

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**FORM 10-K**

Annual Report Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934

For the fiscal year ended March 31, 2016

Commission File Number 0-01989

**SENECA FOODS CORPORATION**

(Exact name of registrant as specified in its charter)

New York  
(State or other jurisdiction of  
incorporation or organization)

16-0733425  
(I.R.S. Employer Identification No.)

3736 South Main Street, Marion, New York  
(Address of principal executive offices)

14505  
(Zip Code)

Registrant's telephone number, including area code

(315) 926-8100

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

<u>Title of Each Class</u>	<u>Name of Each Exchange on Which Registered</u>
Common Stock Class A, \$.25 Par	NASDAQ Global Market
Common Stock Class B, \$.25 Par	NASDAQ Global Market

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

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes  No

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 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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer  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

The aggregate market value of the Registrant's voting and non-voting common equity held by non-affiliates based on the closing sales price per market reports by the NASDAQ Global Market System on October 1, 2015 was approximately \$191,810,000.

As of June 3, 2016, there were 7,918,069 shares of Class A common stock and 1,894,599 shares of Class B common stock outstanding.

Documents Incorporated by Reference:

- (1) Portions of the Annual Report to shareholders for fiscal year ended March 31, 2016 (the "2016 Annual Report") applicable to Part I, Item 1, Part II, Items 5-9A and Part IV, Item 15 of Form 10-K.
- (2) Portion of the Proxy Statement to be issued in connection with the Registrant's annual meeting of stockholders (the "Proxy Statement") applicable to Part III, Items 10-14 of Form 10-K.

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SENECA FOODS CORPORATION

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## Forward-Looking Statements

Certain of the statements contained in this annual report on Form 10-K are forward-looking statements made within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 (Exchange Act). Forward-looking statements involve numerous risks and uncertainties. Forward-looking statements are not in the present or past tense and, in some cases, can be identified by the use of the words "will," "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "seeks," "should," "likely," "targets," "may," "can" and other expressions that indicate future trends and events. A forward-looking statement speaks only as of the date on which such statement is made and reflects management's analysis only as of the date thereof. The Company undertakes no obligation to update any forward-looking statement. The following factors, among others discussed herein and in the Company's filings under the Exchange Act, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: costs and availability of raw materials, competition, cost controls, sales levels, governmental regulation, consumer preferences, industry trends, weather conditions, crop yields, natural disasters, recalls, litigation, reliance on third-parties, wage rates, and other factors. See also the factors described in "Part I, Item 1A. Risk Factors" and elsewhere in this report, and those described in the Company's filings under the Exchange Act.

### **PART I** **Item 1**

#### **Business**

##### **History and Development of Seneca Foods Corporation**

SENECA FOODS CORPORATION (the "Company") is North America's leading provider of packaged fruits and vegetables with facilities located throughout the United States. The Company's product offerings include canned, frozen and bottled produce and snack chips and its products are sold under private label as well as national and regional brands that the Company owns or licenses, including Seneca®, Libby's®, Green Valley®, Aunt Nellie's®, READ®, Cherryman® and Seneca Farms®. The Company packs Green Giant, Le Sueur and other brands of canned vegetables as well as select Green Giant frozen vegetables for B&G Foods North America ("B&G") under a contract packing agreement.

As of March 31, 2016, the Company's facilities consisted of 23 packaging plants strategically located throughout the United States, three can manufacturing plants, two seed packaging operations, a farming operation and a logistical support network. The Company also maintains warehouses which are generally located adjacent to its packaging plants. The Company is a New York corporation and its headquarters is located at 3736 South Main Street, Marion, New York and its telephone number is (315) 926-8100.

The Company was founded in 1949 and during its 67 years of operation, the Company has made over 50 strategic acquisitions including the purchase of the long-term license for the Libby's brand in 1983, the purchase of General Mills' Green Giant packaging assets and entry into an Alliance Agreement with General Mills Operations, LLC ("GMOL") in 1995 and the acquisition of Chiquita Processed Foods in 2003. The Company believes that these acquisitions have enhanced the Company's leadership position in the private label and foodservice canned vegetable markets in the United States and significantly increased its international sales. In August 2006, the Company acquired Signature Fruit Company, LLC, a leading producer of canned fruits located in Modesto, California. This acquisition allowed the Company to broaden its product offerings to become a leading producer and distributor of canned fruit and to achieve cost advantages through the realization of distribution and other synergies with the Company's canned vegetable business. In 2013, the Company completed its acquisition of 100% of the membership interest in Independent Foods, LLC. In April 2014, the Company purchased a 50% equity interest in Truitt Bros. Inc. In 2016, the Company acquired Gray & Company and Diana Foods Co., Inc., each leading providers of maraschino cherries and other cherry products. The plants acquired are in Hart, Michigan and Dayton, Oregon. The rationale for these acquisitions was twofold: (1) the businesses are a complementary fit with the Company's existing business and (2) it provides an extension of the Company's product offerings.

##### **Available Information**

The Company's Internet address is [www.senecafoods.com](http://www.senecafoods.com). The Company's annual report on Form 10-K, the Company's quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act are available on the Company's web site, as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. All such filings on the Company's web site are available free of charge. Information on our website is not part of the Annual Report on Form 10-K.

In addition, the Company's website includes items related to corporate governance matters, including charters of various committees of the Board of Directors and the Company's Code of Business Conduct and Ethics. The Company intends to disclose on its website any amendment to or waiver of any provision of the Code of Business Conduct and Ethics that would otherwise be required to be disclosed under the rules of the SEC and NASDAQ.

##### **Financial Information about Industry Segments**

The Company manages its business on the basis of two reportable segments – the primary segment is the packaging and sale of fruits and vegetables and the secondary segment is the packaging and sale of chip products. These two segments constitute the food operation. The food operation constitutes 98% of total sales, of which approximately 68% is canned vegetable packaging, 20% is canned fruit packaging, 11% is frozen fruit and vegetable packaging and 1% is fruit chip packaging. The non-food operation, which is primarily related to the sale of cans and ends and outside revenue generated from our trucking and aircraft operations, represents 2% of the Company's total sales.

##### **Narrative Description of Business**

###### **Principal Products and Markets**

###### **Food Packaging**

The principal products include canned fruits and vegetables, frozen vegetables and other food products. The products are sold nationwide by major grocery outlets, including supermarkets, mass merchandisers, limited assortment stores, club stores and dollar stores. Additionally, products are sold to food service distributors, industrial markets, other food packagers, export customers in 90 countries and federal, state and local governments for school and other feeding programs. Food packaging operations are primarily supported by plant locations in New York, California, Michigan, Oregon, Pennsylvania, Wisconsin, Washington, Idaho, Illinois, and Minnesota. See Note 12 of Item 8, Financial Statements and Supplementary Data, for additional information about the Company's segments.

The following table summarizes net sales by major product category for the years ended March 31, 2016, 2015, and 2014:

Classes of similar products/services:	2016	2015	2014
	(In thousands)		
Net Sales:			
Green Giant *	\$144,310	\$161,993	\$177,881
Canned vegetables	746,501	754,556	753,318
Frozen	94,710	94,648	107,109
Fruit	253,658	234,918	264,549
Snack	12,336	11,667	11,496
Other	23,845	28,568	25,855
<b>Total</b>	<b>\$1,275,360</b>	<b>\$1,286,350</b>	<b>\$1,340,208</b>

\* Green Giant includes canned and frozen vegetable sales exclusively for GMOL or B&G Foods.

#### Source and Availability of Raw Materials

The Company's food packaging plants are located in major vegetable producing states and in four fruit producing states. Fruits and vegetables are primarily obtained through supply contracts with independent growers.

#### Intellectual Property

The Company's most significant brand name, Libby's<sup>®</sup>, is held pursuant to a trademark license granted to the Company in March 1982 and renewable by the Company every 10 years for an aggregate period expiring in March 2081. The original licensor was Libby, McNeill & Libby, Inc., then an indirect subsidiary of Nestlé, S. A. ("Nestlé") and the license was granted in connection with the Company's purchase of certain of the licensor's canned vegetable operations in the United States. Corlib Brands Management, LTD acquired the license from Nestlé during 2006. The license is limited to vegetables which are shelf-stable, frozen, and thermally packaged, and includes the Company's major vegetable varieties – corn, peas and green beans – as well as certain other thermally packaged vegetable varieties and sauerkraut.

The Company is required to pay an annual royalty and Corlib Brands now known as Libby's Brand Holding, Ltd., which may terminate the license for non-payment of royalty, use of the trademark in sales outside the licensed territory, failure to achieve a minimum level of sales under the licensed trademark during any calendar year or a material breach or default by the Company under the agreement (which is not cured within the specified cure period). With the purchase of Signature Fruit Company, LLC, which also uses the Libby's<sup>®</sup> brand name, the Company re-negotiated the license agreement and created a new, combined agreement based on Libby's<sup>®</sup> revenue dollars for fruits, vegetables, and dry beans. A total of \$327,000 was paid as a royalty fee for the year ended March 31, 2016.

The Company also sells canned fruits and vegetables, frozen vegetables and other food products under several other brands for which the Company has obtained registered trademarks, including, Aunt Nellie's<sup>®</sup>, Cherryman<sup>®</sup>, READ<sup>®</sup>, Seneca Farms<sup>®</sup>, and Seneca<sup>®</sup> and other regional brands.

#### Seasonal Business

While individual fruits and vegetables have seasonal cycles of peak production and sales, the different cycles are somewhat offsetting. Minimal food packaging occurs in the Company's last fiscal quarter ending March 31, which is the optimal time for maintenance, repairs and equipment changes in its packaging plants. The supply of commodities, current pricing, and expected new crop quantity and quality affect the timing and amount of the Company's sales and earnings. When the seasonal harvesting periods of the Company's major fruits and vegetables are newly completed, inventories for these packaged fruits and vegetables are at their highest levels. For peas, the peak inventory time is mid-summer and for corn, the Company's highest volume vegetable, the peak inventory is in mid-autumn. For peaches, the Company's highest volume fruit, the peak inventory time is early-autumn. For pears, the peak inventory is late-summer. For cherries, the peak inventory is late-summer.

