**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D. C. 20549

**Form 10 - Q**

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

| For the Quarter Ended December 26, 2015 | Commission File Number 0-01989 |
|---|---|

Seneca Foods Corporation
(Exact name of Company as specified in its charter)

| New York | 16 - 0733425 |
|---|---|
| (State or other jurisdiction of incorporation or organization) | (I. R. S. Employer Identification No.) |
| 3736 South Main Street, Marion, New York | 14505 |
| (Address of principal executive offices) | (Zip Code) |

Company's telephone number, including area code 315/926-8100

Not Applicable
Former name, former address and former fiscal year,
if changed since last report

Indicate by check mark whether the Company (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 Company 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 whether the Company 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 þ Non-accelerated filer ¨ Smaller reporting company ☐

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

The number of shares outstanding of each of the issuer's classes of common stock at the latest practical date are:

| Class | Shares Outstanding at January 22, 2016 |
|---|---|
| Common Stock Class A, $.25 Par | 7,905,802 |
| Common Stock Class B, $.25 Par | 1,967,898 |

**Seneca Foods Corporation**
**Quarterly Report on Form 10-Q**
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**SENECA FOODS CORPORATION AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED BALANCE SHEETS**
(In Thousands, Except Per Share Data)

| | Unaudited December 26, 2015 | Unaudited December 27, 2014 | March 31, 2015 |
|---|---|---|---|
| ASSETS | | | |
| Current Assets: | | | |
| Cash and Cash Equivalents | $ 19,029 | $ 23,006 | $ 10,608 |
| Accounts Receivable, Net | 74,981 | 71,652 | 69,837 |
| Inventories: | | | |
| Finished Goods | 482,025 | 405,598 | 301,705 |
| Work in Process | 23,352 | 26,304 | 10,167 |
| Raw Materials and Supplies | 125,804 | 115,247 | 160,540 |
| Total Inventories | 631,181 | 547,149 | 472,412 |
| Deferred Income Taxes, Net | - | 9,549 | 6,997 |
| Other Current Assets | 12,387 | 21,824 | 27,439 |
| Total Current Assets | 737,578 | 673,180 | 587,293 |
| Property, Plant and Equipment, Net | 189,765 | 186,358 | 185,557 |
| Deferred Income Tax Asset, Net | 14,946 | 4,262 | 14,829 |
| Other Assets | 17,930 | 17,289 | 18,015 |
| Total Assets | $ 960,219 | $ 881,089 | $ 805,694 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | |
| Current Liabilities: | | | |
| Notes Payable | $ 402 | $ 5,989 | $ 9,903 |
| Accounts Payable | 99,256 | 102,640 | 68,105 |
| Accrued Vacation | 11,761 | 10,993 | 11,347 |
| Accrued Payroll | 6,181 | 4,868 | 6,344 |
| Other Accrued Expenses | 37,056 | 31,574 | 23,732 |
| Income Taxes Payable | 14,188 | 4,881 | 1,787 |
| Current Portion of Long-Term Debt | 311,864 | 2,484 | 2,530 |
| Total Current Liabilities | 480,708 | 163,429 | 123,748 |
| Long-Term Debt, Less Current Portion | 36,650 | 294,303 | 271,634 |
| Pension Liabilities | 40,622 | 19,790 | 54,960 |
| Other Long-Term Liabilities | 11,967 | 11,882 | 3,622 |
| Total Liabilities | 569,947 | 489,404 | 453,964 |
| Commitments and Contingencies | | | |
| Stockholders' Equity: | | | |
| Preferred Stock | 1,344 | 2,119 | 2,119 |
| Common Stock, $.25 Par Value Per Share | 3,023 | 3,010 | 3,010 |
| Additional Paid-in Capital | 97,373 | 96,553 | 96,578 |
| Treasury Stock, at Cost | (63,358) | (39,095) | (61,277) |
| Accumulated Other Comprehensive Loss | (31,804) | (11,252) | (31,804) |
| Retained Earnings | 383,694 | 340,350 | 343,104 |
| Total Stockholders' Equity | 390,272 | 391,685 | 351,730 |
| Total Liabilities and Stockholders' Equity | $ 960,219 | $ 881,089 | $ 805,694 |

