June 29, 2012, respectively.

Estimated amortization expense for other intangibles for the 12 months ended December 27, 2013 and each of the next four fiscal years and thereafter is as follows:

2013	$ 4,718
2014	4,877
2015	4,874
2016	4,869
2017	4,833
Thereafter	23,733
Total	$47,904

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THE CHEFS' WAREHOUSE, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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Note 10 – Debt Obligations

Debt obligations as of June 28, 2013 and December 28, 2012 consisted of the following:

	June 28, 2013	December 28, 2012
Senior secured notes	$ 100,000	$ —
Revolving credit facility	15,000	75,000
Term loan	34,500	38,000
New Markets Tax Credit loan	11,000	11,000
Capital leases	1,512	527
Total debt obligations	162,012	124,527
Less: current installments	(7,091)	(5,175)
Total debt obligations excluding current installments	$ 154,921	$ 119,352

On April 25, 2012, Dairyland, The Chefs' Warehouse Mid-Atlantic, LLC, Bel Canto Foods, LLC, The Chefs' Warehouse West Coast, LLC, The Chefs' Warehouse of Florida, LLC (each, a "Borrower" and collectively, the "Borrowers"), the Company and Chefs' Warehouse Parent, LLC (together with the Company, the "Guarantors") entered into a senior secured credit facility (the "Credit Agreement") with the lenders from time to time party thereto, JPMorgan Chase Bank, N.A. ("Chase"), as Administrative Agent, and the other parties thereto. The Credit Agreement replaced the credit agreement that the Borrowers and the Guarantors entered into in connection with the Company's initial public offering. On August 29, 2012, Michael's Finer Meats Holdings, LLC and Michael's each were added as a Guarantor under the Credit Agreement. On January 24, 2013, The Chefs' Warehouse Midwest, LLC was added as a Guarantor under the Credit Agreement.

The Credit Agreement provided for a senior secured term loan facility (the "Term Loan Facility") in the aggregate amount of up to $40,000 (the loans thereunder, the "Term Loans") and a senior secured revolving loan facility (the "Revolving Credit Facility" and, together with the Term Loan Facility, the "Credit Facilities") of up to an aggregate amount of $100,000 (the loans thereunder, the "Revolving Credit Loans"). The Credit Agreement also provided that the Borrowers could, at their option, increase the aggregate amount of borrowings under either the Revolving Credit Facility or the Term Loan Facility in an aggregate amount up to $40,000 (but in not less than $10,000 increments) (the "Accordion") without the consent of any lenders not participating in such increase, subject to certain customary conditions and lenders committing to provide the increase in funding. The final maturity of the Term Loans and Revolving Credit Facility was April 25, 2017. Subject to adjustment for prepayments, the Company was required to make quarterly principal payments on the Term Loans on June 30, September 30, December 31 and March 31, with the first four quarterly payments equal to $1,000 per quarter and the last sixteen quarterly payments equal to $1,500 per quarter, with the remaining balance due upon maturity.

The Credit Facilities were secured by substantially all the assets of the Borrowers and the Guarantors with the exception of equity interests in and assets of DHP. Borrowings under the Credit Facilities bore interest at the Company's option of either (i) the alternate base rate (representing the greatest of (1) Chase's prime rate, (2) the federal funds effective rate for overnight borrowings plus 1/2 of 1% and (3) the Adjusted LIBO Rate for one month plus 2.50%) plus in each case the applicable margin of 0.50% for Revolving Credit Loans or Term Loans or (ii), in the case of Eurodollar Borrowings (as defined in the Credit Agreement), the Adjusted LIBO Rate plus the applicable margin of 3.0% for Revolving Credit Loans or Term Loans. The Credit Agreement also included financial covenants that required the Company to meet targeted leverage and fixed charge ratios.

On September 28, 2012, the Borrowers exercised the Accordion under the Credit Agreement in full to increase the aggregate commitments under the Revolving Credit Facility by $40,000. As a result of the Borrowers' exercise of the Accordion, borrowing capacity under the Revolving Credit Loans increased from $100,000 to $140,000. All other terms of the Credit Agreement were unchanged.

On April 26, 2012, DHP entered into a financing arrangement under the NMTC program under the Code, pursuant to which CLII provided to DHP the NMTC Loan to help fund DHP's expansion and build-out of its new Bronx, NY facility, which construction is required under the lease agreement related to such facility. The NMTC Loan is evidenced by a Mortgage Note, dated as of April 26, 2012 (the "Mortgage Note"), between DHP, as maker, and CLII, as payee. Under the Mortgage Note DHP is obligated to pay CLII (i) monthly interest payments on the principal balance then outstanding and (ii) the entire unpaid principal balance then due and owing on April 26, 2017. Interest accrues under the Mortgage Note at 1.00% per annum for as long as DHP is not in default thereunder, which interest shall be calculated on the basis of the actual number of days elapsed over a year of 360 days.

On April 17, 2013, the Borrowers, the Guarantors and the lenders a party thereto entered into an Amendment and Restatement Agreement to amend and restate the Credit Agreement (the "Amended and Restated Credit Agreement"). On May 31, 2013 Qzina Specialty Foods North America (USA), Inc., QZ Acquisition (USA), Inc., The Chefs' Warehouse Pastry Division, Inc., Qzina Specialty Foods (Ambassador), Inc., Qzina Specialty Foods, Inc. (WA), and Qzina Specialty Foods, Inc. (FL) were added as Guarantors under the Amended and Restated Credit Agreement.

The Amended and Restated Credit Agreement amends and restates the Term Loan Facility and the Revolving Credit Facility. The Amended and Restated Credit Agreement provides for $36,000 in principal amount of Term Loans under the Term Loan Facility and up to an aggregate amount of $140,000 of Revolving Credit Loans under the Revolving Credit Facility. The sublimits for letters of credit and swingline loans under the Credit Facilities were unchanged. Unutilized commitments under the revolving credit facility portion of the Amended and Restated Credit Agreement are subject to a per annum fee of from 0.35% to 0.45%, based on the Company's leverage ratio. A fronting fee of 0.25% per annum is payable on the face amount of each letter of credit issued under the Credit Facilities.

The final maturity of the Credit Facilities remains April 25, 2017. Subject to adjustment for prepayments, the Company is required to make quarterly principal payments on the Term Loans on June 30, September 30, December 31 and March 31 of each year, with each quarterly payment equal to $1,500, with the remaining balance due upon maturity.

After giving effect to the amendment and restatement thereof, borrowings under the Credit Facilities continue to be secured by all the assets of the Borrowers and Guarantors, with the exception of the equity interests in and assets of DHP, and borrowings thereunder will bear interest at the Company's option of either (i) the alternate base rate (representing the greatest of (1) Chase's prime rate, (2) the federal funds effective rate for overnight borrowings plus 1/2 of 1.00% and (3) the adjusted LIBO rate for one month plus 2.50%) plus in each case an applicable margin of from 1.75% to 2.25%, based on the Company's leverage ratio, or (ii) in the case of Eurodollar Borrowings (as defined in the Amended and Restated Credit Agreement), the adjusted LIBO rate plus an applicable margin of from 2.75% to 3.25%, based on the Company's leverage ratio. The LIBO rate is the rate for eurodollar deposits for a period equal to one, three or six months (as selected by the applicable Borrower) appearing on Reuters Screen LIBOR01 Page (or any successor or substitute page on such screen), at approximately 11:00 a.m. London time, two business days prior to the commencement of the applicable interest period. The Amended and Restated Credit Agreement also includes financial covenants that require the Company to meet targeted leverage and fixed charge ratios.

On April 17, 2013, the Company issued $100,000 in guaranteed senior secured notes (the "Notes") to Prudential Capital Group, an institutional investment division of Prudential Financial, Inc., through a private placement transaction. The Notes bear an annual interest rate of 5.9% and mature in 2023. The Notes must be repaid in two equal installments of $50,000. The first payment is due on April 17, 2018. The second payment is due at maturity on April 17, 2023. The proceeds from the private placement of the Notes were used to repay borrowings under the Revolving Credit Facility. The Notes have financial covenants that are substantially similar to the financial covenants for the Amended and Restated Credit Agreement.

As of June 28, 2013, the Borrowers and Guarantors were in compliance with all debt covenants under the Credit Agreement, the Notes and the related note purchase agreement, DHP was in compliance with all debt covenants under the NMTC Loan and the Company had reserved $1,820 of the Revolving Credit Facility for the issuance of letters of credit. As of June 28, 2013, funds totaling $123,180 were available for borrowing under the Revolving Credit Facility.

Note 11 – Stockholders' Equity

During the 26 weeks ended June 28, 2013, the Company granted 249,760 restricted stock awards ("RSAs") to its employees and independent outside directors at a weighted average grant date fair value of $16.30 each. Of these awards, 183,700 were performance-based grants. The Company recognized no expense on the performance-based grants during the 26 weeks ended June 28, 2013 as the Company is not on track to achieve the performance targets. The remaining awards were time-based grants which will vest between one and four years. During the 13 and 26 weeks ended June 28, 2013, the Company recognized expense totaling $81 and $131, respectively, on these time-based RSAs.

During the 13 and 26 weeks ended June 28, 2013, the Company recognized $219 and $458, respectively, of expense for RSAs issued in prior years.

At June 28, 2013, the Company had 447,982 of unvested RSAs outstanding. At June 28, 2013, the total unrecognized compensation cost for these unvested RSAs was $6,907, and the weighted-average remaining useful life was approximately 19 months. Of this total, $3,595 related to RSAs with time-based vesting provisions and $3,312 related to RSAs with performance-based vesting provisions. At June 28, 2013, the weighted-average remaining useful lives were approximately 21 months for time-based vesting RSAs and 17 months for the performance-based vesting RSAs. No compensation expense related to the Company's RSAs has been capitalized.

As of June 28, 2013, there were 1,108,107 shares available for grant in the Company's 2011 Omnibus Equity Incentive Plan.

Note 12 – Related Parties

The Company leases two warehouse facilities from related parties. These facilities are 100% owned by entities controlled by certain of the Company's stockholders who are deemed to be affiliates. Expenses related to these facilities totaled $384 and $768, respectively, during the 13 and 26 weeks ended June 28, 2013. One of the facilities is a distribution facility leased by Dairyland from The Chefs' Warehouse Leasing Co., LLC. The Chefs' Warehouse Leasing Co., LLC leases the distribution center from the New York City Industrial Development Agency. In connection with this sublease arrangement, Dairyland and two of the Company's other subsidiaries are required to act as conditional guarantors of The Chefs' Warehouse Leasing Co., LLC's mortgage obligation on the distribution center. The mortgage payoff date is December 2029 and the potential obligation under this guarantee totaled $10,261 at June 28, 2013. On July 1, 2005, the Company entered into a consent and release agreement with the mortgagee in which the entity guarantors were conditionally released from their respective obligations. The Company and the entity guarantors continue to be in compliance with the specified conditions. The Chefs' Warehouse Leasing Co., LLC has the ability to opt out of its lease agreement with the New York City Industrial Development Agency by giving 60 days' notice. This action would cause the concurrent reduction in the term of the sublease with Dairyland to December 2014.