These seasonal fluctuations are illustrated in the following table, which presents certain unaudited quarterly financial information for the periods indicated:

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
(In thousands)				
Year ended March 31, 2016:				
Net sales	\$226,258	\$313,202	\$432,198	\$303,702
Gross margin	20,899	29,073	53,382	44,041
Net earnings	2,968	6,522	31,123	13,845
Inventories (at quarter end)	482,556	761,703	631,181	567,707
Revolver outstanding (at quarter end)	197,350	304,468	309,211	271,592
Year ended March 31, 2015:				
Net sales	\$240,043	\$312,161	\$456,207	\$277,939
Gross margin	17,341	17,133	26,435	23,454
Net earnings (loss)	(107)	(578)	7,819	2,765
Inventories (at quarter end)	467,290	731,527	547,149	472,412
Revolver outstanding (at quarter end)	180,050	302,220	255,000	233,000

### Backlog

In the food packaging business, an end of year sales order backlog is not considered meaningful. Traditionally, larger customers provide tentative bookings for their expected purchases for the upcoming season. These bookings are further developed as data on the expected size of the related national harvests becomes available. In general, these bookings serve as a yardstick rather than as a firm commitment, since actual harvest results can vary notably from early estimates. In actual practice, the Company has substantially all of its expected seasonal production identified to potential sales outlets before the seasonal production is completed.

### Competition and Customers

Competition in the food business is substantial with brand recognition and promotion, quality, service, and pricing being the major determinants in the Company's relative market position. The Company believes that it is a major producer of canned fruits and vegetables, but some producers of canned, frozen and other forms of fruit and vegetable products have sales which exceed the Company's sales. The Company is aware of approximately 14 competitors in the U.S. packaged vegetable industry, many of which are privately held companies. The Company is aware of approximately nine competitors in the U.S. packaged fruit industry. In addition, there are significant quantities of fruit that are imported from Europe, Asia and South America.

During the past year, approximately 12% of the Company's packaged foods sales were packed for retail customers under the Company's branded labels of Seneca<sup>®</sup>, Libby's<sup>®</sup>, Green Valley<sup>®</sup>, Aunt Nellie's<sup>®</sup>, READ<sup>®</sup>, and Seneca Farms<sup>®</sup>. About 25% of packaged foods sales were packed for institutional food distributors and 52% were retail packed under the private label of our customers. The remaining 11% was sold under the Alliance Agreement with GMOL and the succeeding contract packing agreement with B&G Foods (collectively the "Green Giant Agreement") (see note 12 of Item 8, Financial Statements and Supplementary Data). Termination of the Green Giant Agreement would substantially reduce the Company's sales and profitability unless the Company was to enter into a new substantial supply relationship with Green Giant or another major vegetable marketer. The non-Green Giant customers represent a full cross section of the retail, institutional, distributor, and industrial markets; and the Company does not consider itself dependent on any single sales source other than sales attributable to the Green Giant Agreement.

The Company's principal branded products are its Libby's canned fruit and vegetable products, which rate among the top three national brands according to a leading market research firm.

The information under the heading "Results of Operations in Management's Discussion and Analysis of Financial Condition and Results of Operations" in the 2016 Annual Report is incorporated by reference.

### Environmental Regulation

#### Environmental Protection

Environmental protection is an area that has been worked on diligently at each food packaging facility. In all locations, the Company has cooperated with federal, state, and local environmental protection authorities in developing and maintaining suitable antipollution facilities. In general, we believe our pollution control facilities are equal to or somewhat superior to those of our competitors and are within environmental protection standards. The Company does not expect any material capital expenditures to comply with environmental regulations in the near future.

There has been a broad range of proposed and promulgated state, national and international regulations aimed at reducing the effects of climate change. In the United States, there is a significant possibility that some form of regulation will be forthcoming at the federal level to address the effects of climate change. Such regulation could result in the creation of additional costs in the form of taxes, the restriction of output, investments of capital to maintain compliance with laws and regulations, or required acquisition or trading of emission allowances.

#### Environmental Litigation and Contingencies

In the ordinary course of its business, the Company is made a party to certain legal proceedings seeking monetary damages, including proceedings involving product liability claims, worker's compensation and other employee claims, tort and other general liability claims, for which it carries insurance as well as patent infringement and related litigation. The Company is in a highly regulated industry and is also periodically involved in government actions for regulatory violations and other matters surrounding the manufacturing of its products, including, but not limited to, environmental, employee, and product safety issues. While it is not

feasible to predict or determine the ultimate outcome of these matters, the Company does not believe that an adverse decision in any of these legal proceedings would have a material adverse impact on its financial position, results of operations, or cash flows.

### Employment

At our fiscal year end 2016, the Company had approximately 3,500 employees of which 3,000 full time and 400 seasonal employees work in food packaging and 100 full time employees work in other activities. The number of employees increases by approximately 7,000 due to an increase in seasonal employees during our peak pack season.

The Company has seven collective bargaining agreements with three unions covering approximately 1,050 of its full-time employees. The terms of these agreements result in wages and benefits which are substantially the same for comparable positions for the Company's non-union employees. There are no agreements expiring in calendar 2017. There are two agreements that will expire in 2018, two agreements that will expire in calendar 2019 and three agreements that will expire in calendar 2020.

### Domestic and Export Sales

The following table sets forth domestic and export sales:

	Fiscal Year		
	2016	2015	2014
	(In thousands, except percentages)		
Net Sales:			
United States	\$ 1,167,078	\$ 1,170,522	\$ 1,217,238
Export	108,282	115,828	122,970
Total Net Sales	\$ 1,275,360	\$ 1,286,350	\$ 1,340,208
As a Percentage of Net Sales:			
United States	91.5 %	91.0 %	90.8 %
Export	8.5 %	9.0 %	9.2 %
Total	100.0 %	100.0 %	100.0 %

### **Item 1A**

#### Risk Factors

The following factors as well as factors described elsewhere in this Form 10-K or in other filings by the Company with the Securities and Exchange Commission, could adversely affect the Company's consolidated financial position, results of operations or cash flows. Other factors not presently known to us or that we presently believe are not material could also affect our business operations or financial results. The Company refers to itself as "we", "our" or "us" in this section.

#### **Fruit and Vegetable Industry Risks**

##### **Excess capacity in the fruit and vegetable industry has a downward impact on selling price.**

Our financial performance and growth are related to conditions in the United States' fruit and vegetable packaging industry which is a mature industry with a modest growth rate during the last 10 years. Our net sales are a function of product availability and market pricing. In the fruit and vegetable packaging industry, product availability and market prices tend to have an inverse relationship: market prices tend to decrease as more product is available and to increase if less product is available. Product availability is a direct result of plantings, growing conditions, crop yields and inventory levels, all of which vary from year to year. Moreover, fruit and vegetable production outside the United States, particularly in Europe, Asia and South America, is increasing at a time when worldwide demand for certain products, such as peaches, is being impacted by the global economic slowdown. These factors may have a significant effect on supply and competition and create downward pressure on prices. In addition, market prices can be affected by the planting and inventory levels and individual pricing decisions of our competitors. Generally, market prices in the fruit and vegetable packaging industry adjust more quickly to variations in product availability than an individual packager can adjust its cost structure; thus, in an oversupply situation, a packager's margins likely will weaken. We typically have experienced lower margins during times of industry oversupply.

In the past, the fruit and vegetable packaging industry has been characterized by excess capacity, with resulting pressure on our prices and profit margins. We have closed packaging plants in past years in response to the downward pressure on prices. There can be no assurance that our margins will improve in response to favorable market conditions or that we will be able to operate profitably during depressed market conditions.

##### **Growing cycles and adverse weather conditions may decrease our results from operations.**

Our operations are affected by the growing cycles of the fruits and vegetables we package. When the fruits and vegetables are ready to be picked, we must harvest and package them quickly or forego the opportunity to package fresh picked fruits and vegetables for an entire year. Most of our fruits and vegetables are grown by farmers under contract with us. Consequently, we must pay the contract

grower for the fruits and vegetables even if we cannot or do not harvest or package them. Most of our production occurs during the second quarter (July through September) of our fiscal year, which corresponds with the quarter that the growing season ends for most of the produce packaged by us. A majority of our sales occur during the third and fourth quarters of each fiscal year due to seasonal consumption patterns for our products. Accordingly, inventory levels are highest during the second and third quarters, and accounts receivable levels are highest during the third and fourth quarters. Net sales generated during our third and fourth fiscal quarters have a significant impact on our results of operations. Because of these seasonal fluctuations, the results of any particular quarter, particularly in the first half of our fiscal year, will not necessarily be indicative of results for the full year or for future years.

We set our planting schedules without knowing the effect of the weather on the crops or on the entire industry's production. Weather conditions during the course of each fruit and vegetable crop's growing season will affect the volume and growing time of that crop. As most of our vegetables are produced in more than one part of the U.S., this somewhat reduces the risk that our entire crop will be subject to disastrous weather. The upper Midwest is the primary growing region for the principal vegetables which we pack, namely peas, green beans and corn, and it is also a substantial source of our competitors' vegetable production. California is the primary growing region for the fruits we pack, namely peaches, pears, apricots and grapes. The adverse effects of weather-related reduced production may be partially mitigated by higher selling prices for the fruits and vegetables which are produced.

**The commodity materials that we package or otherwise require are subject to price increases that could adversely affect our profitability.**

The materials that we use, such as fruits and vegetables, steel (used to make cans), ingredients, pouches and other packaging materials as well as the electricity and natural gas used in our business, are commodities that may experience price volatility caused by external factors, including market fluctuations, availability, currency fluctuations and changes in governmental regulations and agricultural programs. General inventory positions of major commodities, such as field corn, soybeans and wheat, all commodities with which we must compete for acreage, can have dramatic effects on prices for those commodities, which can translate into similar swings in prices needed to be paid for our contracted commodities. These programs and other events can result in reduced supplies of these commodities, higher supply costs or interruptions in our production schedules. If prices of these commodities increase beyond what we can pass along to our customers, our operating income will decrease.