*The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.*



**SENECA FOODS CORPORATION AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENTS OF NET EARNINGS**
(Unaudited)
(In Thousands, Except Per Share Data)

| | Three Months Ended | | Nine Months Ended | |
|---|---|---|---|---|
| | December 26, 2015 | December 27, 2014 | December 26, 2015 | December 27, 2014 |
| Net Sales | $ 432,198 | $ 456,207 | $ 971,658 | $ 1,008,411 |
| Costs and Expenses: | | | | |
| Cost of Product Sold | 379,075 | 430,123 | 869,182 | 948,527 |
| Selling and Administrative | 19,505 | 18,759 | 51,955 | 50,681 |
| Restructuring | 9,624 | 889 | 9,558 | 889 |
| Other Operating Income | (24,197) | (5,033) | (24,600) | (4,839) |
| Total Costs and Expenses | 384,007 | 444,738 | 906,095 | 995,258 |
| Operating Income | 48,191 | 11,469 | 65,563 | 13,153 |
| Loss (Earnings) From Equity Investment | 46 | 55 | 132 | (231) |
| Interest Expense, Net | 1,932 | 1,431 | 4,894 | 3,917 |
| Earnings Before Income Taxes | 46,213 | 9,983 | 60,537 | 9,467 |
| Income Taxes | 15,090 | 2,164 | 19,924 | 2,333 |
| Net Earnings | $ 31,123 | $ 7,819 | $ 40,613 | $ 7,134 |
| Earnings Attributable to Common Stock | $ 30,832 | $ 7,711 | $ 40,180 | $ 6,995 |
| Basic Earnings per Common Share | $ 3.12 | $ 0.72 | $ 4.06 | $ 0.65 |

| | | | | |
|---|---|---|---|---|
| Diluted Earnings per Common Share | $ 3.10 | $ 0.71 | $ 4.04 | $ 0.65 |

*The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.*

**SENECA FOODS CORPORATION AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**
(Unaudited)
(In Thousands)

| | Three Months Ended | | Nine Months Ended | |
|---|---|---|---|---|
| | December 26, 2015 | December 27, 2014 | December 26, 2015 | December 27, 2014 |
| Comprehensive income: | | | | |
| Net earnings | $ 31,123 | $ 7,819 | $ 40,613 | $ 7,134 |
| Change in pension and post retirement benefits (net of tax) | - | - | - | - |
| Total | $ 31,123 | $ 7,819 | $ 40,613 | $ 7,134 |

*The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.*

**SENECA FOODS CORPORATION AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**
(Unaudited)
(In Thousands)

| | Nine Months Ended | |
|---|---|---|
| | December 26, 2015 | December 27, 2014 |
| Cash Flows from Operating Activities: | | |
| Net Earnings | $ 40,613 | $ 7,134 |
| Adjustments to Reconcile Net Earnings to | | |
| Net Cash Used in Operations: | | |
| Depreciation & Amortization | 15,884 | 16,495 |
| Gain on the Sale of Assets | (43) | (89) |
| Provision for Restructuring Charges | 9,558 | 889 |
| Loss (Earnings) From Equity Investment | 132 | (231) |
| Deferred Income Tax Benefit | (966) | (5,738) |
| Changes in Operating Assets and Liabilities (net of acquisition): | | |
| Accounts Receivable | 1,150 | 5,312 |
| Inventories | (130,398) | (95,899) |
| Other Current Assets | 15,739 | 11,770 |
| Income Taxes | 12,401 | 3,968 |
| Accounts Payable, Accrued Expenses and Other Liabilities | 23,465 | 40,557 |
| Net Cash Used in Operations | (12,465) | (15,832) |
| Cash Flows from Investing Activities: | | |
| Additions to Property, Plant and Equipment | (6,396) | (21,905) |
| Proceeds from the Sale of Assets | 156 | 326 |
| Cash Paid for Acquisition (Net of Cash Acquired) | (23,784) | - |
| Purchase Equity Method Investment | - | (16,308) |
| Net Cash Used in Investing Activities | (30,024) | (37,887) |
| Cash Flow from Financing Activities: | | |
| Long-Term Borrowing | 301,232 | 326,381 |
| Payments on Long-Term Debt | (238,871) | (248,110) |
| Payments on Notes Payable | (9,501) | (6,266) |
| Other | 143 | 94 |
| Purchase of Treasury Stock | (2,081) | (9,201) |
| Dividends | (12) | (12) |
| Net Cash Provided by Financing Activities | 50,910 | 62,886 |
| Net Increase in Cash and Cash Equivalents | 8,421 | 9,167 |
| Cash and Cash Equivalents, Beginning of the Period | 10,608 | 13,839 |
| Cash and Cash Equivalents, End of the Period | $ 19,029 | $ 23,006 |