One of the Company's non-employee directors, Stephen Hanson, is the President and a 50% owner of a New York City-based multi-concept restaurant operator holding company. Certain subsidiaries of this holding company are customers of the Company and its subsidiaries that purchased approximately $874 and $795, respectively, of products during the 13 weeks ended June 28, 2013 and June 29, 2012 and approximately $1,698 and $1,468, respectively, of products during the 26 weeks ended June 28, 2013 and June 29, 2012. Terms provided to these customers were determined in the ordinary course of business, at arm's length and materially consistent with those of other customers with similar volumes and purchasing patterns.

Each of Christopher Pappas, John Pappas and Dean Facatselis owns 8.33% of a New York City-based restaurant customer of the Company and its subsidiaries that purchased approximately $54 and $54, respectively, of products during the 13 weeks ended June 28, 2013 and June 29, 2012 and approximately $102 and $108, respectively, of products during the 26 weeks ended June 28, 2013 and June 29, 2012. Messrs. C. Pappas, J. Pappas and Facatselis have no other interest in the restaurant other than these equity interests and are not involved in the day-to-day operation or management of this restaurant. Terms provided to this customer were determined in the ordinary course of business, at arm's length and materially consistent with those of other customers with similar volumes and purchasing patterns.

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

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is provided as a supplement to the accompanying consolidated financial statements and footnotes to help provide an understanding of our financial condition, changes in our financial condition and results of operations. The following discussion should be read in conjunction with information included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission ("SEC") on March 13, 2013. Unless otherwise indicated, the terms "Company", "Chefs' Warehouse", "we", "us" and "our" refer to The Chefs' Warehouse, Inc. and its subsidiaries. All dollar amounts are in thousands.

OVERVIEW

We are a premier distributor of specialty foods in thirteen of the leading culinary markets in the United States and Canada. We offer more than 23,200 SKUs, ranging from high-quality specialty foods and ingredients to basic ingredients and staples. We serve more than 17,500 customer locations, primarily located in our thirteen geographic markets across the United States and Canada, and the majority of our customers are independent restaurants and fine dining establishments. We believe several key differentiating factors of our business model have enabled us to execute our strategy consistently and profitably across our expanding customer base. These factors consist of a portfolio of distinctive and hard-to-find specialty food products and center-of-the-plate products, a highly trained and motivated sales force, strong sourcing capabilities, a fully integrated warehouse management system, a highly sophisticated distribution and logistics platform and a focused, seasoned management team. In recent years, our sales to existing and new customers have increased through the continued growth in demand for specialty food products in general; increased market share driven by our large percentage of sophisticated and experienced sales professionals, our high-quality customer service and our extensive breadth and depth of product offerings, including, as a result of our acquisition of Michael's in August 2012, meat, seafood and other center-of-the-plate products; the acquisition of other specialty food distributors; the expansion of our existing distribution centers; the construction of a new distribution center; and the import and sale of our proprietary brands. Through these efforts, we believe that we have been able to expand our customer base, enhance and diversify our product selections, broaden our geographic penetration and increase our market share.

RECENT ACQUISITIONS

On May 1, 2013, the Company acquired 100% of the equity interests of Qzina Specialty Foods North America Inc. ("Qzina"), a British Columbia, Canada corporation based in Pompano Beach, Florida. Founded in 1982, Qzina is a leading supplier of gourmet chocolate, dessert and pastry products dedicated to the pastry professional. Qzina currently supplies more than 3,000 products to some of the finest restaurants, bakeries, patisseries, chocolatiers, hotels and cruise lines throughout the U.S. and Canada. The total purchase price for Qzina was approximately $32,144 at closing, net of $578 cash (subject to customary post-closing working capital adjustments) and was funded with borrowings under our revolving credit facility that we amended and restated on April 17, 2013.

On December 31, 2012, the Company acquired substantially all of the assets of Queensgate Foodservice ("Queensgate"), a foodservice distributor based in Cincinnati, Ohio. Queensgate strengthens the Company's foothold in the Ohio Valley and provides a platform on which to leverage the Michael's Finer Meats, LLC ("Michael's") acquisition completed earlier in 2012. The purchase price for Queensgate was approximately $21,900 (subject to customary post-closing working capital adjustments) and was funded with borrowings under our revolving credit facility that we entered into in April 2012. The purchase price may be increased by up to $2,400 based upon the achievement of certain performance milestones over a two-year period following the closing.

On August 10, 2012, the Company acquired 100% of the equity securities of Michael's, a specialty protein distributor based in Columbus, Ohio. Michael's distributes an extensive portfolio of custom cut beef, seafood and other center-of-the-plate products to many of the leading restaurants, country clubs, hotels and casinos in Ohio, Indiana, Illinois, Tennessee, Michigan, Kentucky, West Virginia and western Pennsylvania. The total purchase price for the business was approximately $53,509 and was funded with borrowings under our revolving credit facility that we entered into in April 2012.

On April 27, 2012, we acquired 100% of the outstanding common stock of Praml International, Ltd. (“Praml”), a Nevada corporation. The purchase price paid to acquire Praml was approximately $19,500. We financed the purchase price paid for the outstanding common stock of Praml with borrowings under our revolving credit facility that we entered into in April 2012. Praml was a leading specialty foods importer and wholesale distributor located in Las Vegas, Nevada, which services the Las Vegas and Reno markets.

Our Growth Strategies and Outlook

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

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

Our continued profitable growth has allowed us to improve upon our organization’s infrastructure, open two new distribution facilities and pursue selective acquisitions. Prior to our acquisition of Qzina, over the last several years we increased our distribution capacity to approximately 674,000 square feet in eleven facilities. With the Qzina acquisition, we added eight additional locations totaling approximately 160,000 square feet.

Key Factors Affecting Our Performance

Due to our focus on menu-driven independent restaurants, fine dining establishments, country clubs, hotels, caterers and specialty food stores, our results of operations are materially impacted by the success of the “food-away-from-home” industry in the United States, which is materially impacted by general economic conditions, discretionary spending levels and consumer confidence. When economic conditions deteriorate, our customers’ businesses are negatively impacted as fewer people eat away-from-home and those that do spend less money. As economic conditions begin to improve, our customers’ businesses historically have likewise improved, which contributes to improvements in our business.

Food price costs also significantly impact our results of operations. Food price inflation, like that which we experienced throughout the first six months of 2013 and portions of 2012, may increase the dollar value of our sales because many of our products are sold at our cost plus a percentage markup. When the rate of inflation declines or we experience deflation, as we experienced during portions of 2012, the dollar value of our sales may fall despite our unit sales remaining constant or growing. For those of our products that we price on a fixed fee-per-case basis, our gross profit margins may be negatively affected in an inflationary environment, even though our gross revenues may be positively impacted. While we cannot predict whether inflation will continue at current levels, prolonged periods of inflation leading to cost increases above levels that we are able to pass along to our customers, either overall or in certain product categories, may have a negative impact on us and our customers, as elevated food costs can reduce consumer spending in the food-away-from-home market and may negatively impact our sales, gross margins and earnings.

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

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

RESULTS OF OPERATIONS

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

	13 Weeks Ended		26 Weeks Ended	
	June 28, 2013	June 29, 2012	June 28, 2013	June 29, 2012
Net Sales	100.0%	100.0%	100.0%	100.0%
Cost of Sales	74.1%	73.5%	74.4%	73.5%
Gross Profit	25.9%	26.5%	25.6%	26.5%
Operating Expenses	19.4%	19.1%	20.1%	20.2%
Operating Income	6.5%	7.4%	5.5%	6.3%
Other Expense:				
Interest Expense	1.1%	0.8%	1.1%	0.7%
Total Other Expense	1.1%	0.8%	1.1%	0.7%
Income Before Income Taxes	5.4%	6.6%	4.4%	5.6%
Provision for Income Taxes	2.2%	2.8%	1.8%	2.4%
Net Income	3.2%	3.8%	2.6%	3.2%

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

13 Weeks Ended June 28, 2013 Compared to 13 Weeks Ended June 28, 2012

Net Sales

Our net sales for the 13 weeks ended June 28, 2013 increased approximately 48.2%, or $55,332, to $170,157 from $114,825 for the 13 weeks ended June 29, 2012. The increase in net sales was primarily the result of the acquisitions of Michael’s, Queensgate and Qzina, as well as organic sales growth. These acquisitions contributed approximately $45,579, or 39.7%, to net sales growth for the quarter. Organic growth contributed the remaining approximately $9,753, or 8.5%, of total net sales growth. Inflation for the 13 weeks ended June 28, 2013 was approximately 4.1%.

Gross Profit

Gross profit increased approximately 44.5%, or $13,571, to $44,042 for the 13 weeks ended June 28, 2013, from $30,471 for the 13 weeks ended June 28, 2012. Gross profit margin decreased approximately 66 basis points to 25.9% from 26.5% for the second quarter of 2012, due in large part to the impact on sales mix from the Michael’s acquisition.

Operating Expenses

Total operating expenses increased by approximately 50.3%, or $11,033, to $32,987 for the 13 weeks ended June 28, 2013 from $21,954 for the 13 weeks ended June 29, 2012. As a percentage of net sales, operating expenses were 19.4% in the second quarter of 2013 compared to 19.1% in the second quarter of 2012. The increase in the Company’s operating expense ratio is attributable to increased amortization expense related to acquisitions, duplicate occupancy costs related to the Bronx, NY facility and compensation related expenses, offset in part by transportation efficiencies.

Operating Income

Operating income increased by approximately 29.8%, or $2,538, to $11,055 for the 13 weeks ended June 28, 2013 from $8,517 for the 13 weeks ended June 29, 2012. As a percentage of net sales, operating income decreased to 6.5% for the 13 weeks ended June 28, 2013 from 7.4% for the 13 weeks ended June 29, 2012. The decrease in operating income as a percentage of nets sales was driven by lower gross profit percentage and higher operating costs as discussed above.

Other Expense

Total other expense increased $1,012 to $1,907 for the 13 weeks ended June 28, 2013 from $895 for the 13 weeks ended June 29, 2012. This increase can be attributed to interest expense due to higher levels of debt related to the Company's acquisitions as well as the higher interest rate on the Company's recently issued $100,000 of senior secured notes.

Provision for Income Taxes

For the 13 weeks ended June 28, 2013, we recorded an effective income tax rate of 41.6%. For the 13 weeks ended June 29, 2012, our effective income tax rate was 41.5%.

Net Income

Reflecting the factors described above, net income increased $886 to $5,345 for the 13 weeks ended June 28, 2013, compared to net income of $4,459 for the 13 weeks ended June 29, 2012.