**Risks Associated With Our Operations**

**We depend upon key customers.**

Our products are sold in a highly competitive marketplace, which includes increased concentration and a growing presence of large-format retailers and discounters. Dependence upon key customers could lead to increased pricing pressure by these customers.

Green Giant products packed by us in fiscal years 2016 and 2015 constituted approximately 11% and 13%, respectively, of our total sales. Our sales of Green Giant product and financial performance under the Contract Packing Agreement depend to a significant extent on our success in producing quality Green Giant vegetables at competitive costs and B&G Foods success in marketing the products produced by us. The ability of B&G Foods to successfully market these products will depend upon B&G Foods's sales efforts as well as the factors described above under "Excess capacity in the fruit and vegetable industry has a downward impact on selling price." We cannot give assurance as to the volume of B&G Foods's sales and cannot control many of the key factors affecting that volume.

Additionally, purchases by the United States Department of Agriculture ("USDA") in fiscal year 2016 represented approximately 5% of our total sales. The purchase of our products by the USDA is done through the government's competitive bid process. We bid on stated product requirements and needs as presented by the USDA and, if we are the successful bidder, we fulfill the contract and deliver the product. The government contracting process is complex and subject to numerous regulations and requirements. Failure by us to comply with the regulations and requirements for government contracts could jeopardize our ability to contract with the government and could result in reduced sales or prohibition on submitting bids to the USDA. The government procurement process could also change and result in our inability to meet the new requirements. Additionally, the government's need for our products could decrease, which would result in reduced sales to the USDA.

If we lose a significant customer or if sales to a significant customer materially decrease, our business, financial condition and results of operations may be materially and adversely affected.

**If we do not maintain the market shares of our products, our business and revenues may be adversely affected.**

All of our products compete with those of other national and regional food packaging companies under highly competitive conditions. The vegetable products which we sell under our own brand names not only compete with vegetable products produced by vegetable packaging competitors, but also compete with products we produce and sell to other companies who market those products under their own brand names, such as the Green Giant vegetables we sell to B&G Foods under the Contract Packing Agreement and the fruits and vegetables we sell to various retail grocery chains which carry our customer's own brand names. During 2016, the Company entered into a relationship transfer agreement where B&G Foods took over the Green Giant vegetable business.

The customers who buy our products to sell under their own brand names control the marketing programs for those products. In recent years, many major retail food chains have been increasing their promotions, offerings and shelf space allocations for their own fruit and vegetable brands, to the detriment of fruit and vegetable brands owned by the packagers, including our own brands. We cannot predict the pricing or promotional activities of our customers/competitors or whether they will have a negative effect on us. There are competitive pressures and other factors, which could cause our products to lose market share or result in significant price erosion that could materially and adversely affect our business, financial condition and results of operations.

**Increases in logistics and other transportation-related costs could materially adversely impact our results of operations.**

Our ability to competitively serve our customers depends on the availability of reliable and low-cost transportation. We use multiple forms of transportation to bring our products to market. They include trucks, intermodal, rail cars, and ships. Disruption to the timely supply of these services or increases in the cost of these services for any reason, including availability or cost of fuel, regulations affecting the industry, or labor shortages in the transportation industry, could have an adverse effect on our ability to serve our customers, and could materially and adversely affect our business, financial condition and results of operations.

**If we are subject to product liability claims, we may incur significant and unexpected costs and our business reputation could be adversely affected.**

Food packagers are subject to significant liability should the consumption of their products cause injury or illness. We work with regulators, the industry and suppliers to stay abreast of developments. A product liability judgment against us could also result in substantial and unexpected expenditures, affect consumer confidence in our products, and divert management's attention from other responsibilities. Product liability claims may also lead to increased scrutiny by federal and state regulatory agencies and could have a material adverse effect on our financial condition and results of operation. Although we maintain comprehensive general liability insurance coverage, there can be no assurance that this level of coverage is adequate or that we will be able to continue to maintain our existing insurance or obtain comparable insurance at a reasonable cost, if at all. A product recall or a partially or completely uninsured judgment against us could materially and adversely affect our business, financial condition and results of operations.

**We generate agricultural food packaging wastes and are subject to substantial environmental regulation.**

As a food packager, we regularly dispose of produce wastes (silage) and processing water as well as materials used in plant operation and maintenance, and our plant boilers, which generate heat used in packaging, produce generally small emissions into the air. These activities and operations are regulated by federal and state laws and the respective federal and state environmental agencies. Occasionally, we may be required to remediate conditions found by the regulators to be in violation of environmental law or to contribute to the cost of remediating waste disposal sites, which we neither owned nor operated, but in which, we and other companies deposited waste materials, usually through independent waste disposal companies. Future possible costs of environmental remediation, contributions and penalties could materially and adversely affect our business, financial condition and results of operations.

**Our production capacity for certain products and commodities is concentrated in a limited number of facilities, exposing us to a material disruption in production in the event that a disaster strikes.**

We only have four plants that produce fruit products and one plant that produces pumpkin products. We have three plants that manufacture empty cans, one with substantially more capacity than the other two, which are not interchangeable since each plant cannot necessarily produce all the can sizes needed. Although we maintain property and business interruption insurance coverage, there can be no assurance that this level of coverage is adequate in the event of a catastrophe or significant disruption at these or other Company facilities. If such an event occurs, it could materially and adversely affect our business, financial condition and results of operations.

**We may undertake acquisitions or product innovations and may have difficulties integrating them or may not realize the anticipated benefits.**

In the future, we may undertake acquisitions of other businesses or introduce new products, although there can be no assurances that these will occur. Such undertakings involve numerous risks and significant investments. There can be no assurance that we will be able to identify and acquire acquisition candidates on favorable terms, to profitably manage or to successfully integrate future businesses it may acquire or new products it may introduce without substantial costs, delays or problems. Any of these outcomes could materially and adversely affect our business, financial condition and results of operations.

**We are dependent upon a seasonal workforce and our inability to hire sufficient employees may adversely affect our business.**

At the end of our 2016 fiscal year, we had approximately 3,500 employees of which 3,000 full time and 400 seasonal employees worked in food packaging and 100 employees worked in other activities. During the peak summer harvest period, we hire up to approximately 7,000 seasonal employees to help package fruits and vegetables. If there is an increase to minimum wage rates, this could have a negative impact cost of operations. Many of our packaging operations are located in rural communities that may not have sufficient labor pools, requiring us to hire employees from other regions. An inability to hire and train sufficient employees during the critical harvest period could materially and adversely affect our business, financial condition and results of operations.

**There may be increased governmental legislative and regulatory activity in reaction to consumer perception related to BPA.**

There has been increased state legislative activity to ban Bisphenol-A ("BPA") from food contact packaging. These legislative decisions are predominantly driven by consumer perception that BPA may be harmful. These actions have been taken despite the scientific evidence and general consensus of United States and international government agencies that BPA is safe and does not pose a risk to human health. The legislative actions combined with growing public perception about food safety may require us to change some of the materials used as linings in our packaging materials. Failure to do so could result in a loss of sales as well as loss in value of the inventory utilizing BPA containing materials. The Company, in collaboration with other can makers as well as enamel suppliers, has decided to aggressively work to find alternative materials for can linings not manufactured using BPA. However, commercially acceptable alternatives are not immediately available for some applications and there can be no assurance that these steps will be successful. About 14% of our canned product volume (excluding B&G Foods and purchased canned products) still includes BPA.

**The implementation of the Food Safety Modernization Act of 2011 may affect operations**

The Food Safety Modernization Act ("FSMA") was enacted with the goal of enabling the Food and Drug Administration ("FDA") to better protect public health by strengthening the food safety system. FSMA was designed to focus the efforts of FDA on preventing food safety problems rather than relying primarily on reacting to problems after they occur. The law also provides FDA with new enforcement authorities designed to achieve higher rates of compliance with prevention and risk-based food safety standards and to better respond to and contain problems when they do occur. The increased inspections, mandatory recall authority of the FDA, increased scrutiny of foreign sourced or supplied food products, and increased records access may have an impact on our business. As we are already in a highly regulated business, operating under the increased scrutiny of more FDA authority does not appear likely to negatively impact our business. The law also gives FDA important new tools to hold imported foods to the same standards as domestic foods.

**The Company's results are dependent on successful marketplace initiatives and acceptance by consumers of the Company's products.**

The Company's product introductions and product improvements, along with its other marketplace initiatives, are designed to capitalize on new customer or consumer trends. The FDA recently issued a statement on sodium which referred to an Institute of Medicine statement that too much sodium is a major contributor to high blood pressure. Some of our products contain a moderate amount of sodium per recommended serving, which is based on consumer's preferences for taste. In order to remain successful, the Company must anticipate and react to these new trends and develop new products or packages to address them. While the Company devotes significant resources to meeting this goal, we may not be successful in developing new products or packages, or our new products or packages may not be accepted by customers or consumers.

**Regulations related to "conflict minerals" may cause us to incur additional expenses and could limit the supply and increase the cost of certain metals used primarily in manufacturing our canned products.**

On August 22, 2012, the SEC adopted a new rule requiring disclosures of specified minerals, known as conflict minerals, that are necessary to the functionality or production of products manufactured or contracted to be manufactured by companies filing public reports. The rule, which requires a disclosure report to be filed by May 31 each year, requires companies to perform country of origin inquiries, due diligence as required, disclosure, and reporting whether such minerals originate from the Democratic Republic of Congo or an adjoining country. The conflict mineral rule could affect sourcing at competitive prices and availability in sufficient quantities of certain minerals, including, tin, which is used primarily in the manufacture of our cans. The number of suppliers, who provide conflict-free minerals in steel production, or other components, may be limited. In addition, there may be significant costs associated with complying with the disclosure requirements, such as costs related to determining the source of certain minerals used in the manufacture of our cans, as well as costs of possible changes to products, packages, or sources of supply as a consequence of such verification activities. Since our supply chain is complex, we may not be able to sufficiently verify the origins of the relevant minerals used in our products through the procedures that we implement, which may hurt our business. In addition, we may encounter significant challenges to satisfy those customers who require that all of the components of our products be certified as conflict-free, which could place us, as well as our competitors, at a disadvantage if we are unable to do so.