*The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.*

**SENECA FOODS CORPORATION AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENTS STOCKHOLDERS' EQUITY**
(Unaudited)
(In Thousands)

| | Preferred Stock | Common Stock | Additional Paid-In Capital | Treasury Stock | Accumulated Other Comprehensive Loss | Retained Earnings |
|---|---|---|---|---|---|---|
| Balance March 31, 2015 | $ 2,119 | $ 3,010 | $ 96,578 | $ (61,277) | $ (31,804) | $ 343,104 |
| Net earnings | - | - | - | - | - | 40,613 |
| Cash dividends paid on preferred stock | - | - | - | - | - | (23) |
| Equity incentive program | - | - | 33 | - | - | - |
| Stock issued for profit sharing plan | - | - | - | - | - | - |
| Preferred stock conversion | (775) | 13 | 762 | - | - | - |
| Purchase treasury stock | - | - | - | (2,081) | - | - |
| Balance December 26, 2015 | $ 1,344 | $ 3,023 | $ 97,373 | $ (63,358) | $ (31,804) | $ 383,694 |

*The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.*

1. Unaudited Condensed Consolidated Financial Statements

In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments, which are normal and recurring in nature, necessary to present fairly the financial position of Seneca Foods Corporation (the "Company") as of December 26, 2015 and results of its operations and its cash flows for the interim periods presented. All significant intercompany transactions and accounts have been eliminated in consolidation. The March 31, 2015 balance sheet was derived from the audited consolidated financial statements.

The results of operations for the three and nine month periods ended December 26, 2015 are not necessarily indicative of the results to be expected for the full year.

The accounting policies followed by the Company are set forth in Note 1 to the Company's Consolidated Financial Statements in the Company's 2015 Annual Report on Form 10-K.

In November 2015, the FASB issued ASU 2015-17, Balance Sheet Classification of Deferred Taxes which requires that all deferred tax liabilities and assets of the same tax jurisdiction or a tax filing group, as well as any related valuation allowance, be offset and be presented as a single noncurrent amount in a classified balance sheet. The Company adopted this standard during the third quarter of fiscal 2016 on a prospective basis. Prior periods were not retrospectively adjusted.

Other footnote disclosures normally included in annual financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted. These unaudited condensed consolidated financial statements should be read in conjunction with the financial statements and notes included in the Company's 2015 Annual Report on Form 10-K.

All references to years are fiscal years ended or ending March 31 unless otherwise indicated. Certain percentage tables may not foot due to rounding.

Reclassifications—Certain previously reported amounts have been reclassified to conform to the current period classification.

On October 30, 2015, the Company, B&G Foods North America ("B&G"), General Mills, Inc. and GMOL entered into a Relationship Transfer Agreement. Pursuant to the terms of the Relationship Transfer Agreement (i) the Company has consented to the assignment by GMOL of the Second Amended and Restated Alliance Agreement ("Alliance Agreement") and certain related agreements to B&G in connection with the sale by GMOL of its Green Giant and Le Sueur businesses to B&G, (ii) effective upon such assignment, each of the Company and General Mills have released the other party from any future obligations under the Alliance Agreement and certain related agreements; (iii) effective upon such assignment, the Company and B&G have agreed to amend certain terms of the Alliance Agreement; (iv) the Company and B&G have agreed to cooperate and negotiate in good faith to enter into new agreements to replace or supplement the Alliance Agreement and certain related agreements as soon as practicable and (v) GMOL has agreed to pay Seneca for this assignment $24,275,000 at the closing of the sale of GMOL's Green Giant and Le Sueur business to B&G. The effective date of the assignment was November 2, 2015.