26 Weeks Ended June 28, 2013 Compared to 26 Weeks Ended June 29, 2012

Net Sales

Our net sales for the 26 weeks ended June 28, 2013 increased approximately 45.4%, or $96,682, to $309,576 from $212,894 for the 26 weeks ended June 29, 2012. The increase in net sales was primarily the result of the acquisitions of Michael's, Queensgate and Qzina, as well as organic sales growth. These acquisitions contributed approximately $81,239, or 38.2%, to net sales growth for the 26 week period. Organic growth contributed the remaining approximately $15,443, or 7.3%, of total net sales growth. Inflation for the 26 week period ended June 28, 2013 was approximately 3.6%.

Gross Profit

Gross profit increased approximately 40.1%, or $22,676, to $79,196 for the 26 weeks ended June 28, 2013, from $56,520 for the 26 weeks ended June 29, 2012. Gross profit margin for the 26 week period ended June 28, 2013 decreased approximately 97 basis points to 25.6% from 26.6% due in large part to the impact on sales mix from the Michael's and Praml acquisitions.

Operating Expenses

Total operating expenses increased by approximately 44.9%, or $19,298, to $62,243 for the 26 weeks ended June 28, 2013 from $42,945 for the 26 weeks ended June 29, 2012. As a percentage of net sales, operating expenses were 20.1% for the 26 week period ended June 28, 2013 compared to 20.2% for the 26 week period ended June 29, 2012. The decrease in the Company's operating expense ratio is attributable to transportation efficiencies offset in part by increased amortization expense related to acquisitions, duplicate occupancy costs related to the Bronx, NY facility and compensation related expenses.

Operating Income

Operating income increased by approximately 24.9%, or $3,378, to $16,953 for the 26 weeks ended June 28, 2013 from $13,575 for the 26 weeks ended June 29, 2012. As a percentage of net sales, operating income decreased to 5.5% for the 26 weeks ended June 28, 2013 from 6.3% for the 26 weeks ended June 29, 2012. The decrease in operating income as a percentage of net sales was driven by lower gross profit percentage and higher operating costs as discussed above.

Other Expense

Total other expense increased $1,830 to $3,274 for the 26 weeks ended June 28, 2013 from $1,444 for the 26 weeks ended June 29, 2012. This increase can be attributed to increased interest expense due to higher levels of debt related to the Company’s acquisitions as well as the higher interest rate on the Company’s recently issued $100,000 of senior secured notes.

Provision for Income Taxes

Our effective income tax rate was 41.6% and 41.5% for the 26 weeks ended June 28, 2013 and June 29, 2012, respectively.

Net Income

Reflecting the factors described above, net income increased $901 to $7,993 for the 26 weeks ended June 28, 2013, compared to $7,092 for the 26 weeks ended June 28, 2012.

LIQUIDITY AND CAPITAL RESOURCES

We finance our day-to-day operations and growth primarily with cash flows from operations, borrowings under our senior secured credit facilities, operating leases, trade payables and bank indebtedness. In the second quarter of 2013, we also issued $100,000 of senior secured notes, the proceeds of which we used to repay borrowings under the revolving credit facility portion of our senior secured credit facilities. We believe that our cash on hand and available credit through our existing revolving credit facility as discussed below is sufficient for our operations and planned capital expenditures over the next twelve months. Depending on our acquisition pipeline and related opportunities, we may need to obtain additional debt or equity financing, which may include longer-term, fixed-rate debt, in order to complete those acquisitions.

On April 25, 2012, Dairyland USA Corporation, The Chefs' Warehouse Mid-Atlantic, LLC, Bel Canto Foods, LLC, The Chefs' Warehouse West Coast, LLC, The Chefs' Warehouse of Florida, LLC (each a "Borrower" and collectively, the "Borrowers"), the Company and Chefs' Warehouse Parent, LLC (together with the Company, the "Guarantors") entered into a senior secured credit facility (the "Credit Agreement") with the lenders from time to time party thereto, JPMorgan Chase Bank, N.A. ("Chase"), as administrative agent, and the other parties thereto. On August 29, 2012, Michael's Finer Meats Holdings, LLC and Michael's Finer Meats, LLC were each added as a Guarantor under the Credit Agreement. On January 24, 2013, The Chefs' Warehouse Midwest, LLC was added as a Guarantor under the Credit Agreement.

On April 17, 2013, the Borrowers, the Guarantors and the lenders a party thereto entered into an Amendment and Restatement Agreement to amend and restate the Credit Agreement (the "Amended and Restated Credit Agreement"). The Amended and Restated Credit Agreement provides for a senior secured term loan facility (the "Term Loan Facility") in the aggregate amount of up to $36,000 (the loans thereunder, the "Term Loans") and a senior secured revolving loan facility (the "Revolving Credit Facility" and, together with the Term Loan Facility, the "Credit Facilities") of up to an aggregate amount of $140,000 (the loans thereunder, the "Revolving Credit Loans"), of which up to $5,000 is available for letters of credit and up to $3,000 is available for short-term borrowings on a swingline basis. Unutilized commitments under the Revolving Credit Facility portion of the Amended and Restated Credit Agreement are subject to a per annum fee of from 0.35% to 0.45% based on the Leverage Ratio (as defined below). A fronting fee of 0.25% per annum is payable on the face amount of each letter of credit issued under the Credit Facilities. On May 31, 2013 Qzina Specialty Foods North America (USA), Inc., QZ Acquisition (USA), Inc., The Chefs' Warehouse Pastry Division, Inc., Qzina Specialty Foods (Ambassador), Inc., Qzina Specialty Foods, Inc. (WA), and Qzina Specialty Foods, Inc. (FL) were added as Guarantors under the Amended and Restated Credit Agreement.

The final maturity of the Term Loans is April 25, 2017. Subject to adjustment for prepayments, we are required to make quarterly principal payments on the Term Loans on June 30, September 30, December 31 and March 31, with each quarterly payment equal to $1,500, with the remaining balance due upon maturity.

Borrowings under the Revolving Credit Facility portion of the Amended and Restated Credit Agreement have been used, and are expected to be used, for capital expenditures, permitted acquisitions, working capital and general corporate purposes of the Borrowers. The commitments under the Revolving Credit Facility expire on April 25, 2017 and any Revolving Credit Loans then outstanding will be payable in full at that time. As of June 28, 2013, we had $123,180 of availability under the Revolving Credit Facility portion of the Amended and Restated Credit Agreement.

Borrowings under the Amended and Restated Credit Agreement bear interest at our option of either (i) the alternate base rate (representing the greatest of (1) Chase's prime rate, (2) the federal funds effective rate for overnight borrowings plus 1/2 of 1.00% and (3) the adjusted LIBO rate for one month plus 2.50%) plus in each case an applicable margin of from 1.75% to 2.25%, based on the Leverage Ratio (as defined below), or (ii) in the case of Eurodollar Borrowings (as defined in the Amended and Restated Credit Agreement), the adjusted LIBO rate plus an applicable margin of from 2.75% to 3.25%, based on the Leverage Ratio. The LIBO rate is the rate for eurodollar deposits for a period equal to one, three or six months (as selected by the applicable Borrower) appearing on Reuters Screen LIBOR01 Page (or any successor or substitute page on such screen), at approximately 11:00 a.m. London time, two business days prior to the commencement of the applicable interest period.

The Amended and Restated Credit Agreement includes financial covenants that require (i) the ratio of our consolidated EBITDA (as defined in the Amended and Restated Credit Agreement) minus the unfinanced portion of capital expenditures to our consolidated Fixed Charges (as defined in the Amended and Restated Credit Agreement) on a trailing twelve month basis as of the end of each of our fiscal quarters to not be less than (A) 1.15 to 1.00 for the period from the effective date of the Amended and Restated Credit Agreement through June 30, 2014 and (B) 1.25 to 1.00 for the quarterly period ending September 30, 2014 and thereafter and (ii) the ratio of our consolidated Total Indebtedness (as defined in the Amended and Restated Credit Agreement) to our consolidated EBITDA (the “Leverage Ratio”) for the then-trailing twelve months to not be greater than (A) 4.00 to 1.00 for any fiscal quarter ending in the period from the effective date of the Amended and Restated Credit Agreement through December 31, 2013, (B) 3.75 to 1.00 for any fiscal quarter ending in the period from March 31, 2014 to December 31, 2014 and (C) 3.50 to 1.00 for any fiscal quarter ending March 31, 2015 and thereafter.

On April 26, 2012, Dairyland HP LLC (“DHP”), an indirectly wholly-owned subsidiary of ours, entered into a financing arrangement under the New Markets Tax Credit (“NMTC”) program under the Internal Revenue Code of 1986, as amended, pursuant to which Commercial Lending II LLC (“CLII”), a community development entity and a subsidiary of JPMorgan Chase Bank, N.A., provided to DHP an $11,000 construction loan (the “NMTC Loan”) to help fund DHP’s expansion and build-out of our Bronx, New York facility and the rail shed located at that facility, which construction is required under the facility lease agreement. Borrowings under the NMTC Loan are secured by a first priority secured lien on DHP’s leasehold interest in our Bronx, New York facility, including all improvements made on the premises, as well as, among other things, a lien on all fixtures incorporated into the project improvements.

Under the NMTC Loan, DHP is obligated to pay CLII (i) monthly interest payments on the principal balance then outstanding and (ii) the entire unpaid principal balance then due and owing on April 26, 2017. So long as DHP is not in default, interest accrues on borrowings at 1.00% per annum. We may prepay the NMTC Loan, in whole or in part, in $100 increments, after March 15, 2014.

For more information regarding the NMTC Loan, see Note 10 to the condensed consolidated financial statements appearing elsewhere in this report.

On April 17, 2013, the Borrowers issued $100,000 principal amount of 5.90% Guaranteed Senior Secured Notes due 2023 (the “Notes”). The Notes are guaranteed by the Guarantors including Michael’s, Michael’s Finer Meats Holdings, LLC and The Chefs’ Warehouse Midwest, LLC (collectively, the “Notes Guarantors”). The Notes, which rank pari passu with the Borrowers’ and Notes Guarantors’ obligations under the Credit Facilities, were issued to The Prudential Insurance Company of America and certain of its affiliates (collectively, the “Prudential Entities”) pursuant to a note purchase and guarantee agreement dated as of April 17, 2013 (the “Note Purchase and Guarantee Agreement”) among the Borrowers, the Notes Guarantors and the Prudential Entities. The net proceeds from the issuance of the Notes were used to repay outstanding borrowings under the Revolving Credit Facility. On May 31, 2013 Qzina Specialty Foods North America (USA), Inc., QZ Acquisition (USA), Inc., The Chefs’ Warehouse Pastry Division, Inc., Qzina Specialty Foods (Ambassador), Inc., Qzina Specialty Foods, Inc. (WA), and Qzina Specialty Foods, Inc. (FL) were added as Guarantors under The Notes.