### **Financing Risks**

**Global economic conditions may materially and adversely affect our business, financial condition and results of operations.**

Unfavorable economic conditions, including the impact of recessions in the United States and throughout the world, may negatively affect our business and financial results. These economic conditions could negatively impact (i) consumer demand for our products, (ii) the mix of our products' sales, (iii) our ability to collect accounts receivable on a timely basis, (iv) the ability of suppliers to provide the materials required in our operations and (v) our ability to obtain financing or to otherwise access the capital markets. The strength of the U.S. dollar versus other world currencies could result in increased competition from imported products and decreased sales to our international customers. A prolonged recession could result in decreased revenue, margins and earnings. Additionally, the economic situation could have an impact on our lenders or customers, causing them to fail to meet their obligations to us. The occurrence of any of these risks could materially and adversely affect our business, financial condition and results of operations.

**Our ability to manage our working capital and our Revolver is critical to our success.**

As of March 31, 2016, we had approximately \$321.2 million of total indebtedness, including various debt agreements and a \$271.6 million outstanding balance on our \$400.0 million to \$475.0 million revolving credit facility ("Revolver"). Scheduled debt service for fiscal 2017 is \$279.8 million since the Revolver matures on July 20, 2016. The Company is evaluating its alternatives related to these payments. During our second and third fiscal quarters, our operations generally require more cash than is available from operations. In these circumstances, it is necessary to borrow under our Revolver. Our ability to obtain financing in the future through credit facilities will be affected by several factors, including our creditworthiness, our ability to operate in a profitable manner and general market and credit conditions. Significant changes in our business or cash outflows from operations could create a need for additional working capital. An inability to obtain additional working capital on terms reasonably acceptable to us or access the Revolver would materially and adversely affect our operations. Additionally, if we need to use a portion of our cash flows to pay principal and interest on our debt, it will reduce the amount of money we have for operations, working capital, capital expenditures, expansions, acquisitions or general corporate or other business activities.

**Failure to comply with the requirements of our debt agreements and Revolver could have a material adverse effect on our business.**

Our debt agreements and Revolver contain financial and other restrictive covenants which, among other things, limit our ability to borrow money, including with respect to the refinancing of existing indebtedness. These provisions may limit our ability to conduct our business, take advantage of business opportunities and respond to changing business, market and economic conditions. In addition, they may place us at a competitive disadvantage relative to other companies that may be subject to fewer, if any, restrictions. Failure to comply with the requirements of our Revolver and debt agreements could materially and adversely affect our business, financial condition and results of operations. We have pledged our accounts receivable, inventory and the capital stock or other ownership interests that we own in our subsidiaries to secure the credit facility. If a default occurred and was not cured, secured lenders could foreclose on this collateral.

### **Risks Relating to Our Stock**

**Our existing shareholders, if acting together, may be able to exert control over matters requiring shareholder approval.**

Holders of our Class B common stock are entitled to one vote per share, while holders of our Class A common stock are entitled to one-twentieth of a vote per share. In addition, holders of our 10% Cumulative Convertible Voting Preferred Stock, Series A, our 10% Cumulative Convertible Voting Preferred Stock, Series B and, solely with respect to the election of directors, our 6% Cumulative Voting Preferred Stock, which we refer to as our voting preferred stock, are entitled to one vote per share. As of March 31, 2016, holders of Class B common stock and voting preferred stock held 88.0% of the combined voting power of all shares of capital stock then outstanding and entitled to vote. These shareholders, if acting together, would be in a position to control the election of our

directors and to effect or prevent certain corporate transactions that require majority or supermajority approval of the combined classes, including mergers and other business combinations. This may result in us taking corporate actions that you may not consider to be in your best interest and may affect the price of our common stock.

As of March 31, 2016, our current executive officers and directors beneficially owned 12.6% of our outstanding shares of Class A common stock, 51.3% of our outstanding shares of Class B common stock and 57.6% of our voting preferred stock, or 48.6% of the combined voting power of our outstanding shares of capital stock. This concentration of voting power may inhibit changes in control of the Company and may adversely affect the market price of our common stock.

#### **Our certificate of incorporation and bylaws contain provisions that discourage corporate takeovers.**

Certain provisions of our certificate of incorporation and bylaws and provisions of the New York Business Corporation Law may have the effect of delaying or preventing a change in control. Various provisions of our certificate of incorporation and bylaws may inhibit changes in control not approved by our directors and may have the effect of depriving shareholders of any opportunity to receive a premium over the prevailing market price of our common stock in the event of an attempted unsolicited takeover. In addition, the existence of these provisions may adversely affect the market price of our common stock. These provisions include:

- a classified board of directors;
- a requirement that special meetings of shareholders be called only by our directors or holders of 25% of the voting power of all shares outstanding and entitled to vote at the meeting;
- our board of directors has the power to classify and reclassify any of our unissued shares of capital stock into shares of capital stock with such preferences, rights, powers and restrictions as the board of directors may determine;
- the affirmative vote of two thirds of the shares present and entitled to vote is required to amend our bylaws or remove a director; and
- under the New York Business Corporation Law, in addition to certain restrictions which may apply to “business combinations” involving us and an “interested shareholder”, a plan for our merger or consolidation must be approved by two-thirds of the votes of all outstanding shares entitled to vote thereon. See “Our existing shareholders, if acting together, may be able to exert control over matters requiring shareholder approval.”

#### **We do not pay dividends on our common stock and do not expect to pay common dividends in the future.**

We have not declared or paid any cash dividends on our common stock in more than 25 years and we have no intention to do so in the near future. In addition, payment of cash dividends on our common stock is not permitted by the terms of our revolving credit facility.

#### **Other Risks**

##### **Tax legislation could impact future cash flows.**

The Company uses the Last-In, First-Out (LIFO) method of inventory accounting. As of March 31, 2016, we had a LIFO reserve of \$139.3 million which, at the U.S. corporate tax rate, represents approximately \$48.8 million of income taxes, payment of which is delayed to future dates based upon changes in inventory costs. From time-to-time, discussions regarding changes in U.S. tax laws have included the potential of LIFO being repealed. Should LIFO be repealed, the \$48.8 million of postponed taxes, plus any future benefit realized prior to the date of repeal, would likely have to be repaid over some period of time. Repayment of these postponed taxes will reduce the amount of cash that we would have available to fund our operations, working capital, capital expenditures, expansions, acquisitions or general corporate or other business activities. This could materially and adversely affect our business, financial condition and results of operations.

##### **The tax status of our insurance subsidiary could be challenged resulting in an acceleration of income tax payments.**

In conjunction with our workers’ compensation program, we operate a wholly owned insurance subsidiary, Dundee Insurance Company, Inc. We recognize this subsidiary as an insurance company for federal income tax purposes with respect to our consolidated federal income tax return. In the event the Internal Revenue Service (“IRS”) were to determine that this subsidiary does not qualify as an insurance company, we could be required to make accelerated income tax payments to the IRS that we otherwise would have deferred until future periods.

#### **Item 1B**

##### **Unresolved Staff Comments**

Company does not have any unresolved comments from the SEC staff regarding its periodic or current reports under the Exchange Act.

#### **Item 2**

## Properties

The following table details the Company's manufacturing plants and warehouses:

### Manufacturing Plants and Warehouses

	Square <u>Footage</u> ( <u>'000</u> )	<u>Acres</u>
<b>Food Group</b>		
Modesto, California	2,213	114
Santa Clara, California	64	-
Buhl, Idaho	616	141
Payette, Idaho	382	43
Princeville, Illinois	265	308
Hart, Michigan	176	76
Blue Earth, Minnesota	286	346
Glencoe, Minnesota	646	788
LeSueur, Minnesota	23	2
Montgomery, Minnesota	559	1,010
Rochester, Minnesota	1,078	840
Geneva, New York	769	602
Leicester, New York	198	91
Marion, New York	348	181
Dayton, Oregon	82	36
Lebanon, Pennsylvania	138	16
Dayton, Washington	215	28
Sunnyside, Washington	570	50
Yakima, Washington	122	8
Baraboo, Wisconsin	584	11
Cambria, Wisconsin	440	406
Clyman, Wisconsin	435	724
Cumberland, Wisconsin	389	305
Gillett, Wisconsin	320	105
Janesville, Wisconsin	1,201	302
Mayville, Wisconsin	297	367
Oakfield, Wisconsin	227	2,277
Ripon, Wisconsin	589	75
<b>Non-Food Group</b>		
Penn Yan, New York	27	4
Total	13,259	9,256

These facilities primarily package various fruit and vegetable products. Most of the facilities are owned by the Company. The Company is a lessee under a number of operating leases and a capital lease for equipment and real property used for packaging and warehousing.

The Company believes that these facilities are suitable and adequate for the purposes for which they are currently intended. All locations, although highly utilized, have the ability to expand as sales requirements justify. Because of the seasonal production cycles, the exact extent of utilization is difficult to measure. In certain circumstances, the theoretical full efficiency levels are being reached; however, expansion of the number of production days or hours could increase the output by up to 20% for a season.

Certain of the Company's facilities are mortgaged to financial institutions to secure long-term debt. See Notes 3, 4 and 5 of Item 8, Financial Statements and Supplementary Data, for additional information about the Company's long-term debt and lease commitments.

**Item 3**

**Legal Proceedings**

See Note 13, "Legal Proceedings and Other Contingencies" to the Consolidated Financial Statements included in Item 8, Financial Statements and Supplemental Data.