During the nine months ended December 26, 2015, the Company sold $126,050,000 of Green Giant finished goods inventory to General Mills Operations, LLC ("GMOL") for cash, on a bill and hold basis, as compared to $138,641,000 for the nine months ended December 27, 2014. Under the terms of the bill and hold agreement, title to the specified inventory transferred to GMOL. The Company believes it has met the criteria required for bill and hold treatment.

2. On October 30, 2015, the Company completed the acquisition of 100% of the stock of Gray & Company. The business, based in Hart, Michigan, is a processor of maraschino cherries and a provider of glace or candied fruit products. This acquisition includes a plant in Dayton, Oregon. The purchase price was approximately $23,784,000 (net of cash acquired) plus the assumption of certain liabilities. In conjunction with the closing, the Company paid off $12,034,000 of liabilities acquired. The rationale for the acquisition was twofold: (1) the business is a complementary fit with our existing business and (2) it provides an extension of our product offerings. This acquisition was financed with proceeds from the Company's revolving credit facility. The purchase price to acquire Gray & Company was allocated based on the internally developed preliminary fair value of the assets acquired and liabilities assumed and the preliminary independent valuation of inventory, intangibles, and property, plant, and equipment. The purchase price of $23,784,000 has been allocated as follows (in thousands):

| | | |
|---|---|---|
| Purchase Price (net of cash received) | $ | 23,784 |
| | | |
| Allocated as follows: | | |
| Current assets | $ | 36,256 |
| Intangibles | | 330 |
| Other long-term assets | | 3 |
| Property, plant and equipment | | 15,447 |
| Deferred Taxes | | (8,022) |
| Other long-term liabilities | | (4,323) |
| Current liabilities | | (15,907) |
| Total | $ | 23,784 |

3. First-In, First-Out ("FIFO") based inventory costs exceeded LIFO based inventory costs by $150,818,000 as of the end of the third quarter of fiscal 2016 as compared to $164,269,000 as of the end of the third quarter of fiscal 2015. The change in the LIFO Reserve for the three months ended December 26, 2015 was a decrease of $11,662,000 as compared to an increase of $5,315,000 for the three months ended December 27, 2014. The change in the LIFO Reserve for the nine months ended December 26, 2015 was a decrease of $13,249,000 as compared to an increase of $10,885,000 for the nine months ended December 27, 2014. This reflects the projected impact of an overall cost decrease expected in fiscal 2016 versus an overall cost increase in fiscal 2015.

4. During December 2015, the Company exercised $75,000,000 for the in-season facility and $100,000,000 for the off-season facility of the remaining $150,000,000 accordion feature of its existing revolving credit facility pursuant to the Second Amended and Restated Loan and Security Agreement dated July 20, 2011. Maximum borrowings under the Revolver total $400,000,000 from April through July and $475,000,000 from August through March. The Revolver balance as of December 26, 2015 was $309,211,000 and is included in Current Portion of Long-Term Debt in the accompanying Condensed Consolidated Balance Sheet since the Revolver matures on July 20, 2016. The Company utilizes its Revolver for general corporate purposes, including seasonal working capital needs, to pay debt principal and interest obligations, and to fund capital expenditures and acquisitions. Seasonal working capital needs are affected by the growing cycles of the vegetables and fruits the Company processes. The majority of vegetable and fruit inventories are produced during the months of June through November and are then sold over the following year. Payment terms for vegetable and fruit produce are generally three months but can vary from a few days to seven months. Accordingly, the Company's need to draw on the Revolver may fluctuate significantly throughout the year.

The increase in average amount of Revolver borrowings during the first nine months of fiscal 2016 compared to the first nine months of fiscal 2015 was attributable to the Gray & Company acquisition of $23,784,000 made in the third quarter of fiscal 2016, the $23,100,000 pension contribution made in fiscal 2016 and Inventories which are $84,032,000 higher than the same period last year, partially offset by the $24,275,000 received from General Mills for the agreement assignment to B&G Foods and increased operating results in the first nine months of fiscal 2016 as compared to the first nine months of fiscal 2015.

General terms of the Revolver include payment of interest at LIBOR plus a defined spread.