The Notes must be repaid in two equal installments, the first $50,000 of which is due April 17, 2018 and the second $50,000 of which is due at maturity on April 17, 2023. Moreover, the Borrowers may prepay the Notes in amounts not less than $1,000 at 100% of the principal amount of the Notes repaid plus the applicable Make-Whole Amount (as defined in the Note Purchase and Guarantee Agreement).

The Note Purchase and Guarantee Agreement contains financial covenants related to leverage and fixed charges that are the same as the corresponding provisions in the Amended and Restated Credit Agreement.

We believe that our capital expenditures, excluding cash paid for acquisitions, for fiscal 2013 will be approximately $25,000, of which $11,000 will be funded with the restricted cash from the NMTC Loan. The significant increase in projected capital expenditures in 2013 when compared to 2012 capital expenditures is being driven by the costs associated with the renovation and expansion of our newly leased Bronx, New York distribution facility, which we expect will total approximately $21,000 for the year. Recurring capital expenditures will be financed with cash generated from operations and borrowings under our Revolving Credit Facility. Our planned capital projects will provide both new and expanded facilities and improvements to our technology that we believe will produce increased efficiency and the capacity to continue to support the growth of our customer base. Future investments and acquisitions will be financed through either internally generated cash flow, borrowings under our senior secured credit facilities in place at the time of the potential acquisition or issuance of equity or debt securities, including, but not limited to, longer term, fixed rate debt securities and shares of our common stock.

Net cash provided by operations was $20,818 for the 26 weeks ended June 28, 2013, an increase of $13,311 from the $7,507 provided by operations for the 26 weeks ended June 29, 2012. The primary reason for the increase was an increase of $10,282 in cash provided by working capital. In addition, depreciation and amortization and increased net income provided $2,191 and $901 of additional cash in the 26 weeks ended June 28, 2013, respectively.

Net cash used in investing activities was $57,329 for the 26 weeks ended June 28, 2013, an increase of $35,813 from the $21,516 used in investing activities for the 26 weeks ended June 29, 2012. The increase was primarily due to the acquisitions of Queensgate and Qzina in 2013 as well as the build out of our Bronx, NY distribution facility.

Net cash provided by financing activities was $38,592 for the 26 weeks ended June 28, 2013, an increase of $24,180 from the $14,412 provided by financing activities for the 26 weeks ended June 29, 2012. The increase was primarily due to funds provided from our issuance of the Notes, offset by borrowings under the Credit Facilities to fund the Queensgate and Qzina acquisitions, as well as the use of restricted cash to fund the renovation and expansion of our new Bronx, NY distribution facility.

Seasonality

Generally, we do not experience any material seasonality. However, our sales and operating results may vary from quarter to quarter due to factors such as changes in our operating expenses, management’s ability to execute our operating and growth strategies, personnel changes, demand for natural products, supply shortages and general economic conditions.

Inflation

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

Critical Accounting Policies and Estimates

The preparation of our consolidated financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. The SEC has defined critical accounting policies as those that are both most important to the portrayal of our financial condition and results and require our most difficult, complex or subjective judgments or estimates. Based on this definition, we believe our critical accounting policies include the following: (i) determining our allowance for doubtful accounts, (ii) inventory valuation, with regard to determining our reserve for excess and obsolete inventory, (iii) valuing goodwill and intangible assets, (iv) vendor rebates and other promotional incentives, (v) self-insurance reserves and (vi) income taxes. For all financial statement periods presented, there have been no material modifications to the application of these critical accounting policies.

Allowance for Doubtful Accounts

We analyze customer creditworthiness, accounts receivable balances, payment history, payment terms and historical bad debt levels when evaluating the adequacy of our allowance for doubtful accounts. In instances where a reserve has been recorded for a particular customer, future sales to the customer are either conducted using cash-on-delivery terms or the account is closely monitored so that agreed-upon payments are received prior to orders being released. A failure to pay results in held or cancelled orders. Our accounts receivable balance was $65,507 and $56,694, net of the allowance for doubtful accounts of $3,705 and $3,440, as of June 28, 2013 and December 28, 2012, respectively.

Inventory Valuation

We maintain reserves for slow-moving and obsolete inventories. These reserves are primarily based upon inventory age plus specifically identified inventory items and overall economic conditions. A sudden and unexpected change in consumer preferences or change in overall economic conditions could result in a significant change in the reserve balance and could require a corresponding charge to earnings. We actively manage our inventory levels to minimize the risk of loss and have consistently achieved a relatively high level of inventory turnover.

Valuation of Goodwill and Intangible Assets

We are required to test goodwill for impairment at least annually and between annual tests if events occur or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. We have elected to perform our annual tests for indications of goodwill impairment during the fourth quarter of each fiscal year. We test for goodwill impairment at the consolidated level, as we aggregate our reporting units into a single reporting unit, based on the market capitalization approach. The goodwill impairment analysis is a two-step test. The first step, used to identify potential impairment, involves comparing our estimated fair value to our carrying value, including goodwill. If our estimated fair value exceeds our carrying value, goodwill is considered not to be impaired. If the carrying value exceeds estimated fair value, there is an indication of potential impairment and the second step is performed to measure the amount of impairment. If required, the second step involves calculating an implied fair value of our goodwill. The implied fair value of goodwill is determined in a manner similar to the amount of goodwill calculated in a business combination, by measuring the excess of the estimated fair value, as determined in the first step, over the aggregate estimated fair values of the individual assets, liabilities and identifiable intangibles as if we were being acquired in a business combination. If the implied fair value of our goodwill exceeds the carrying value of our goodwill, there is no impairment. If the carrying value of our goodwill exceeds the implied fair value of our goodwill, an impairment charge is recorded for the excess.

When analyzing whether to aggregate the above geographical components into one reporting unit, the Company considers whether each geographical component has similar economic characteristics. The Company has evaluated the economic characteristics of its different geographic markets, including its recently acquired businesses, along with the similarity of the operations and margins, nature of the products, type of customer and methods of distribution of products and the regulatory environment in which the Company operates and concluded that the geographical components continue to be one reporting unit.

In 2012, our annual assessment indicated that we were not at risk of failing step one of the goodwill impairment test and no impairment of goodwill existed, as our fair value exceeded our carrying value. We have noted no indicators of impairment in the first six months of 2013. Total goodwill as of June 28, 2013 and December 28, 2012 was $69,073, and $45,359, respectively.

Intangible assets with finite lives are tested for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Cash flows expected to be generated by the related assets are estimated over the assets' useful lives based on updated projections. If the evaluation indicates that the carrying amount of the asset may not be recoverable, the potential impairment is measured based on a projected discounted cash flow model. There have been no events or changes in circumstances during 2013 or 2012 indicating that the carrying value of our finite-lived intangible assets are not recoverable. Total finite-lived intangible assets as of June 28, 2013 and December 28, 2012 were $45,601 and $35,708, respectively.

The assessment of the recoverability of goodwill and intangible assets will be impacted if estimated future cash flows are not achieved.

Vendor Rebates and Other Promotional Incentives

We participate in various rebate and promotional incentives with our suppliers, including volume and growth rebates, annual incentives and promotional programs. In accounting for vendor rebates, we follow the guidance in Accounting Standards Codification ("ASC") 605-50 (Emerging Issues Task Force, or EITF, No. 02-16, *Accounting by a Customer (Including a Reseller) for Certain Consideration Received from a Vendor and EITF No. 03-10, Application of Issue No. 02-16 by Resellers to Sales Incentives Offered to Consumers by Manufacturers).*

We generally record consideration received under these incentives as a reduction of cost of goods sold; however, in certain circumstances, we record marketing-related consideration as a reduction of marketing costs incurred. We may receive consideration in the form of cash and/or invoice deductions.

We record consideration that we receive for volume and growth rebates and annual incentives as a reduction of cost of goods sold. We systematically and rationally allocate the consideration for those incentives to each of the underlying transactions that results in progress by us toward earning the incentives. If the incentives are not probable and reasonably estimable, we record the incentives as the underlying objectives or milestones are achieved. We record annual incentives when we earn them, generally over the agreement period. We record consideration received to promote and sell the suppliers' products as a reduction of our costs, as the consideration is typically a reimbursement of costs incurred by us. If we received consideration from the suppliers in excess of our costs, we record any excess as a reduction of cost of goods sold.

Self-Insurance Reserves

Effective October 1, 2011, we began maintaining a partially self-insured group medical program. The program contains individual as well as aggregate stop loss thresholds. The amount in excess of the self-insured levels are fully insured by third party insurers. Liabilities associated with this program are estimated in part by considering historical claims experience and medical cost trends. Projections of future loss expenses are inherently uncertain because of the random nature of insurance claims occurrences and could be significantly affected if future occurrences and claims differ from these assumptions and historical trends.

Effective August 1, 2012, we are self-insured for workers' compensation and automobile liability claims to deductibles or self-insured retentions of $350 for workers' compensation claims per occurrence and $250 for automobile liability claims per occurrence. The amounts in excess of our deductibles are fully insured by third party insurers. Liabilities associated with this program are estimated in part by considering historical claims experience and trends. Projections of future loss expenses are inherently uncertain because of the random nature of insurance claims occurrences and could be significantly affected if future occurrences and claims differ from these assumptions and historical trends.

Income Taxes

The determination of our provision for income taxes requires significant judgment, the use of estimates and the interpretation and application of complex tax laws. Our provision for income taxes primarily reflects a combination of income earned and taxed in the various U.S. federal and state jurisdictions as well as Canadian federal and provincial jurisdictions. Jurisdictional tax law changes, increases or decreases in permanent differences between book and tax items, accruals or adjustments of accruals for unrecognized tax benefits, and our change in the mix of earnings from these taxing jurisdictions all affect the overall effective tax rate.

Management has discussed the development and selection of these critical accounting policies with our Audit Committee, and the Audit Committee has reviewed the above disclosure. Our condensed consolidated financial statements contain other items that require estimation, but are not as critical as those discussed above. These other items include our calculations for bonus accruals, depreciation and amortization. Changes in estimates and assumptions used in these and other items could have an effect on our condensed consolidated financial statements.

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

On April 25, 2012, the Borrowers and the Guarantors entered into the Credit Agreement with the lenders from time to time party thereto, Chase, as Administrative Agent, and the other parties thereto. On April 17, 2013, the Borrowers and Guarantors entered into the Amended and Restated Credit Agreement. Each of the Credit Agreement and Amended and Restated Credit Agreement is described in more detail above under the caption “Liquidity and Capital Resources” in the MD&A. Our primary market risks are related to fluctuations in interest rates related to borrowings under our current credit facilities.

As of June 28, 2013, we had an aggregate $49,500 of indebtedness outstanding under the Revolving Credit Facility and Term Loan Facility that bore interest at variable rates. A 100 basis point increase in market interest rates would decrease our after tax earnings by approximately $290 per annum, holding other variables constant.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

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

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

Changes in Internal Control over Financial Reporting

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

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

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

ITEM 1A. RISK FACTORS

There have been no material changes with respect to the risk factors disclosed in our Annual Report on Form 10-K, filed with the SEC on March 13, 2013, as updated in our Quarterly Report on Form 10-Q for the quarter ended March 29, 2013, filed with the SEC on May 7, 2013.