See also Item 1, Business -- Environmental Regulation, for information regarding environmental legal proceedings.

**Item 4**

**Mine Safety Disclosures**

Not Applicable.

## PART II

### Item 5

#### **Market for Registrant's Common Stock, Related Security Holder Matters and Issuer Purchases of Equity Securities**

Each class of preferred stock receives preference as to dividend payment and declaration over any common stock. In addition, refer to the information in the 2016 Annual Report, "Shareholder Information and Quarterly Results", which is incorporated by reference.

#### ***Securities Authorized for Issuance Under Equity Compensation Plans***

On August 10, 2007, the 2007 Equity Incentive Plan (the "2007 Equity Plan") was approved by shareholders at the Company's annual meeting. The 2007 Equity Plan has a 10-year term and authorized the issuance of up to 100,000 shares of either Class A Common Stock and Class B Common Stock or a combination of the two classes of stock. No shares were awarded in fiscal year 2016 under the terms of the 2007 Equity Plan. As of March 31, 2016, there were 68,593 shares available for distribution as part of future awards under the 2007 Equity Plan. No additional shares have been awarded under the 2007 Equity Plan through the date of this Form 10-K.

There are no equity compensation plans not approved by the Company's shareholders.

#### ***Common Stock Performance Graph***

Refer to the information in the 2016 Annual Report, "Shareholder Information and Quarterly Results", which is incorporated by reference.

#### ***Issuer Purchases of Equity Securities***

Period	Total Number of Shares Purchased (1)		Average Price Paid per Share		Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs (2)
	Class A Common	Class B Common	Class A Common	Class B Common		
1/01/16 - 1/31/16	26,998	-	\$ 27.06	\$ -	-	
2/01/16 - 2/28/16	6,889	148	\$ 27.02	\$ 32.00	-	
3/01/16 - 3/31/16	18,300	73,251	\$ 33.53	\$ 35.99	73,251	
Total	52,187	73,399	\$ 29.32	\$ 35.98	73,251	1,194,103

- (1) 73,251 shares of Class B Common Stock were purchased under the Company's share repurchase program. All other purchases were made matching Trustees of Dundee Insurance Company, Inc and the Seneca Foods, L.L.C. 401(k) Retirement Savings Plan to provide employee contributions under the Plans.
- (2) In 2012 the Company's Board of Directors authorized the repurchase of the Company's stock. The number of shares authorized for repurchase has been increased from time to time, most recently on March 10, 2015 when the repurchase program was increased to 2,500,000 shares. As of March 31, 2016, the Company has purchased 1,305,897 shares and there remains 1,194,103 shares available to purchase under the program.

### Item 6

#### **Selected Financial Data**

Refer to the information in the 2016 Annual Report, "Five Year Selected Financial Data", which is incorporated by reference.

### Item 7

#### **Management's Discussion and Analysis of Financial Condition and Results of Operations**

Refer to the information in the 2016 Annual Report, "Management's Discussion and Analysis of Financial Condition and Results of Operations", which is incorporated by reference.

### Item 7A

#### **Quantitative and Qualitative Disclosures about Market Risk**

Refer to the information in the 2016 Annual Report, "Quantitative and Qualitative Disclosures about Market Risk", which is incorporated by reference.

## **Item 8**

### **Financial Statements and Supplementary Data**

Refer to the information in the 2016 Annual Report, "Consolidated Financial Statements and Notes thereto including Report of Independent Registered Public Accounting Firm," which is incorporated by reference.

## **Item 9**

### **Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

None.

## **Item 9A**

### **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 (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of March 31, 2016. Based upon this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2016, the Company's disclosure controls and procedures: (1) were designed to ensure that material information relating to the Company is made known to our Chief Executive Officer and Chief Financial Officer by others within those entities, particularly during the period in which this report was being prepared, so as to allow timely decisions regarding required disclosure and (2) were effective, in that they provide reasonable assurance that information required to be disclosed by the Company in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

#### **Management's Annual Report on Internal Control Over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over the Company's financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2016. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework (2013)*. Based on our assessment, management believes that, as of March 31, 2016, our internal control over financial reporting is effective based on those criteria. In conducting the Company's evaluation of the effectiveness of its internal control over financial reporting, the Company excluded the acquisitions of Gray & Company (Gray) and Diana Fruit Co., Inc. (Diana) which were completed October 30, 2015 and February 16, 2016, respectively. Gray constituted 4.0% of total assets and Diana constituted 1.9% of total assets, respectively, as of March 31, 2016, and Gray constituted 1.8% and (2.8)% of revenues and net earnings (loss), respectively, and Diana constituted 0.2% and (0.3)% of revenues and net earnings (loss), respectively, for the year then ended March 31, 2016. Refer to Note 2, Acquisitions to the consolidated financial statements for further discussion of the Gray and Diana acquisitions and their impact on the Company's consolidated financial statements.

The Company's independent registered public accountant has issued its report on the effectiveness of the Company's internal control over financial reporting. The report appears on the next page.

## Report of Independent Registered Public Accounting Firm

Board of Directors and Stockholders  
Seneca Foods Corporation  
Marion, New York

We have audited Seneca Foods Corporation's internal control over financial reporting as of March 31, 2016, based on criteria established in *Internal Control-Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Item 9A, Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As indicated in the accompanying Item 9A, Management's Report on Internal Control over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of Gray & Company, which was acquired on October 30, 2015, and Diana Fruit Co., Inc., which was acquired on February 16, 2016 and which are included in the consolidated balance sheets of Seneca Foods Corporation as of March 31, 2016, and the related consolidated statements of net earnings, comprehensive income, stockholders' equity, and cash flows for the year then ended. Gray & Company constituted 4.0% of total assets and Diana Fruit Co., Inc. constituted 1.9% of total assets, respectively, as of March 31, 2016, and Gray & Company constituted 1.8% and (2.8)% of revenues and net earnings (loss), respectively, and Diana Fruit Co., Inc. constituted 0.2% and (0.3)% of revenues and net earnings (loss), respectively, for the year then ended March 31, 2016. Management did not assess the effectiveness of internal control over financial reporting of Gray & Company or Diana Fruit Co., Inc. because of the timing of the acquisitions which was completed on October 30, 2015 and February 16, 2016, respectively. Our audit of internal control over financial reporting of Seneca Foods Corporation also did not include an evaluation of the internal control over financial reporting of Gray & Company and Diana Fruit Co.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2016, based on the COSO criteria.

We have also audited, in accordance with the standards of the Public Company Accounting Standards Board (United States), the consolidated balance sheets of Seneca Foods Corporation as of March 31, 2016 and 2015, and the related consolidated statements of net earnings, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended March 31, 2016 and our report dated June 8, 2016 expressed an unqualified opinion thereon.

/s/ BDO USA, LLP  
Milwaukee, Wisconsin

June 8, 2016

### **Changes in Internal Control over Financial Reporting**

There was no change in our internal control over financial reporting (as defined in rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended March 31, 2016 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

### **Item 9B**

#### **Other Information**

None.

## **PART III**

### **Item 10**

#### **Directors, Executive Officers and Corporate Governance**

The information regarding directors is incorporated herein by reference from the section entitled “Information Concerning Directors” in the Company’s definitive Proxy Statement (“Proxy Statement”) to be filed pursuant to Regulation 14A of the Securities Exchange Act of 1934, as amended, for the Company’s Annual Meeting of Stockholders to be held on July 29, 2016. The Proxy Statement will be filed within 120 days after the end of the Company’s fiscal year ended March 31, 2016.

The information regarding executive officers is incorporated herein by reference from the section entitled “Executive Officers” in the Proxy Statement.

The information regarding compliance with Section 16(a) of the Exchange Act is incorporated herein by reference from the section entitled “Section 16(a) Beneficial Ownership Reporting Compliance” in the Proxy Statement.

Information regarding the Company’s code of business conduct and ethics found in the subsection captioned “Available Information” in Item 1 of Part I hereof is also incorporated herein by reference into this Item 10.

The information regarding the Company’s audit committee, its members and the audit committee financial experts is incorporated herein by reference from the subsection entitled “Audit Committee” in the section entitled “Board Governance” in the Proxy Statement.

### **Item 11**

#### **Executive Compensation**

The information included under the following captions in the Proxy Statement is incorporated herein by reference: “Compensation Discussion and Analysis,” “Summary Compensation Table,” “Grants of Plan-Based Awards in Fiscal Year 2016,” “Outstanding Equity Awards at 2016 Fiscal Year-End,” “Stock Vested in Fiscal Year 2016,” “Pension Benefits,” “Compensation of Directors” and “Compensation Committee Interlocks.” The information included under the heading “Compensation Committee Report” in the Proxy Statement is incorporated herein by reference; however, this information shall not be deemed to be “soliciting material” or to be “filed” with the SEC or subject to Regulation 14A or 14C, or to the liabilities of Section 18 of the Exchange Act.

### **Item 12**

#### **Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters**

Information regarding security ownership of certain beneficial owners and management is incorporated herein by reference from the sections entitled “Security Ownership of Certain Beneficial Owners” and “Security Ownership of Management and Directors” in the Proxy Statement.

### **Item 13**

#### **Certain Relationships and Related Transactions, and Director Independence**

The information regarding transactions with related parties and director independence is incorporated herein by reference from the sections entitled “Independent Directors” and “Certain Transactions and Relationships” in the Proxy Statement.

### **Item 14**

#### **Principal Accountant Fees and Services**

information regarding principal accountant fees and services is incorporated herein by reference from the section entitled “Principal Accountant Fees and Services” in the Proxy Statement.