The following table documents the quantitative data for Revolver borrowings during the third quarter and year-to-date periods of fiscal 2016 and fiscal 2015:

| | Third Quarter | | Year-to-Date | |
|---|---|---|---|---|
| | 2016 | 2015 | 2016 | 2015 |
| | (In thousands) | | (In thousands) | |
| Reported end of period: | | | | |
| Outstanding borrowings | $ 309,211 | $ 255,000 | $ 309,211 | $ 255,000 |
| Weighted average interest rate | 1.82% | 1.91% | 1.82% | 1.91% |
| Reported during the period: | | | | |
| Maximum amount of borrowings | $ 323,980 | $ 323,646 | $ 323,980 | $ 323,646 |
| Average outstanding borrowings | $ 285,576 | $ 273,927 | $ 245,520 | $ 228,730 |
| Weighted average interest rate | 1.90% | 1.57% | 1.93% | 1.52% |

5. During the nine-month period ended December 26, 2015 the Company repurchased 73,844 shares or $2,078,000 of its Class A Common Stock as Treasury Stock and 60 shares or $2,000 of its Class B Common Stock also as Treasury Stock. As of December 26, 2015, there are 2,220,218 shares or $63,358,000 of repurchased stock. These shares are not considered outstanding.

6. The net periodic benefit cost for the Company's pension plan consisted of:

| | Three Months Ended | | Nine Months Ended | |
|---|---|---|---|---|
| | December 26, 2015 | December 27, 2014 | December 26, 2015 | December 27, 2014 |
| | (In thousands) | | | |
| Service Cost | $ 2,473 | $ 2,129 | $ 7,418 | $ 6,386 |
| Interest Cost | 2,226 | 2,059 | 6,677 | 6,177 |
| Expected Return on Plan Assets | (2,769) | (2,841) | (8,306) | (8,520) |
| Amortization of Actuarial Loss | 964 | 88 | 2,891 | 263 |
| Amortization of Transition Asset | 27 | - | 82 | - |
| Net Periodic Benefit Cost | $ 2,921 | $ 1,435 | $ 8,762 | $ 4,306 |

Total contributions of $23,100,000 were made to the Pension Plan during the nine month period ended December 26, 2015 and a contribution of $350,000 was made during the nine month period ended December 27, 2014.

7. The following table summarizes the restructuring charges and related asset impairment charges recorded and the accruals established:

| | Severance | Long-Lived Asset Charges | Other Costs | Total |
|---|---|---|---|---|
| | | (In thousands) | | |
| Balance March 31, 2015 | $ 715 | $ 264 | $ 270 | $ 1,249 |
| First quarter credit | (81) | - | - | (81) |
| Second quarter charge | 15 | - | - | 15 |
| Third quarter charge | 104 | 1,706 | 7,814 | 9,624 |
| Cash payments/write offs | (649) | - | (503) | (1,152) |
| Balance December 26, 2015 | $ 104 | $ 1,970 | $ 7,581 | $ 9,655 |
| | | | | |
| Balance March 31, 2014 | $ 10 | $ - | $ - | $ 10 |
| Third quarter charge | 533 | 316 | 40 | 889 |
| Cash payments/write offs | (8) | - | - | (8) |
| Balance December 27, 2014 | $ 535 | $ 316 | $ 40 | $ 891 |

During the quarter ended December 26, 2015, the Company recorded a restructuring charge of $9,634,000 related to the closing of a plant in the Northwest of which $104,000 was related to severance cost, $1,706,000 was related to asset impairments (contra fixed assets), and $7,824,000 was related to other costs (mostly operating lease costs).

During fiscal 2015, the Company recorded a restructuring charge of $1,376,000 related to the closing of a plant in the Midwest of which $842,000 was related to severance cost, $264,000 was related to equipment costs (contra fixed assets), and $270,000 was related to equipment relocation costs. During the first quarter of fiscal 2016, the Company reduced the severance portion of this accrual by $81,000. During the second quarter of fiscal 2016, the Company increased the severance portion of this accrual by $15,000. During the third quarter of fiscal 2016, the Company decreased the equipment relocation portion of this accrual by $10,000.