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

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

Effective August 2, 2013, we revised our Code of Business Conduct and Ethics (the “Code of Ethics”), which applies to all of our directors, officers and employees. As part of its corporate governance practices, our Board of Directors periodically reviews the Code of Ethics and, following its most recent review, our Board of Directors approved certain revisions and additions. Although the revised Code of Ethics is, for the most part, similar to its predecessor, it has been updated to reflect the Company’s adoption of certain anti-corruption policies. The Code of Ethics is filed herewith as Exhibit 14.1 to this Quarterly Report on Form 10-Q. The revised Code of Ethics is also available on the corporate governance page of our website, which can be found at www.chefswarehouse.com, by clicking on “Investors,” then clicking on “Corporate Governance.”

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ITEM 6. EXHIBITS

Exhibit No.	Description
10.1†	Amendment and Restatement Agreement, dated as of April 17, 2013, to the Credit Agreement, dated as of April 25, 2012, by and among Dairyland USA Corporation, The Chefs' Warehouse Mid-Atlantic, LLC, Bel Canto Foods, LLC, The Chefs' Warehouse West Coast, LLC, and The Chefs' Warehouse of Florida, LLC, as Borrowers, the other Loan Parties thereto, the Lenders party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent and Collateral Agent (incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q filed on May 7, 2013).
10.2†	Amended and Restated Pledge and Security Agreement, dated April 25, 2012, as amended and restated as of April 17, 2013, by and among Dairyland USA Corporation, The Chefs' Warehouse Mid-Atlantic, LLC, Bel Canto Foods, LLC, The Chefs' Warehouse West Coast, LLC, The Chefs' Warehouse of Florida, LLC, The Chefs' Warehouse, Inc., Chefs' Warehouse Parent, LLC, Michael's Finer Meats, LLC, Michael's Finer Meats Holdings, LLC, The Chefs' Warehouse Midwest, LLC, and the other Subsidiaries of The Chefs' Warehouse, Inc. that become party thereto after the date thereof, as Grantors, and JPMorgan Chase Bank, N.A., as Collateral Agent (incorporated by reference to Exhibit 10.2 to the Company's Form 10-Q filed on May 7, 2013).
10.3†	Note Purchase and Guarantee Agreement, dated as of April 17, 2013, by and among Dairyland USA Corporation, The Chefs' Warehouse Mid-Atlantic, LLC, Bel Canto Foods, LLC, The Chefs' Warehouse West Coast, LLC, and The Chefs' Warehouse of Florida, LLC, as Issuers, The Chefs' Warehouse, Inc., Chefs' Warehouse Parent, LLC, The Chefs' Warehouse Midwest, LLC, Michael's Finer Meats Holdings, LLC, and Michael's Finer Meats, LLC, as the Initial Guarantors, The Prudential Insurance Company of America, Pruco Life Insurance Company, Prudential Arizona Reinsurance Captive Company, and Prudential Retirement Insurance and Annuity Company (incorporated by reference to Exhibit 10.3 to the Company's Form 10-Q filed on May 7, 2013).
10.4	Form of Note (incorporated by reference to Exhibit 10.4 to the Company's Form 10-Q filed on May 7, 2013).
14.1	The Chefs' Warehouse, Inc. Code of Business Conduct and Ethics.
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
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101.INS	XBRL Instance Document*
101.SCH	XBRL Schema Document*
101.CAL	XBRL Calculation Linkbase Document*
101.LAB	XBRL Label Linkbase Document*
101.PRE	XBRL Presentation Linkbase Document*

* Users of this data are advised pursuant to Rule 406T of Regulation S-T that this interactive data file is deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

† Certain confidential portions of this exhibit were omitted by means of redacting a portion of the text. This exhibit has been filed separately with the Securities and Exchange Commission accompanied by a confidential treatment request pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

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SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized on August 6, 2013.

THE CHEFS' WAREHOUSE, INC.
(Registrant)

August 6, 2013	/s/ John D. Austin
Date	**John D. Austin**
	Chief Financial Officer
	(Principal Financial Officer and
	Principal Accounting Officer)

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101.LAB	XBRL Label Linkbase Document*
101.PRE	XBRL Presentation Linkbase Document*

* Users of this data are advised pursuant to Rule 406T of Regulation S-T that this interactive data file is deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

† Certain confidential portions of this exhibit were omitted by means of redacting a portion of the text. This exhibit has been filed separately with the Securities and Exchange Commission accompanied by a confidential treatment request pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

Exhibit 14.1

THE CHEFS' WAREHOUSE, INC.

CODE OF BUSINESS CONDUCT AND ETHICS

To All Employees of The Chefs' Warehouse, Inc.,

The Chefs' Warehouse, Inc. has adopted this Code of Business Conduct and Ethics (which we sometimes refer to as our "Code of Conduct" or "the Code") as part of our continuing efforts to communicate to our employees how we define proper business conduct and ethical behavior. The adoption of a Code of Conduct for The Chefs' Warehouse, Inc. simply reflects our ongoing commitment to protecting and enhancing our reputation for integrity.

Please read our Code of Conduct carefully and refer to it often. It is your responsibility to understand what is expected of you. If there is something you are unclear about or if you are not sure what is required in a particular situation, do not guess at the answer. Ask for help from one of the many sources listed in the Code.

The consequences of not complying with our Code of Conduct can be severe, ranging from ruining your reputation and career to possible criminal prosecution and incarceration. Illegal and unethical conduct will also result in disciplinary action, which may include termination. It is not an excuse that a person's questionable conduct was intended to "benefit" The Chefs' Warehouse, Inc. or was done with good intentions.

Protecting our ethical corporate culture is not only the right thing to do – it is also good business. Customers and business partners judge us by our conduct, as well as by our products and services. Each of you can contribute to maintaining the trust and confidence of our customers and business partners by following both the letter and spirit of our Code of Conduct.

CHRISTOPHER PAPPAS
Chief Executive Officer, The Chefs' Warehouse, Inc.

I. GENERAL STATEMENT OF POLICY

Our policy is to conduct business in an honest and ethical manner and in accordance with the laws that apply to us.

The Company[1] seeks to be a good corporate citizen and to achieve our business goals in a manner that enhances our reputation for integrity. In order to do that, all of our directors, officers and employees must practice the highest legal, moral and ethical standards of honesty, integrity and fairness in the conduct of the Company's affairs. We have instituted this Code of Conduct as part of our efforts:

- to foster proper business conduct and honest and ethical decision-making, and
- to prevent unethical or unlawful behavior and to stop any such behavior as soon as reasonably possible after its discovery.

We expect you to follow this Code of Conduct and to report any violations of which you become aware.

Under this Code of Conduct, each of our directors, officers and employees, regardless of job, title or level of responsibility:

- is responsible for his or her own actions with respect to proper business conduct and behavior, and
- if he or she sees or becomes aware of unethical or unlawful activity, is obligated to report such activity immediately to the General Counsel, Chief Financial Officer or one of the senior officers in our Human Resources Department.

Your supervisor or a senior officer of our Human Resources Department can help you make the report.

We also expect our suppliers and consultants to be guided by these standards.[2] It is the responsibility of the employees retaining and supervising such persons to make sure that they are aware of this Code of Conduct and follow its principles in their work for the Company.

Violations of this Code of Conduct will lead to disciplinary action.

To ensure compliance with this Code of Conduct, the Company will investigate and take such action as it determines necessary to protect its best interest. In those cases where violations have occurred, disciplinary action will be taken, ranging from reprimand to termination. Violators may also be subject to criminal prosecution or civil lawsuits.

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[1] References to the "Company" (or to "The Chefs' Warehouse, Inc." or to "we" or "our" or similar pronouns) in this Code of Conduct mean The Chefs' Warehouse, Inc. and all of its subsidiaries and affiliated companies. References to "Board of Directors" mean the Board of Directors of The Chefs' Warehouse, Inc.

[2] References to the terms "employee" and "personnel," as used throughout this Code of Conduct, are generally intended to include – in addition to officers (including, without limitation, the chief executive officer, chief financial officer or persons performing similar functions), directors and employees (full-time and part-time) of the Company – suppliers, consultants and similar persons providing services at the direction of the Company. In some cases, implementation of the principles contained in this Code of Conduct may be different for third party service providers, depending on the scope and nature of the services provided. For example, certain "conflicts of interest" that would not be acceptable for an employee may be acceptable for a supplier, depending on the nature of the specific relationship. Please consult the General Counsel for guidance.

Violations of our other policy statements may also be a violation of this Code of Conduct.

We have other policy statements designed to assist the Company and its employees in complying with applicable laws and meeting appropriate standards of conduct, including, but not limited to:

- the Employee Handbook,
- the Insider Trading Policy,
- the Whistleblower Policy,
- the Related Party Transactions Policy,
- the Compliance With Anti-Corruption Laws Policy,
- the Retaining Foreign Third-Party Affiliates Policy, and
- the Statement of Company Policy on Corporate Communications.

Failure to comply with these policy statements will, in many cases, also be a violation of this Code of Conduct.

II. GUIDELINES FOR EMPLOYEE CONDUCT

Part II of our Code of Conduct provides guidelines for you to follow in dealing with some specific ethical and legal issues. Some of these guidelines are clear rules that you must follow –"do's and don'ts" for specific situations. On the other hand, ethical issues often involve balancing competing interests and making value judgments. As a result, many of these guidelines provide general principles that must be applied by you based on the facts with which you are faced. Sometimes applying those principles will be easy, and the proper business conduct will be clear. However, we often face complicated issues, where the right path to take may not be obvious or where there may be differences of opinion regarding proper conduct. It is each employee's responsibility to work through those issues, seek appropriate advice and reach an answer that meets high ethical standards. The people described below are available to help you. They will be happy to answer your questions or assist you in seeking advice from other appropriate members of management.

How to Get Your Questions Answered

Whenever you have questions about the requirements of this Code of Conduct or how they apply to your job, you should call one or more of the following persons:

- **your manager or supervisor,**
- **the head of your business unit or department,**
- **a senior officer of our Human Resources Department, and**
- **the General Counsel.**

In addition, for questions relating to financial reporting, accounting and related matters, you may contact the Chief Financial Officer or other members of the Finance Department.

Selected Contact Information

Our General Counsel is Alexandros Aldous. He can be reached at (203) 894-1345 x10211 or aaldous@chefswarehouse.com.

Our Chief Financial Officer is John Austin. He can be reached at (203) 894-1345 x10221 or jaustin@chefswarehouse.com.

In Human Resources, you can contact Pat Lecouras. She can be reached at (203) 894-1345 x10150 or plecouras@chefswarehouse.com.