## PART IV

### Item 15

#### Exhibits and Financial Statement Schedule

##### A. Exhibits, Financial Statements, and Supplemental Schedule

1. Financial Statements - the following consolidated financial statements of the Registrant, included in the 2016 Annual Report, are incorporated by reference in Item 8:

Consolidated Statements of Net Earnings – Years ended March 31, 2016, 2015 and 2014

Consolidated Statements of Comprehensive Income (Loss) – Years ended March 31, 2016, 2015 and 2014

Consolidated Balance Sheets - March 31, 2016 and 2015

Consolidated Statements of Cash Flows – Years ended March 31, 2016, 2015 and 2014

Consolidated Statements of Stockholders' Equity – Years ended March 31, 2016, 2015 and 2014

Notes to Consolidated Financial Statements – Years ended March 31, 2016, 2015 and 2014

Reports of Independent Registered Public Accounting Firm

Pages

2. Supplemental Schedule:

Report of Independent Registered Public Accounting Firm on Schedule Schedule II—Valuation and Qualifying Accounts	18 19
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Other schedules have not been filed because the conditions requiring the filing do not exist or the required information is included in the consolidated financial statements, including the notes thereto.

3. Exhibits:

<u>Exhibit Number</u>	<u>Description</u>
-----------------------	--------------------

- |      |   |
|------|---|
| 3.1  | The Company's Restated Certificate of Incorporation, (incorporated by reference to the Company's Current Report on Form 8-K dated August 11, 2010).   |
| 3.2  | The Company's Bylaws (incorporated by reference to Exhibit 3.3 to the Company's Quarterly Report on Form 10-Q/A filed August 18, 1995 for the quarter ended July 1, 1995)   |
| 3.3  | Amendment to the Company's Bylaws (incorporated by reference to Exhibit 3 to the Company's Current Report on Form 8-K dated November 6, 2007)   |
| 10.1 | Second Amended and Restated Loan and Security Agreement dated as of July 20, 2011 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated July 26, 2011).   |
| 10.2 | First Amendment to the Second Amended and Restated Loan and Security Agreement dated as of August 1, 2011 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (incorporated by reference to Exhibit 10.4 to the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended March 31, 2013).     |
| 10.3 | Second Amendment to the Second Amended and Restated Loan and Security Agreement dated as of December 20, 2012 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (incorporated by reference to Exhibit 10.5 to the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended March 31, 2013). |
| 10.4 | Third Amendment to the Second Amended and Restated Loan and Security Agreement dated as of March 5, 2013 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (incorporated by reference to Exhibit 10.6 to the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended March 31, 2013).      |

- 10.5 Fourth Amendment to the Second Amended and Restated Loan and Security Agreement dated as of December 16, 2013 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (incorporated by reference to Exhibit 10.7 to the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended March 31, 2014).
- 10.6 Fifth Amendment to the Second Amended and Restated Loan and Security Agreement dated as of April 1, 2014 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (incorporated by reference to Exhibit 10.8 to the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended March 31, 2014).
- 10.7 Sixth Amendment to the Second Amended and Restated Loan and Security Agreement dated as of June 17, 2014 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the SEC for the quarter ended June 28, 2014).
- 10.8 Seventh Amendment to the Second Amended and Restated Loan and Security Agreement dated as of November 6, 2014 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (incorporated by reference to Exhibit 10.10 to the Company's Annual Report on Form 10-K filed with the SEC for the year ended March 31, 2015).
- 10.9 Eighth Amendment to the Second Amended and Restated Loan and Security Agreement dated as of November 2, 2015 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the SEC for the quarter ended December 26, 2015).
- 10.10 Ninth Amendment to the Second Amended and Restated Loan and Security Agreement dated as of December 23, 2015 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the SEC for the quarter ended December 26, 2015).
- 10.11 Tenth Amendment to the Second Amended and Restated Loan and Security Agreement dated as of February 16, 2016 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (filed herewith).
- 10.12 Indemnification Agreement between the Company and the directors of the Company (incorporated by reference to Exhibit 10 to the Company's Annual report on Form 10-K for the fiscal year ended March 31, 2002)
- 10.13\*Seneca Foods Corporation Executive Profit Sharing Bonus Plan (incorporated by reference to Exhibit 99.1 to the Company's Registration Statement on Form S-8 (No. 333-166846))
- 10.14\*Seneca Foods Corporation Manager Profit Sharing Bonus Plan (incorporated by reference to Exhibit 99.2 to the Company's Registration Statement on Form S-8 (No. 333-166846))
- 13 The material contained in the 2016 Annual Report to Shareholders under the following headings: "Five Year Selected Financial Data", "Management's Discussion and Analysis of Financial Condition and Results of Operations", Consolidated Financial Statements and Notes thereto including Independent Auditors' Report, "Quantitative and Qualitative Disclosures about Market Risk", and "Shareholder Information and Quarterly Results" (filed herewith)
- 21 List of Subsidiaries (filed herewith)
- 23 Consent of BDO USA, LLP (filed herewith)
- 24 Powers of Attorney (filed herewith)
- 31.1 Certification of Kraig H. Kayser pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
- 31.2 Certification of Timothy J. Benjamin as Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)

32 Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (filed herewith)

101 The following materials from Seneca Foods Corporation's Annual Report on Form 10-K for the year ended March 31, 2016, formatted in XBRL (eXtensible Business Reporting Language): (i) consolidated balance sheets, (ii) consolidated statements of net earnings, (iii) consolidated statements of comprehensive income, (iv) consolidated statements of cash flows, (v) consolidated statement of stockholders' equity and (vi) the notes to the consolidated financial statements

\* Indicates management or compensatory agreement

## **Report of Independent Registered Public Accounting Firm**

Board of Directors and Stockholders  
Seneca Foods Corporation  
Marion, New York

The audits referred to in our report dated June 8, 2016 relating to the consolidated financial statements of Seneca Foods Corporation, which is incorporated in Item 8 of Form 10-K by reference to the Annual Report to Shareholders for the year ended March 31, 2016, also included the audit of the financial statement schedule listed in the accompanying index. This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement schedule based on our audits.

In our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

/s/ BDO USA, LLP  
Milwaukee, Wisconsin

June 8, 2016

**Schedule II**  
**VALUATION AND QUALIFYING ACCOUNTS**

(In thousands)

	Balance at beginning of period	Charged/ (credited) to income	Charged to other accounts	Deductions from reserve	Balance at end of period
Year-ended March 31, 2016:					
Allowance for doubtful accounts	\$ 145	\$ (47)	\$ —	\$ 13 (a)	\$ 111
Income tax valuation allowance	\$ 1,787	\$ 74	\$ —	\$ —	\$ 1,861
Year-ended March 31, 2015:					
Allowance for doubtful accounts	\$ 160	\$ 45	\$ —	\$ (60) (a)	\$ 145
Income tax valuation allowance	\$ 390	\$ 1,397	\$ —	\$ —	\$ 1,787
Year-ended March 31, 2014:					
Allowance for doubtful accounts	\$ 201	\$ 23	\$ —	\$ (64) (a)	\$ 160
Income tax valuation allowance	\$ 758	\$ (368)	\$ —	\$ —	\$ 390

(a) Accounts written off, net of recoveries.

SIGNATURES

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

**SENECA FOODS CORPORATION**

June 8, 2016

/s/Timothy J. Benjamin  
Timothy J. Benjamin  
Senior Vice President, Chief Financial  
Officer and Treasurer

Pursuant to the requirements of the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

<u>Signature</u>	<u>Title</u>	<u>Date</u>
* _____ Arthur S. Wolcott	Chairman and Director	June 8, 2016
<u>/s/Kraig H. Kayser</u> Kraig H. Kayser	President, Chief Executive Officer, Director	June 8, 2016
<u>/s/Timothy J. Benjamin</u> Timothy J. Benjamin	Senior Vice President, Chief Financial Officer and Treasurer	June 8, 2016
<u>/s/Jeffrey L. Van Riper</u> Jeffrey L. Van Riper	Vice President, Controller, and Secretary (Principal Accounting Officer)	June 8, 2016
* _____ Arthur H. Baer	Director	June 8, 2016
* _____ Peter R. Call	Director	June 8, 2016
* _____ John P. Gaylord	Director	June 8, 2016
* _____ Susan A. Henry	Director	June 8, 2016
_____ Samuel T. Hubbard, Jr.	Director	June 8, 2016
* _____ Thomas Paulson	Director	June 8, 2016
* _____ Susan W. Stuart	Director	June 8, 2016
<u>/s/Kraig H. Kayser</u> *By Kraig H. Kayser, Attorney-in-fact		

## TENTH AMENDMENT AGREEMENT

**TENTH AMENDMENT AGREEMENT** (this “**Agreement**”) dated as of February 16, 2016 by and among (1) Seneca Foods Corporation, a New York corporation (the “**Parent**”), Seneca Snack Company, a Washington corporation (“**Seneca Snack**”), Seneca Foods, LLC, a Delaware limited liability company (“**Seneca LLC**”), Green Valley Foods, LLC, a Delaware limited liability company (“**Green Valley**” and together with the Parent, Seneca Snack and Seneca LLC, collectively, the “**Borrowers**”), (2) Marion Foods, Inc., a New York corporation, Lebanon Valley Cold Storage, LLC, Lebanon Valley Cold Storage, LP, Portland Food Products Company, Gray & Company and Gray Glace Products Company (collectively, the “**Guarantors**” and together with the Borrowers, collectively, the “**Obligors**”), (3) the financial institutions party to the Loan and Security Agreement (as defined below) as lenders (collectively, the “**Lenders**” and individually, a “**Lender**”), and (4) Bank of America, N.A. (“**Bank of America**”) as agent (the “**Agent**”) for the Lenders and as Issuing Bank with respect to a certain Second Amended and Restated Loan and Security Agreement dated as of July 20, 2011, by and among the Borrowers, the Guarantors, the Lenders, the Agent, the Issuing Bank and RBS Citizens, N.A. as Syndication Agent, as amended by that certain First Amendment Agreement dated as of August 1, 2011, by that certain Second Amendment Agreement dated as of December 20, 2012, by that Third Amendment Agreement dated as of March 5, 2013, by that certain Fourth Amendment Agreement dated as of December 16, 2013, by that certain Fifth Amendment Agreement dated as of April 1, 2014, by that certain Sixth Amendment Agreement dated as of June 17, 2014, by that certain Seventh Amendment Agreement dated as of November 6, 2014, by that certain Eighth Amendment Agreement dated as of November 2, 2015 and by that certain Ninth Amendment Agreement dated as of December 23, 2015 (as further amended, the “**Loan and Security Agreement**”).