8. During the quarter ended December 26, 2015, the Company recorded a gain of $24,275,000 related to a contractual payment received in conjunction with a relationship transfer agreement with General Mills. During the quarter ended December 27, 2014, the Company recorded a gain of $5,000,000 related to a contractual payment received in connection with the closing of a Midwest plant (see Note 7 above). During the quarter ended June 27, 2015, the Company reversed a provision for the Prop 65 litigation of $200,000 and reduced an environmental accrual by $82,000. In addition, during the six months ended September 27, 2014, there was a $250,000 charge related to an environmental remediation. During the nine months ended December 26, 2015 and December 27, 2014, the Company sold some unused fixed assets which resulted in a gain of $43,000 and $89,000, respectively. These gains and the charge are included in other operating income in the Unaudited Condensed Consolidated Statements of Net Earnings.

9. In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The ASU will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. The new standard is effective for the Company on April 1, 2018 (beginning of fiscal 2019). Early adoption is permitted. The standard permits the use of either the retrospective or cumulative effect transition method. The Company is evaluating the effect that ASU 2014-09 will have on its consolidated financial statements and related disclosures. The Company has not yet selected a transition method nor has it determined the effect of the standard on its ongoing financial reporting.

In November 2015, the FASB issued ASU 2015-17, Balance Sheet Classification of Deferred Taxes which requires that all deferred tax liabilities and assets of the same tax jurisdiction or a tax filing group, as well as any related valuation allowance, be offset and be presented as a single noncurrent amount in a classified balance sheet. This standard is effective for the Company for fiscal years beginning after December 15, 2017 (beginning of fiscal 2019). Early adoption is permitted. The Company adopted this standard during the third quarter of fiscal 2016 on a prospective basis. Prior periods were not retrospectively adjusted.

There were no other recently issued accounting pronouncements that impacted the Company's condensed consolidated financial statements. In addition, the Company did not adopt any new accounting pronouncements (other than ASU 2015-17 above) during the quarter ended December 26, 2015.

10. Earnings per share for the Quarters Ended December 26, 2015 and December 27, 2014 are as follows:

| | QUARTER | | YEAR TO DATE | |
|---|---|---|---|---|
| | Fiscal 2016 | Fiscal 2015 | Fiscal 2016 | Fiscal 2015 |
| | (In thousands, except per share amounts) | | | |
| Basic | | | | |
| Net earnings | $ 31,123 | $ 7,819 | $ 40,613 | $ 7,134 |
| Deduct preferred stock dividends paid | 6 | 6 | 17 | 17 |
| Undistributed earnings | 31,117 | 7,813 | 40,596 | 7,117 |
| Earnings attributable to participating preferred | 285 | 102 | 416 | 122 |
| Earnings attributable to common shareholders | $ 30,832 | $ 7,711 | $ 40,180 | $ 6,995 |
| Weighted average common shares outstanding | 9,884 | 10,733 | 9,891 | 10,769 |
| Basic earnings per common share | $ 3.12 | $ 0.72 | $ 4.06 | $ 0.65 |
| Diluted | | | | |
| Earnings attributable to common shareholders | $ 30,832 | $ 7,711 | $ 40,180 | $ 6,995 |
| Add dividends on convertible preferred stock | 5 | 5 | 15 | 15 |
| Earnings attributable to common stock on a diluted basis | $ 30,837 | $ 7,716 | $ 40,195 | $ 7,010 |
| Weighted average common shares outstanding-basic | 9,884 | 10,733 | 9,891 | 10,769 |
| Additional shares issuable related to the equity compensation plan | 2 | 4 | 2 | 4 |
| Additional shares to be issued under full conversion of preferred stock | 67 | 67 | 67 | 67 |
| Total shares for diluted | 9,953 | 10,804 | 9,960 | 10,840 |
| Diluted earnings per common share | $ 3.10 | $ 0.71 | $ 4.04 | $ 0.65 |

11. As required by Accounting Standards Codification ("ASC") 825, "Financial Instruments," the Company estimates the fair values of financial instruments on a quarterly basis. The estimated fair value for long-term debt (classified as Level 2 in the fair value hierarchy) is determined by the quoted market prices for similar debt (comparable to the Company's financial strength) or current rates offered to the Company for debt with the same maturities. Long-term debt, including current portion had a carrying amount of $348,514,000 and an estimated fair value of $349,137,000 as of December 26, 2015. As of March 31, 2015, the carrying amount was $274,164,000 and the estimated fair value was $274,999,000. The fair values of all the other financial instruments approximate their carrying value due to their short-term nature.