A. You may not use funds or assets of the Company for any unlawful or unethical purpose or for personal gain.

The use of the funds or assets of the Company for any unlawful or unethical purpose, including any political or commercial bribery, is prohibited. In addition, no person may use his or her position in the Company or any funds or assets of the Company (including confidential information of the Company) for his or her personal gain.

- ***Our policy is to forgo any business that can be obtained only by making improper or illegal payments or kickbacks.***
  - No payment or gift shall be offered or made to a government official to influence any discretionary decision by such person in his or her official capacity. Should any such gifts or payments be requested, our General Counsel should be contacted immediately. Giving any gifts – even gifts or entertainment of nominal value – to government officials is highly regulated and often illegal.
  - No payment shall be offered or made to an employee or representative of an existing or potential customer or other business partner to influence any business decision by such person. Should any such payments be requested, our General Counsel should be contacted immediately.
    - In circumstances where it would not violate any other policy of the Company and would not create an appearance of impropriety or be considered a business inducement, you may provide non-monetary gifts or entertainment in accordance with the policies, procedures and monetary limits applicable to your business unit and job responsibilities. In general, such gifts or entertainment must be of nominal value.
    - Business meals with customers or other business partners are permitted and expenses for those meals will be reimbursed in accordance with applicable expense reimbursement policies.
  - See the Compliance with Anti-Corruption Laws Policy and the Retaining Foreign Third-Party Affiliates Policy for additional relevant requirements and prohibitions.

- ***Endeavor to deal fairly with the Company's customers, suppliers, competitors and other employees at all times.***
  - No employee or director of the Company may take unfair advantage of anyone through manipulation, concealment, abuse of privileged or confidential information, misrepresentation of a material fact or any other unfair dealing practice.
- ***Subterfuge of any kind in making payments or other use of the assets of the Company is forbidden.***
  - No payment by a third party on behalf of the Company may be authorized with the intention that any part of it is to be used for any unlawful purpose.
  - No payment or other use of assets or funds by the Company may be offered or made for a purpose other than that described by the records supporting the payment.
- ***You may not accept payments or gifts that obligate you with respect to matters relating to our business or that create an appearance that your decision-making would be improperly influenced.***
  - Gifts of any type or amount may never be solicited from suppliers, customers or other business partners.
  - Any form of a gift that may obligate one of our employees to act in a particular manner with regard to our business is a bribe and is not allowed, regardless of its value. In addition, you may not accept cash gifts, regardless of amount.
    - If a supplier, customer or other business partner offers you a bribe, kickback or other improper payment, you should report the attempt to the General Counsel or Chief Financial Officer.
    - You may accept gifts of nominal value ordinarily used for sales promotion (for example, calendars, appointment books, pens, etc.) and may accept other gifts consistent with local social and business custom if reasonable in cost and frequency and reported to your supervisor.
  - The receipt of ordinary "business lunches" or reasonable entertainment consistent with local social and business custom is also permissible if reasonable in cost and frequency.

If an employee receives a gift that would not be permitted by the above guidelines, it must be reported to the employee's supervisor. We may ask the employee to return the gift or, if return of the gift is not practical, it may be required to be given to the Company for charitable disposition or such other disposition as may be appropriate. Please note that it is not our desire for our employees to appear unfriendly or unsociable. However, it is our policy to avoid any actions that may throw doubt on the integrity or motivation of our employees or the Company.

- ***Do not advance your personal interests at the expense of the Company.***
  - You may not take for yourself any opportunity for financial gain that you find out about because of your position at the Company or through the use of property or information of the Company, unless the Board of Directors has made a decision to forgo the opportunity.
  - See below, under Section II.B., "Conflicts of Interest Policy" for additional policies that apply.
- ***Protect the property and assets of the Company and ensure their proper use.***
  - Employees must protect the property and assets of the Company from loss, waste, damage or theft and must use them only for legitimate business purposes.
    - Assets of the Company include funds, investments, facilities, equipment, proprietary or confidential information, technology, business plans, ideas for new products and services, trade secrets, inventions, copyrightable materials and client lists.
    - Unless otherwise prohibited by an employee's supervisor, limited and reasonable incidental use of telephone, computer or similar equipment of the Company is permitted, so long as it does not interfere with business use and is in compliance with all other applicable policies of the Company.
  - Any employee found to be engaging in, or attempting, theft of any property of the Company or any personal property of other employees will be subject to termination and possible civil and criminal proceedings. All employees have a responsibility to report any theft or attempted theft to appropriate management.
  - See below, under Section II.F., "Protection of Proprietary Information" for additional policies that apply.

B. Conflicts of Interest Policy

1. ***Failure to disclose a conflict of interest is a violation of this Code of Conduct.***

We expect our employees to be free from any influence that is inconsistent with their obligations to the Company. There are many types of situations that may result in an employee having a conflict of interest or a potential conflict of interest with the Company. Having a conflict of interest does not necessarily mean you have done something improper; however, the failure to disclose the conflict of interest is a violation of this Code of Conduct.

Because there are many different types of conflicts of interest, there are also many different ways they can be resolved. For example, if a conflict arises because a family member of an employee takes a job with one of our customers, we can take steps to make sure that the family member is not in a decision-making position with respect to transactions with that customer. However, those steps cannot be taken unless prompt and complete disclosure has been made. Disclosure should be made to the General Counsel.

2. ***Your business dealings on behalf of the Company should not be influenced, or appear to be influenced, by your personal interests or your relationships with others.***

We expect our employees, in their work for the Company, to act at all times in the best interest of the Company. Accordingly, employees should remain free from obligations to, or relationships with, any person or company with whom we do business or compete that could interfere with the Company's best interests. In addition, as described above, it is also the duty of employees not to utilize their position with the Company for personal advantage or gain.

The rights of our employees will be respected in the conduct of their personal affairs and investments, and we encourage our employees to be active members of the community, so long as such conduct and activities do not adversely reflect upon the Company, interfere with our employees' normal duties and employment responsibilities or present a conflict of interest to the Company. Employees need not seek prior approval for participating in various community, school or other such charitable activities unless such participation results in a potential conflict of interest; provided, however, that any employee invited to join a corporate board of directors (whether for a public or private corporation) must obtain the approval of the General Counsel prior to accepting such position.

3. ***The following are examples of conflict of interest situations:***

While it is not possible to describe all situations and conditions that might involve a conflict of interest, the following examples indicate areas where conflicts may arise:

- ***Financial interests in competitors, customers or suppliers***. Where an employee, close relative (such as a member of his or her family or household, in-laws, etc.) or any other person with whom the employee has a close personal relationship has a direct or indirect financial interest in an organization which does business with or is a competitor of the Company, a conflict of interest may exist. Such a conflict is unlikely if the financial interest consists of holdings of less than one percent of any class of securities in a widely held corporation listed on a recognized stock exchange or regularly traded on an over-the-counter market or if our transactions with that corporation would not tend to either affect the value of such securities or contribute materially to such corporation's earnings. However, depending on the circumstances, a conflict of interest might exist, even if the amount of holdings in such corporation is less than one percent, where the employee is in a position to control or influence our decisions or actions with respect to a transaction with such corporation. In addition, if the investment or interest by the employee, close relative or any other person with whom the employee has a close personal relationship is in a small organization doing business with us, a conflict of interest is likely in view of the possible relative importance of the transaction to such an organization.
- ***Serving in the management of customers, suppliers or competitors*.** Where an employee serves as a director or officer or in any other management or consulting capacity with, or renders other services to, another organization which does or is seeking to do business with us, or which is a competitor, a conflict of interest will normally exist.
- ***Transactions with customers or suppliers of the Company***. Where an employee, a close relative of the employee or any other person with whom the employee has a close personal relationship buys, sells or leases (other than on behalf of the Company) any kind of property, facilities, services or equipment from or to any person or organization which is, or is seeking to become, a customer or supplier of the Company, a conflict of interest may arise.

- A conflict would not normally exist, however, in cases of routine personal purchases, sales or leases made in the ordinary course from or to a large established company, such as for the employee's personal household needs.
- On the other hand, if the employee, as part of his or her job responsibilities for us, is in a position to make or influence decisions pertaining to transactions with such a company, a potential conflict of interest might exist, depending on the circumstances, if he or she has any private transactions with that company.

- ***Transactions with the Company*.** Any proposed business transaction between the Company and an employee of the Company (other than those relating to the employee's employment or services as an employee), a close relative of an employee, any other person with whom the employee has a close personal relationship or any entity in which the employee has an ownership interest would generally involve or lead to a conflict and must be fully disclosed to appropriate management in advance and requires approval by the General Counsel or the Board of Directors. Such transactions may also be addressed by the Company's Related Party Transaction Policy.
- ***Corporate opportunity*.** Where an employee, a close relative of the employee or any other person with whom the employee has a close personal relationship participates in any personal venture or transaction involving any existing or potential business activity or opportunity in which the Company has an expressed interest, or is of the type that the Company would be expected to consider, a conflict of interest may be present, unless the Board of Directors has made a decision to forgo the opportunity.

The above examples are not intended to be an all-inclusive list of possible conflicts. In addition, there are other situations which, while not clear-cut conflicts of interest, may be inconsistent with the high standards of business ethics that our employees are expected to follow. As noted above, you should disclose any conflicts of interest or potential conflicts of interest to the General Counsel. You should also refer to the Related Party Transaction Policy when confronted with potential conflicts of interest.

C. Policy Regarding Financial Reporting and Recordkeeping

1. ***Unauthorized transactions and illegal or improper recordkeeping are not permitted.***

- Business transactions shall be reported promptly and accurately in order to permit the preparation of accurate financial and other records.
- Business transactions shall be executed only by employees authorized to do so.
- Business transactions shall be evidenced by full and complete written agreements in accordance with policies and procedures approved by the General Counsel and the Finance Department.
- Acquisitions or dispositions of assets and other transactions are permitted only with authorization by the appropriate management levels.
- Employees are prohibited from knowingly making untrue or misleading statements to our independent auditors or internal auditors or causing anyone else to do so, and no employee may seek to improperly influence, directly or indirectly, the auditing of our financial records.

- Data transmitted and/or stored electronically by the Company shall be protected from errors, disasters, misuse, unauthorized access and fraud.

2. ***No employee may create or participate in the creation of any records that contain false information or that are intended to mislead anyone or conceal anything that is improper.***

To ensure that records accurately and fairly represent all business transactions:

- all assets and transactions must be recorded in normal books and records;
- no unrecorded funds shall be established or maintained for any purpose;
- all expense reports must accurately reflect the true nature of the expense; and
- oral and written descriptions of transactions, whether completed or contemplated, provided to those responsible for the preparation or verification of financial records must be accurate.

If an employee becomes aware of any improper accounting or financial reporting practice or any improperly recorded or documented transaction, he or she should report the matter immediately to the Chief Financial Officer, the General Counsel or one of the senior officers in our Human Resources Department.