### W I T N E S S E T H:

**WHEREAS**, the Obligors have requested that the Required Lenders agree to amend certain provisions of the Loan and Security; and

**WHEREAS**, the Required Lenders have agreed to such amendments, on the terms and conditions set forth herein.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**§1. Definitions.** Capitalized terms used herein without definition that are defined in the Loan and Security Agreement shall have the same meanings herein as therein.

**§2. Ratification of Existing Agreements.** All of the Obligors’ obligations and liabilities to the Agent, the Issuing Bank and the Lenders as evidenced by or otherwise arising under the Loan and Security Agreement, the Notes and the other Loan Documents, are, by each Obligor’s execution of this Agreement, ratified and confirmed in all respects. In addition, by each Obligor’s execution of this Agreement, each of the Obligors represents and warrants that no Obligor has any counterclaim, right of set-off or defense of any kind with respect to such obligations and liabilities.

**§3. Representations and Warranties.** Each of the Obligors hereby represents and warrants to the Agent, the Issuing Bank and Lenders that all of the representations and warranties made by the Obligors in the Loan and Security Agreement, the Notes and the other Loan Documents are true in all material respects on the date hereof as if made on and as of the date hereof, except to the extent that such representations and warranties relate expressly to an earlier date.

**§4. Conditions Precedent.** The effectiveness of the amendments contemplated hereby shall be subject to the satisfaction on or before the date hereof of each of the following conditions precedent:

(a) Representations and Warranties. All of the representations and warranties made by the Obligors herein, whether directly or incorporated by reference, shall be true and correct on the date hereof except as provided in §3 hereof.

(b) Performance; No Event of Default. The Obligors shall have performed and complied in all respects with all terms and conditions herein required to be performed or complied with by them prior to or at the time hereof, and there shall exist no Default or Event of Default.

(c) Fees and Expenses. The Borrowers shall have paid the fees and expenses payable to the Agent and its counsel in connection with this Agreement.

(d) Delivery. The Obligors, the Agent and the Required Lenders shall have executed and delivered this Agreement.

(e) Other Documents. The Obligors shall have executed and delivered such further instruments and taken such further action as the Agent and the Required Lenders may have reasonably requested, in each case further to effect the purposes of this Agreement, the Loan and Security Agreement and the other Loan Documents.

**§5. Amendment to the Loan and Security Agreement.** The defined term “Permitted Acquisition” in Section 1.1 of the Loan and Security Agreement is hereby amended and restated in its entirety to read as follows:

“Permitted Acquisition: the acquisition of any assets (out of the ordinary course of business) or any Person, business or division by any Borrower or Guarantor, provided that each of the following conditions is met with respect to any such acquisition:

(a) such Borrower or Guarantor shall have delivered to Agent a statement certified by the principal financial or accounting officer of the Parent to the effect that (i) no Default or Event of Default exists, which statement shall be accompanied by computations, in reasonable detail, evidencing that the Fixed Charge Coverage Ratio (calculated on a pro forma basis determined in a manner acceptable to Agent) after giving effect to such acquisition is not less than 1.0 to 1.0 and (ii) Availability is not less than 15% of the Borrowing Base, both before and after giving effect to such acquisition;

(b) the consideration for such acquisition shall not include the assumption of Indebtedness by such Borrower or Guarantor, other than Indebtedness which is permitted pursuant to **Section 10.2.1**;

(c) if such acquisition is an acquisition of a Person, such acquisition shall have been approved by the board of directors (or other managing board) and shareholders or members, if applicable, of the Person so acquired or of the holders of the Equity Interest of the Person so acquired;

(d) not less than ten (10) Business Days prior to the closing of such acquisition, such Borrower or Guarantor shall notify Agent of the terms thereof and shall provide to Agent such information and documents as may be deemed by Agent to be necessary in order for Agent to determine if the acquisition is a Permitted Acquisition; and

(e) either (i) such acquisition is the acquisition of assets only for use in the same line of business as (or a line of business substantially similar or complementary to) the line of business of the Borrowers and such assets, immediately upon the consummation of such acquisition, become Collateral pursuant to the Security Documents, and the Agent shall, concurrently with the closing of the acquisition

have (or, to the extent not included in the provisions of **Section 7.1**, be granted), for the benefit of Secured Parties, a perfected, first priority security interest in such assets (subject only to Permitted Liens) or (ii) such acquisition involves the purchase of the Equity Interests of a Person and each of the following conditions is met:

(A) such acquisition is either (1) the acquisition of one hundred percent (100%) of each of the Equity Interests and voting securities of such Person, (2) the Truitt 50% Acquisition or (3) an acquisition of Equity Interests of a Truitt Company other than the Truitt 50% Acquisition, provided that, once the Truitt 50% Acquisition has been consummated, (x) there shall be not more than two such additional acquisitions of Equity Interests of Truitt Companies and (y) all such additional acquisitions of Equity Interests of Truitt Companies shall be consummated during the consecutive 12 month period commencing on April 1, 2019;

(B) such Person is either (1) in the same line of business (or a substantially similar line of business) as the Borrowers or (2) Dundee; and

(C) contemporaneously with the occurrence of such acquisition (other than (x) the acquisition of Dundee and (y) with respect to clauses (2), (3) and (4) below, an acquisition of Equity Interests of a Truitt Company if, after giving effect to such acquisition, such Truitt Company would be deemed not to be a Subsidiary hereunder), such Borrower or Guarantor shall (1) pledge the Equity Interests of such Person to Agent, for the benefit of Secured Parties, pursuant to the Pledge Agreement (or a separate pledge agreement in form and substance reasonably satisfactory to the Agent) and shall execute such amendment to the Pledge Agreement (or shall execute a separate pledge agreement, or an amendment to a separate pledge agreement, in each case in form and substance reasonably satisfactory to the Agent) as requested by Agent to effectuate such pledge, (2) cause such acquired Person to guaranty all of the Obligations hereunder by executing and delivering a Joinder Agreement in accordance with **Section 10.1.9**, (3) cause such acquired Person to take all steps as may be necessary or advisable in the reasonable opinion of Agent to grant to Agent, as applicable, for the benefit of Secured Parties, a first priority, perfected security interest in all of its assets which would be deemed Collateral pursuant to the Security Documents (except that there may exist liens thereon permitted by **Section 10.2.2** hereof and there may exist a prior lien on those assets which secure Indebtedness of such acquired Person following such Permitted Acquisition, to the extent permitted under **Section 10.2.1** hereof) as collateral security for such guaranty, pursuant to security documents, mortgages, pledges and other documents in form and substance reasonably satisfactory to Agent, as applicable, each of which documents shall be Security Documents hereunder, and (4) cause such Person to deliver to the Lenders and Agent (x) evidence of proper or similar corporate authorization and (y) legal opinions with respect to each of the matters and documents set forth in this clause (C), in each case, in form and substance reasonably satisfactory to Agent and the Required Lenders.”

**§6. Miscellaneous Provisions.**

(a) Except as otherwise expressly provided by this Agreement, all of the respective terms, conditions and provisions of the Loan and Security Agreement, the Notes and the other Loan Documents shall remain the same. The Loan and Security Agreement, as amended hereby, shall continue in full force and effect, and this Agreement and the Loan and Security Agreement shall be read and construed as one instrument.

(b) THIS AGREEMENT, UNLESS OTHERWISE SPECIFIED, SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ANY CONFLICT OF LAW PRINCIPLES (BUT GIVING EFFECT TO FEDERAL LAWS RELATING TO

NATIONAL BANKS).

(c) This Agreement may be executed in any number of counterparts, but all such counterparts shall together constitute but one instrument. In making proof of this Agreement it shall not be necessary to produce or account for more than one counterpart signed by each party hereto by and against which enforcement hereof is sought. A facsimile or other electronic transmission of an executed counterpart shall have the same effect as the original executed counterpart.

*[Remainder of Page Intentionally Left Blank - Signature Pages Follow]*

**IN WITNESS WHEREOF**, the undersigned have duly executed this Tenth Amendment Agreement as of the date first set forth above.

**SENECA FOODS CORPORATION**

By: /s/Timothy Benjamin  
Name: Timothy Benjamin  
Title: CFO

**SENECA SNACK COMPANY**

By: /s/Timothy Benjamin  
Name: Timothy Benjamin  
Title: CFO

**SENECA FOODS, LLC**

By: /s/Timothy Benjamin  
Name: Timothy Benjamin  
Title: CFO

**MARION FOODS, INC.**

By: /s/Timothy Benjamin  
Name: Timothy Benjamin  
Title: CFO

**LEBANON VALLEY COLD STORAGE, LLC**

By: /s/Timothy Benjamin  
Name: Timothy Benjamin  
Title: CFO

**LEBANON VALLEY COLD STORAGE, LP**

By: Lebanon Valley Cold Storage, LLC,  
Its General Partner

By: /s/Timothy Benjamin  
Name: Timothy Benjamin  
Title: CFO

**GREEN VALLEY FOODS, LLC**

By: /s/Timothy Benjamin  
Name: Timothy Benjamin  
Title: CFO

**PORTLAND FOOD PRODUCTS COMPANY**

By: /s/Timothy Benjamin  
Name: Timothy Benjamin  
Title: Treasurer

**GRAY & COMPANY**

By: /s/Timothy Benjamin  
Name: Timothy Benjamin  
Title: Treasurer

**GRAY GLACE PRODUCTS COMPANY**

By: /s/Timothy Benjamin  
Name: Timothy Benjamin  
Title: Treasurer

**BANK OF AMERICA, N.A.,**  
as Agent, Lender and Issuing Bank

By: /s/Edgar Ezerins  
Name: Edgar Ezerins  
Title: SVP

**CITIZENS BUSINESS CAPITAL**, a division of CITIZENS ASSET FINANCE, INC., (f/k/a RBS CITIZENS BUSINESS CAPITAL, a division of RBS ASSET FINANCE, INC., a subsidiary of RBS CITIZENS, N.A.), as a Lender