12. In June 2010, the Company received a Notice of Violation of the California Safe Drinking Water and Toxic Enforcement Act of 1986, commonly known as Proposition 65, from the Environmental Law Foundation ("ELF"). This notice was made to the California Attorney General and various other government officials, and to 49 companies including Seneca Foods Corporation whom ELF alleges manufactured, distributed or sold packaged peaches, pears, fruit cocktail and fruit juice that contain lead without providing a clear and reasonable warning to consumers. Under California law, proper notice must be made to the State and involved firms at least 60 days before any suit under Proposition 65 may be filed by private litigants like ELF. That 60-day period has expired and to date neither the California Attorney General nor any appropriate district attorney or city attorney has initiated an action against the Company. However, private litigant ELF filed an action against the Company and 27 other named companies on September 28, 2011, in Superior Court of Alameda County, California, alleging violations of Proposition 65 and seeking various measures of relief, including injunctive and declaratory relief and civil penalties. The Company, along with the other named companies, vigorously defended the claim. A responsive answer was filed, the discovery process was completed and a trial on liability was held beginning in April of 2013 in accordance with court schedules. The trial was completed on May 16, 2013 and, on July 15, 2013 the judge issued a tentative and proposed statement of decision agreeing with the Company, and the other defendants, that the "safe harbor" defense had been met under the regulations relating to Proposition 65 and the Company will not be required to place a Proposition 65 warning label on the products at issue in the case. The trial decision was finalized and the decision was appealed by ELF with a filing dated October 3, 2013. The California Court of Appeal, First Appellate District, Division One unanimously rejected the appeal by ELF in a decision dated March 17, 2015. ELF filed a petition for review with the California Supreme Court on April 28, 2015, and the petition was denied on July 8, 2015. With the successful defense of the case, the remedies portion of the case was not litigated and the denial of review by the California Supreme Court effectively ends the action, with only a few procedural matters to clean-up as a result of the denial of review. Our portion of legal fees in defense of this action have been sizable, as would be expected with litigation resulting in trial, and the appeal, but have not had a material adverse impact on the Company's financial position, results of operations, or cash flows. Additionally, in the ordinary course of its business, the Company is made party to certain legal proceedings seeking monetary damages, including proceedings invoking product liability claims, either directly or through indemnification obligations, and we are not able to predict the probability of the outcome or estimate of loss, if any, related to any such matter.

13. The effective tax rate was 32.9% and 24.6% for the nine month periods ended December 26, 2015 and December 27, 2014, respectively. The 8.3 percentage point increase in the effective tax rate represents an increase in tax expense as a percentage of book income when compared to the same period last year. The major contributor to this increase is with the federal credits for R & D, WOTC and fuel. These credits are largely fixed and with the significant increase in pre-tax earnings for the nine months ended December 26, 2015, these credits are a smaller percentage of pre-tax earnings in comparison to the nine months ended December 27, 2014. This accounts for 5.9 percent of the increase.

14. During fiscal 2016 and 2015, the Company entered into some interim lease notes which financed down payments for various equipment orders at market rates. As of December 26, 2015, some of these interim notes had not been converted into operating leases since the equipment was not placed in service. These notes, which total $402,000 and $5,989,000 as of December 26, 2015 and December 27, 2014, respectively, are included in Notes Payable in the accompanying Condensed Consolidated Balance Sheets. These notes are expected to be converted into operating leases within the next twelve months.

Seneca Foods Corporation (the "Company") is a 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. Its products are sold under private label as well as national and regional brands that the Company owns or licenses, including Seneca®, Libby's®, Aunt Nellie's®, READ® and Seneca Farms®. The Company's canned fruits and vegetables are sold nationwide by major grocery outlets, including supermarkets, mass merchandisers, limited assortment stores, club stores and dollar stores. The Company also sells its products to foodservice distributors, industrial markets, other food processors, export customers in over 90 countries and federal, state and local governments for school and other food programs. In addition, 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.