D. Policy Regarding Governmental Investigations

It is our policy to fully cooperate with any government investigation involving the Company. However, the Company should have the opportunity to be adequately represented in such investigations by its own legal counsel. Accordingly, if employees obtain information that would lead them to believe that a government investigation or inquiry is underway, this information should be communicated immediately to the General Counsel. Sometimes it is difficult to tell when a routine government audit or inspection graduates into a government investigation. We must rely on the common sense and alertness of all of our employees for making this important determination. If in doubt, employees should consult with the General Counsel.

Appropriate handling of government investigations is very important for the Company, its management and all employees. Many federal laws regulating the conduct of our business (including antitrust, securities, privacy, OSHA, environmental, tax and financial laws) contain civil and criminal penalties. The criminal penalties may apply to the Company and to those individuals within the Company who actually took the actions that violated the law or failed to take actions that resulted in a violation of the law. In some government investigations, the Company’s lawyers can protect the interests of both the Company and its employees. In some cases, there may be a conflict of interest between the Company and individual employees, and individual employees may need their own legal counsel.

Employees should never, under any circumstances:

- destroy or alter any documents in anticipation of a request for those documents from any government agency or a court;
- lie or make any misleading statements to any government investigator; or

- attempt to cause any other company employee, or any other person, to fail to provide information to any government investigator or to provide any false or misleading information.

The law guarantees all of us a right to be represented by legal counsel during any investigation or inquiry by any government agency. In view of the extremely technical nature of these government investigations, we feel that the Company should be represented and that all of our employees should be made aware of the opportunity for such representation. This applies any time any government investigator wants to ask questions about individual employee activities.

Employees also have this right if the questions are asked off of company property, such as at your home during the evening. There is no reason any individual should not be allowed sufficient time to consult with legal counsel before answering questions from governmental investigators that may subject that employee to individual criminal or civil liability.

If a government inquiry arises through the issuance of a written subpoena or written request for information (such as a Civil Investigative Demand), such request should immediately, before any action is taken or promised, be submitted to our General Counsel.

E. Compliance with Laws

*1. **Know, respect and comply with all laws, rules and regulations applicable to the conduct of our business.***

Many laws and regulations apply to us and our business. Responsibility for compliance with such laws is part of everyone's job description. This section of the Code of Conduct is intended to highlight some of the legal issues that confront us. Many of the laws applicable to our business are complex and evolving. We do not expect our employees to be experts on these laws, but we do expect you to:

- make the effort to understand the laws and company policies that apply to your specific job responsibilities;
- review educational materials provided to you and participate in all required training programs; and
- ask questions of and seek advice from our General Counsel and be guided by the advice received.

The remainder of this section discusses some specific types of laws that apply to our business.

*2. **Antitrust Law***

The objective of the antitrust laws and other laws governing competition is to promote vigorous competition by prohibiting competitors from sharing certain information or working together in certain ways that reduce competition. Our policy is that all personnel comply with all applicable antitrust laws and other laws governing competition. Employees should consult with the General Counsel whenever any question arises as to the possible application of the laws governing competition and be guided by the advice received.

You should be aware that serious legal consequences, including in some cases criminal fines and penalties, may result from agreements or understandings with competitors, including any such agreements:

- to set or control prices;
- to allocate customers or territories;
- on bidding terms or whether or not to submit a bid for a particular business or type of business; and
- to boycott customers or suppliers.

Certain other types of communications with competitors and certain ways of working together with competitors are permitted under the antitrust laws, but you should consult with the General Counsel before any meetings or discussions with competitors and should report back to the General Counsel on the substance of any meetings or discussions that are held. An example of the type of action that generally is permitted, under the supervision of the General Counsel, is participation by appropriate employees as our representatives in industry associations or trade groups.

3. U.S. Foreign Corrupt Practices Act & Other Anti-Corruption Laws

The U.S. Foreign Corrupt Practices Act prohibits the Company and individuals from giving anything of value, directly or indirectly, to foreign government officials, parties or candidates to corruptly obtain or retain business. Many other nations also have anti-corruption laws. Accordingly, each employee is expected to acquaint himself or herself with the Company's Compliance with Anti-Corruption Laws Policy and the Retaining Foreign Third-Party Affiliates Policy. Furthermore, no funds or assets of the Company will be used or offered, directly or indirectly, for political contributions outside the United States, even where permitted by applicable law, without the prior written approval of the General Counsel of the Company.

4. Food and Product Safety Laws

The safety and quality of the Company's products are critical to maintaining the trust of customers and the Company's reputation. It is a goal of the Company to provide safe products that meet high quality standards. It is the policy of the Company to comply with all food and product safety laws applicable to the Company and its operations. Each employee is expected to acquaint himself or herself with all food safety and other laws and procedures applicable to the employee's assigned duties and comply with all such laws and procedures.

F. Protection of Proprietary Information

Proprietary information developed or acquired by the Company and not freely available to others is a valuable asset that must be protected against theft or inadvertent loss. Improper disclosure could destroy the value of such information to us and substantially weaken our competitive position.

Various types of proprietary information include trade secrets, as well as other technical, financial, and business information, which we either wish to keep confidential or are under an obligation to keep confidential. For example, such proprietary information may concern products or services developed or being developed by us, research results, cost data, marketing strategies, financial budgets and long-range plans. All such information and any copies (whether physical or electronic) should be managed and kept in a manner designed to protect them from accidental or unauthorized disclosure.

For protection of proprietary information, we necessarily rely primarily on the loyalty, integrity, good faith and alertness of our employees. The understanding of this relationship is confirmed by the execution of an acknowledgment in our Employee Handbook containing non-disclosure and confidentiality obligations designed to protect our proprietary information. Upon leaving the Company, the obligation to safeguard our proprietary information continues.

The disclosure of our proprietary information to persons outside the Company must be limited to those who have a strict “need-to-know”; that is, the Company’s need for such outside parties to know. Unless the General Counsel has specifically authorized making an exception, no disclosure of proprietary information may be made until the outside party has signed a written Confidentiality Agreement or other similar written agreement, in a form approved by the General Counsel, that imposes an obligation on the outside party to neither disclose nor use the information in an unauthorized manner.

Even within the Company, the disclosure of proprietary information should be limited to those employees who have a need for the information in order to fully perform their jobs.

The General Counsel is available to assist employees in the legal aspects of protecting our proprietary information.

G. Corporate Political Activity

The Company recognizes that, in order for political systems to function properly, participation by citizens in civic and political affairs is a necessary and desirable undertaking. In this regard, it is our policy to encourage employees to participate actively in the political process, to be informed on public issues and on the positions and qualifications of public officials and candidates for public office and to support, through personal financial and other assistance, candidates and parties of their choice. It is our policy to comply fully with applicable laws regulating corporate political activities.

In the United States, the Company may, in accordance with applicable federal, state and local law, establish voluntary political action committees to which employees may contribute and which are independent of any political party, organization or candidate. Contributions may be made from these committees to federal, state and local candidates as permitted by federal and state law.

Employees’ contributions to such committees will at all times be absolutely voluntary. Participation or non-participation will have no effect on the employment, promotion or compensation of any employee. Any employee who feels pressured to contribute to any political fund against his/her wishes is urged to report the facts to the General Counsel, Chief Financial Officer or one of the senior officers in our Human Resources Department.

In the United States, the Company may make corporate campaign contributions to state or local political parties, political committees or candidates for elective public office in those states where such contributions are legal.

The Company shall not make corporate contributions which assume a second-step transaction which will benefit a party, candidate or committee not otherwise legally permitted to receive corporate funds. In addition, the Company does not pay honoraria to public officials in any country, including federal office holders in the United States. Exceptions may be made on rare occasions for state office holders in the United States where permitted by law and where the recipient appears at an event organized by the Company. Payment of the honoraria must have received the prior written approval of the General Counsel.

Although political contributions by corporations are lawful in some countries, it is our policy not to contribute financially to political parties or candidates outside of the United States under any circumstances.

As a corporate citizen, and consistent with our policies, the Company may also express its views on public issues affecting us, our stockholders or employees or the geographic areas in which we operate. In the United States, the Company may, in accordance with applicable law, (1) express its views on and provide financial assistance in support of or in opposition to public issues and elections such as bond issues, tax proposals, governmental reorganizations, referenda and other propositions, and (2) supply personnel, support and assistance to governmental units or associations. Recommendations for financial or other assistance are to be submitted for review by the General Counsel to determine compliance with applicable law. Such assistance must be approved by the General Counsel and Chief Financial Officer.

It is against our policy, and may also be illegal, for any employee to include, directly or indirectly, any political contribution that the employee may desire to make on the employee's expense account or in any other way which causes the Company to reimburse the employee for that expense. In general, the cost of fundraising tickets for political functions is considered a political contribution. Therefore, including the cost of any such fundraising dinner on an expense account, even if business is, in fact, discussed, is against our policy and possibly illegal.

The political process is highly regulated. You should consult with our General Counsel before doing anything that could be construed as involving us in any political activity.

H. Relations with Governmental Bodies and Agencies and their Officials (and Former Officials)

Doing business with federal, state and local government agencies is subject to specific rules and regulations. These include numerous federal, state and local laws and regulations relating to control of the process of public procurement. Procurement laws and regulations generally have four basic purposes: (1) to obtain the best possible products and services at the best value; (2) to encourage competition based on specifications and evaluation criteria that allow interested suppliers to respond; (3) to eliminate waste, fraud, and abuse; and (4) to promote full and open competition. It is our policy not to engage in any activities that could impair the fairness of governmental procurement processes. All employees involved in business or potential business with a governmental body or agency must know and abide by the specific rules and regulations covering business relations with those public agencies.

All employees must also conduct themselves in a manner that avoids any dealings which might be perceived as attempts to improperly influence public officials in the performance of their official duties and must not attempt to induce government personnel to do anything they are prohibited from doing. As stated in Section II.A. above, this Code of Conduct prohibits offering or making any payment or gift to a government official to influence any discretionary decision by such person in his or her official capacity. Employees should deal with government representatives in an atmosphere of openness. Meetings should generally be scheduled in normal business locations and at normal business hours under circumstances that could not be interpreted to imply concealment.

In addition, there are laws that restrict companies that do business with governmental agencies from hiring as an employee or retaining as a consultant any employees of those and other governmental agencies (other than certain lower-level governmental employees). These laws also prohibit informal arrangements for possible future employment under certain circumstances. Therefore, written clearance must be obtained from the General Counsel before discussing possible future employment by the Company with **any** current government employee (even if the discussion is initiated by the government employee) and before hiring or retaining any former government employee who left the government within the past two years.

The process of doing business with governments and their agencies is highly regulated and any violation of these laws and regulations may subject the Company to criminal prosecution and may have other serious consequences for the Company, both with respect to the specific relationship where the violation occurred as well as in our relationships with other governmental agencies. The General Counsel is available to assist our employees in complying with the rules and regulations applicable to relations with governmental bodies and agencies and their officials.