By: /s/ Peter Yelle  
Name: Peter Yelle  
Title: Vice President

**COÖPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A., “RABOBANK NEDERLAND”, NEW YORK BRANCH**, as a Lender

By: /s/Aurelie Vancauwenberghe  
Name: Aurelie Vancauwenberghe  
Title: Vice President

By: /s/Chris Grimes  
Name: Chris Grimes  
Title: Executive Director

**MANUFACTURERS AND TRADERS TRUST COMPANY,**  
as a Lender

By: /s/Brian Bennett  
Name: Brian Bennett  
Title: Assistant Vice President

**U.S. BANK NATIONAL ASSOCIATION,**  
as a Lender

By: /s/John R. LePage  
Name: John R. LePage  
Title: Vice President

**WELLS FARGO BANK, N.A.,** as a Lender

By: /s/Krista Mize  
Name: Krista Mize  
Title: Authorized Signatory

**BMO HARRIS BANK N.A.,** as a Lender

By: /s/Quinn Heiden  
Name: Quinn Heiden  
Title: Director

**SCHEDULE 1.1**

to

Second Amended and Restated Loan and Security Agreement

**COMMITMENTS OF LENDERS**

<b>Lender</b>	<b>Commitment for the period from April 1 through and including July 31 of each year</b>	<b>Commitment for the period from August 1 through and including March 31 of each year</b>	<b>Percentage of Aggregate Commitments of all Lenders</b>
Bank of America, N.A.	\$106,073,684	\$125,962,500	26.51842%
Citizens Business Capital, a division of Citizens Asset Finance, Inc. (f/k/a RBS Citizens Business Capital, a division of RBS Asset Finance, Inc., a subsidiary of RBS Citizens, N.A.)	\$50,526,316	\$60,000,000	12.63158%
Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., "Rabobank Nederland", New York Branch	\$62,000,000	\$73,625,000	15.50000%
Manufacturers and Traders Trust Company	\$48,800,000	\$57,950,000	12.20000%
U.S. Bank National Association	\$50,800,000	\$60,325,000	12.70000%
Wells Fargo Bank, N.A.	\$35,000,000	\$41,562,500	8.75000%
BMO Harris Bank N.A.	\$28,800,000	\$34,200,000	7.20000%
GE Asset Based Master Note LLC	\$18,000,000	\$21,375,000	4.50000%
<b>Total</b>	\$400,000,000	\$475,000,000	100%

**Exhibit 21**

**LIST OF SUBSIDIARIES**

The following is a listing of significant subsidiaries 100% owned by Seneca Foods Corporation, directly or indirectly:

<u>Name</u>	<u>State</u>
Diana Fruit Co., Inc.	California
Dundee Insurance Company, Inc.	Utah
Gray & Company	Oregon
Gray Glace Products Company	Oregon
Green Valley Foods LLC	Delaware
Lebanon Valley Cold Storage, LLC	Pennsylvania
Lebanon Valley Cold Storage, LP	Pennsylvania
Marion Foods, Inc.	New York
Portland Food Products Company	Oregon
Seneca Foods, LLC	Delaware
Seneca Snack Company	Washington

**Exhibit 23**

Consent of Independent Registered Public Accounting Firm

Seneca Foods Corporation  
Marion, New York

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-12365, 333-145916, and 333-166846) of Seneca Foods Corporation of our reports dated June 8, 2016, relating to the consolidated financial statements, and the effectiveness of Seneca Foods Corporation's internal control over financial reporting, which appear in the Annual Report to Shareholders which is incorporated by reference in this Annual Report on Form 10-K. We also consent to the incorporation by reference of our report dated June 8, 2016 relating to the financial statement schedule which appears in this Form 10-K.

/s/ BDO USA, LLP  
Milwaukee, Wisconsin

June 8, 2016

**EXHIBIT 24**

**POWERS OF ATTORNEY**

**SENECA FOODS CORPORATION  
POWER OF ATTORNEY**

The undersigned Director of Seneca Foods Corporation, a New York corporation, hereby constitutes and appoints Kraig H. Kayser or Timothy J. Benjamin as the true and lawful Attorney-in-fact and Agent of the undersigned to sign on behalf of the undersigned: (a) the Annual Report of the Company on Form 10-K (or such other form as may be required) for the year ended March 31, 2016 to be filed with the Securities and Exchange Commission ("SEC"); and (b) any and all amendments to such Report as may be required to be filed with the SEC.

/s/Arthur H. Baer  
Arthur H. Baer  
Director

**SENECA FOODS CORPORATION  
POWER OF ATTORNEY**

The undersigned Director of Seneca Foods Corporation, a New York corporation, hereby constitutes and appoints Kraig H. Kayser or Timothy J. Benjamin as the true and lawful Attorney-in-fact and Agent of the undersigned to sign on behalf of the undersigned: (a) the Annual Report of the Company on Form 10-K (or such other form as may be required) for the year ended March 31, 2016 to be filed with the Securities and Exchange Commission ("SEC"); and (b) any and all amendments to such Report as may be required to be filed with the SEC.

/s/Peter R. Call  
Peter R. Call  
Director

**SENECA FOODS CORPORATION  
POWER OF ATTORNEY**

The undersigned Director of Seneca Foods Corporation, a New York corporation, hereby constitutes and appoints Kraig H. Kayser or Timothy J. Benjamin as the true and lawful Attorney-in-fact and Agent of the undersigned to sign on behalf of the undersigned: (a) the Annual Report of the Company on Form 10-K (or such other form as may be required) for the year ended March 31, 2016 to be filed with the Securities and Exchange Commission ("SEC"); and (b) any and all amendments to such Report as may be required to be filed with the SEC.

/s/John P. Gaylord  
John P. Gaylord  
Director

**SENECA FOODS CORPORATION  
POWER OF ATTORNEY**

The undersigned Director of Seneca Foods Corporation, a New York corporation, hereby constitutes and appoints Kraig H. Kayser or Timothy J. Benjamin as the true and lawful Attorney-in-fact and Agent of the undersigned to sign on behalf of the undersigned: (a) the Annual Report of the Company on Form 10-K (or such other form as may be required) for the year ended March 31, 2016 to be filed with the Securities and Exchange Commission ("SEC"); and (b) any and all amendments to such Report as may be required to be filed with the SEC.

/s/Susan A. Henry  
Susan A. Henry  
Director

**SENECA FOODS CORPORATION  
POWER OF ATTORNEY**

The undersigned Director of Seneca Foods Corporation, a New York corporation, hereby constitutes and appoints Kraig H. Kayser or Timothy J. Benjamin as the true and lawful Attorney-in-fact and Agent of the undersigned to sign on behalf of the undersigned: (a) the Annual Report of the Company on Form 10-K (or such other form as may be required) for the year ended March 31, 2016 to be filed with the Securities and Exchange Commission ("SEC"); and (b) any and all amendments to such Report as may be required to be filed with the SEC.

Samuel T. Hubbard, Jr.

Director

SENECA FOODS CORPORATION  
POWER OF ATTORNEY

The undersigned Director of Seneca Foods Corporation, a New York corporation, hereby constitutes and appoints Kraig H. Kayser or Timothy J. Benjamin as the true and lawful Attorney-in-fact and Agent of the undersigned to sign on behalf of the undersigned: (a) the Annual Report of the Company on Form 10-K (or such other form as may be required) for the year ended March 31, 2016 to be filed with the Securities and Exchange Commission ("SEC"); and (b) any and all amendments to such Report as may be required to be filed with the SEC.

/s/Thomas Paulson  
Thomas Paulson  
Director

SENECA FOODS CORPORATION  
POWER OF ATTORNEY

The undersigned Director of Seneca Foods Corporation, a New York corporation, hereby constitutes and appoints Kraig H. Kayser or Timothy J. Benjamin as the true and lawful Attorney-in-fact and Agent of the undersigned to sign on behalf of the undersigned: (a) the Annual Report of the Company on Form 10-K (or such other form as may be required) for the year ended March 31, 2016 to be filed with the Securities and Exchange Commission ("SEC"); and (b) any and all amendments to such Report as may be required to be filed with the SEC.

/s/Susan W. Stuart  
Susan W. Stuart  
Director

## EXHIBIT 31.1

### CERTIFICATION

I, Kraig H. Kayser, certify that:

1. I have reviewed this annual report on Form 10-K of Seneca Foods Corporation;
2. Based on my knowledge, this 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(s) 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 Rules 13a-15(f) and 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(s) 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 the Registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Dated: June 8, 2016

By: /s/Kraig H. Kayser

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Kraig H. Kayser  
President and Chief Executive Officer

## EXHIBIT 31.2

### CERTIFICATION

I, Timothy J. Benjamin, certify that:

1. I have reviewed this annual report on Form 10-K of Seneca Foods Corporation;
2. Based on my knowledge, this 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(s) 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 Rules 13a-15(f) and 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(s) 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 the Registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Dated: June 8, 2016

By: /s/ Timothy J. Benjamin

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Timothy J. Benjamin  
Senior Vice President, Chief Financial Officer  
and Treasurer

**EXHIBIT 32**

**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 Annual Report of Seneca Foods Corporation (the "Registrant") on Form 10-K for the period ended March 31, 2016 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Kraig H. Kayser, President, Chief Executive Officer and Timothy J. Benjamin, Chief Financial Officer of the Registrant, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to 906 of the Sarbanes-Oxley Act of 2002, that, to our knowledge:

- (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 Registrant.

By: /s/Kraig H. Kayser

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Kraig H. Kayser  
President and Chief Executive Officer  
June 8, 2016

By: /s/Timothy J. Benjamin

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Senior Vice President, Chief Financial Officer  
and Treasurer  
June 8, 2016