I. Economic Sanctions and Trade Embargoes

The United States government uses economic sanctions and trade embargoes to further various foreign policy and national security objectives. It is our policy to abide by the terms of all economic sanctions or trade embargoes that the United States has adopted, whether they apply to foreign countries, political organizations or particular foreign individuals and entities. Inquiries regarding whether a transaction on behalf of the Company complies with applicable sanction and trade embargo programs should be referred to the General Counsel. In addition, inquiries regarding any available exemptions that the Company may wish to seek in specific cases, if permitted under applicable law or regulation, should be referred to the General Counsel.

J. Special Ethical Responsibilities for Employees with Financial Reporting or Accounting Responsibilities

As a public company it is of critical importance that our filings with the Securities and Exchange Commission be accurate and timely. Depending on their position with the Company, employees may be called upon to provide information to assure that our public reports are complete, fair and understandable. We expect all of our personnel to take this responsibility very seriously and to provide prompt and accurate answers to inquiries related to our public disclosure requirements.

The Finance Department bears a special responsibility for promoting integrity throughout the organization, with responsibilities to stakeholders both inside and outside of The Chefs' Warehouse, Inc. The Chief Executive Officer, Chief Financial Officer and Finance Department personnel have a special role both to adhere to these principles themselves and also to ensure that a culture exists throughout the Company as a whole that ensures the fair and timely reporting of our financial results and condition.

Because of this special role, the Chief Executive Officer, Chief Financial Officer and all the members of the Company's Finance Department are bound by the following Financial Responsibility Code of Ethics, and by their receipt of this Code of Conduct, each agrees that he or she will:

- Act with honesty and integrity, avoiding actual or apparent conflicts of interest in personal and professional relationships.
- Provide information that is accurate, complete, objective, relevant, timely and understandable to ensure full, fair, accurate, timely, and understandable disclosure in reports and documents that the Company files with, or submits to, government agencies and in other public communications.
- Comply with rules and regulations of federal, state, provincial and local governments, and other appropriate private and public regulatory agencies.

- Act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts or allowing one's independent judgment to be subordinated.
- Respect the confidentiality of information acquired in the course of one's work except when authorized or otherwise legally obligated to disclose. Confidential information acquired in the course of one's work will not be used for personal advantage.
- Share knowledge and maintain skills important and relevant to stakeholders' needs.
- Proactively promote and be an example of ethical behavior as a responsible partner among peers, in the work environment and the community.
- Achieve responsible use of and control over all assets and resources employed or entrusted.
- Promptly report to the General Counsel and/or the Chairman of the Company's Audit Committee any conduct that the individual believes to be a violation of law or business ethics or of any provision of the Code of Conduct, including any transaction or relationship that reasonably could be expected to give rise to such a conflict.

III. COMPLIANCE AND ENFORCEMENT

A. Certification

We may require certification, from time to time, from some or all of our employees regarding their compliance with this Code of Conduct, including their compliance with respect to disclosure requirements set forth in Section II.B above for conflicts of interest. We rely on the accuracy and completeness of these certifications. If you are asked to provide a certification, please make sure to complete the form truthfully and carefully and sign and return it promptly.

B. Reporting Violations of this Code of Conduct

1. ***Reporting known or suspected violations of this Code of Conduct or any legal or ethical obligations is the responsibility of every employee.***

If you suspect or believe that another employee (including part-time and temporary employees), consultant or contract worker, or one of our business units is violating the law or our policies or is engaging in activities on our behalf that otherwise could damage our reputation, you must report this to the General Counsel, Chief Financial Officer or one of the senior officers in our Human Resources Department. In addition, you are encouraged to raise any other issues or concerns you may have relating to compliance matters and ethical business practices, whether or not specifically addressed in our formal policies. **Do not assume that "senior management already knows" or that someone else will make the report.** Your supervisor or a senior officer in our Human Resources Department can help you make the report.

All reports shall be treated confidentially to the extent possible consistent with fair and rigorous enforcement of this Code of Conduct; however, in the course of any investigation, the Company may find it necessary to share information with others on a "need to know" basis. We understand that you may find it difficult to report suspected violations by those you work with; however, we must take steps to prevent and detect criminal or unethical conduct in order to avoid jeopardizing the welfare of the Company and all of its employees, customers and investors. Please note that you should not conduct your own investigation of any suspected violation without the prior authorization by the General Counsel. Instead, immediately report your suspicions to the General Counsel, Chief Financial Officer or one of the senior officers in our Human Resources Department.

2. ***You may make reports anonymously if you choose to do so.***

You may also make anonymous reports by writing to the General Counsel. Anonymous reports should be factual instead of speculative or conclusory and should contain as much specific information as possible to allow the person investigating the report to adequately assess the nature, extent and urgency of the situation. Employees should realize that if an anonymous report cannot be properly investigated without additional information, we may have to close the matter for lack of sufficient information.

3. ***Non-Retaliation Policy***

Our commitment to conducting business in accordance with legal and ethical obligations requires an environment that allows employees to report known or suspected violations without fear of retaliation or retribution. No employee should be discouraged from using any available channel to raise his or her concerns. It is our intent to foster an environment where employees will choose whichever method they are most comfortable with to communicate their concerns.

NON-RETALIATION POLICY

We are committed to providing a workplace conducive to open discussions of our business practices. It is our policy to protect employees who make reports, in good faith, of potential violations of our Code of Business Conduct and Ethics, the policies in our Employee Handbook, other Company policies or applicable law. In addition, it is our policy to comply with all applicable laws that protect employees against unlawful discrimination or retaliation by their employer as a result of their lawfully reporting information regarding corporate fraud or other violations of law by the Company or its employees. For purposes of this Code of Conduct, "retaliation" means any discharge, demotion, suspension, threatening, harassment, directly or indirectly, or other discrimination against an employee in the terms or conditions of his or her employment because of any such person's good-faith reporting of alleged violations or concerns or participation in good faith in any investigation of any such alleged violation or concern.

Any employee who retaliates against another employee for reporting problems will be subject to disciplinary action, which may include termination of employment. *If an employee believes that he or she has been subjected to any action that violates this Non-Retaliation Policy, he or she should report that action to the General Counsel, the Chief Financial Officer or a senior officer in our Human Resources Department. This Non-Retaliation Policy applies even if an allegation that was made in good faith ultimately turns out to be groundless. However, employees who file reports or provide evidence that they know to be false or without a good faith belief in the truth of such information will not be protected by this Non-Retaliation Policy and may be subject to disciplinary action, including termination of their employment.*

C. General Counsel

The Board of Directors has appointed the General Counsel to assist in the implementation of this Code of Conduct. The current General Counsel is Alexandros Aldous. He can be reached at (203) 894-1345 x10211. You may also reach him by e-mail at aaldous@chefswarehouse.com.

D. Amendments, Waivers and Interpretations

While many of the policies set forth in this Code of Conduct must be strictly adhered to and no exceptions allowed, in other cases, some waivers or exceptions may be possible. For example, a minor conflict of interest can sometimes be resolved simply by disclosing the possible conflict to all interested parties and making sure the person with the conflict is not involved in decision-making in areas of conflict.

Any employee who believes that an exception to any of these policies is appropriate in his or her case should contact his or her immediate supervisor first. If the immediate supervisor agrees that an exception is appropriate, you should contact the General Counsel, who will coordinate seeking the approval of the Board of Directors. Any waiver of a violation of such policies by an employee of the Company must be approved only through actions of disinterested members of the Company's Board of Directors and will be publicly disclosed by the Company as required by law and the listing standards of The NASDAQ Stock Market.

The Board of Directors has delegated to the General Counsel responsibility for interpreting and applying this Code of Conduct to specific situations in which questions may arise and granting any waivers.

This Code of Conduct may be amended by action of the General Counsel or the Board of Directors.

E. Investigation of Suspected Violations

The Company's policy allows the use of any lawful method of investigation that the Company deems necessary to determine whether a person has violated applicable law, this Code of Conduct or other policies of the Company or has otherwise engaged in conduct that interferes or adversely affects the Company's business. All employees are expected to cooperate in the investigation of any such alleged violation. It is imperative, however, that even a preliminary investigation of any suspected violation NOT be conducted without consulting with or seeking the assistance and guidance of the General Counsel. Following the completion of the investigation, appropriate members of senior management will determine appropriate action.

F. Disciplinary Actions

Violations of this Code of Conduct will result in disciplinary action, which may include termination, reprimands, warnings, suspensions with or without pay, demotions or salary reductions. Violators may also be subject to civil or criminal prosecution. Disciplinary actions may also extend to a violator's manager if we determine that the violation involved the participation of the manager or resulted from the manager's lack of diligence in enforcing compliance with this Code of Conduct.

We will document disciplinary actions taken against our personnel for violations of this Code of Conduct. Such documentation will be included in the individual's personnel files. In reviewing the appropriate disciplinary action imposed for a violation of this Code of Conduct, senior management shall take into account the following factors:

- the nature of the violation and the ramifications of the violation to the Company;
- whether the individual was directly or indirectly involved in the violation;
- whether the violation was willful or unintentional;
- whether the violation represented an isolated occurrence or a pattern of conduct;
- whether the individual in question reported the violation;
- whether the individual withheld relevant or material information concerning the violation;
- the degree to which the individual cooperated with the investigation;
- if the violation consisted of the failure to supervise another individual who violated this Code of Conduct, the extent to which the circumstances reflect inadequate supervision or lack of due diligence;
- if the violation consisted of retaliation against another individual for reporting a violation or cooperating with an investigation, the nature of such retaliation; and
- the individual's past violations, if any.

As adopted by the Board of Directors on August 2, 2013.

CERTIFICATION

I certify that:

1. I have read and understand the Company's Code of Business Conduct and Ethics (the "Code"). I understand that the General Counsel is available to answer any questions I have regarding the Code.
2. Since __________, 20____, or such shorter period of time that I have been an employee of the Company, I have complied with the Code
3. I will continue to comply with the Code for as long as I am subject to the Code.

Print name: ____

Signature: ____

Date: ____

Exhibit 31.1

CERTIFICATION

I, Christopher Pappas, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Chefs' Warehouse, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and Rule 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2013

/s/ Christopher Pappas
Christopher Pappas
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, John D. Austin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Chefs' Warehouse, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and Rule 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2013

/s/ John D. Austin
John D. Austin
Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of The Chefs' Warehouse, Inc. (the "Company") on Form 10-Q for the quarter ended June 28, 2013, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Christopher Pappas, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

Date: August 6, 2013

/s/ Christopher Pappas

Christopher Pappas
Chief Executive Officer
(Principal Executive Officer)

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

Exhibit 32.2

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of The Chefs' Warehouse, Inc. (the "Company") on Form 10-Q for the quarter ended June 28, 2013, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John D. Austin, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

Date: August 6, 2013

/s/ John D. Austin
John D. Austin
Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)

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