The Company's raw product is harvested mainly between June through November.

**Results of Operations:**

Sales:

Third fiscal quarter 2016 results include net sales of $432,198,000, which represents a 5.3% decrease, or $24,009,000, from the third quarter of fiscal 2015. The decrease in sales is attributable to a sales volume decrease of $44,045,000 partially offset by higher selling prices/sales mix of $20,036,000. The decrease in sales is primarily from a $10,759,000 decrease in GMOL sales, an $8,050,000 decrease in Canned Fruit sales, a $5,859,000 decrease in Canned Vegetable sales and a $2,059,000 decrease in Other sales partially offset by a $2,750,000 increase in Frozen sales. Canned Fruit sales include $11,039,000 from Gray & Company sales which was acquired during the third fiscal quarter of 2016.

Nine months ended December 26, 2015 include net sales of $971,658,000, which represents a 3.6% decrease, or $36,753,000, from the first nine months of fiscal 2015. The decrease in sales is attributable to a sales volume decrease of $63,566,000 partially offset by higher selling prices/sales mix of $26,813,000. The decrease in sales is primarily from a $14,019,000 decrease in Canned Fruit sales, a $17,878,000 decrease in GMOL sales, a $1,340,000 decrease in Canned Vegetable sales and a $414,000 decrease in Frozen sales and a $3,384,000 decrease in Other sales.

The following table presents sales by product category (in millions):

| | Three Months Ended | | Nine Months Ended | |
|---|---|---|---|---|
| | December 26, 2015 | December 27, 2014 | December 26, 2015 | December 27, 2014 |
| Canned Vegetables | $ 239.3 | $ 245.1 | $ 574.5 | $ 575.8 |
| Green Giant Alliance | 94.7 | 105.5 | 142.3 | 160.1 |
| Frozen | 26.2 | 23.4 | 70.3 | 70.7 |
| Fruit Products | 63.9 | 71.9 | 158.5 | 172.5 |
| Snack | 2.6 | 2.7 | 9.3 | 9.0 |
| Other | 5.5 | 7.6 | 16.8 | 20.3 |
| | $ 432.2 | $ 456.2 | $ 971.7 | $ 1,008.4 |

Operating Income:

The following table presents components of operating income as a percentage of net sales:

| | Three Months Ended | | Nine Months Ended | |
|---|---|---|---|---|
| | December 26, 2015 | December 27, 2014 | December 26, 2015 | December 27, 2014 |
| Gross Margin | 12.3% | 5.7% | 10.5% | 5.9% |
| | | | | |
| Selling | 2.4% | 2.3% | 2.8% | 2.7% |
| Administrative | 2.2% | 1.8% | 2.6% | 2.3% |
| Restructuring | 2.2% | 0.2% | 1.0% | 0.1% |
| Other Operating Income | -5.6% | -1.1% | -2.5% | -0.5% |
| | | | | |
| Operating Income | 11.1% | 2.5% | 6.6% | 1.3% |
| | | | | |
| Interest Expense, Net | 0.4% | 0.3% | 0.5% | 0.4% |

For the three month period ended December 26, 2015, the gross margin increased from the prior year quarter from 5.7% to 12.3% due primarily to higher net selling prices (after considering promotions) in the current year as compared to the prior year. The LIFO credit for the third quarter ended December 26, 2015 was $11,662,000 as compared to $5,315,000 charge for the third quarter ended December 27, 2014 and reflects the impact on the current quarter of the current decreased inflationary cost increases expected in fiscal 2016, compared to fiscal 2015. On an after-tax basis, LIFO increased net earnings by $7,580,000 for the quarter ended December 26, 2015 and decreased net earnings by $3,455,000 for the quarter ended December 27, 2014, based on the statutory federal income tax rate.

For the nine month period ended December 26, 2015, the gross margin increased from the prior year period from 5.9% to 10.5% due primarily to higher net selling prices (after considering promotions) compared to the prior year, and a LIFO credit in the current year as compared to a charge in the prior year. The LIFO credit for the nine months ended December 26, 2015 was $13,249,000 as compared to a charge of $10,885,000 for the nine months ended December 27, 2014 and reflects the impact on the nine months of decreased inflationary cost increases expected in fiscal 2016, compared to fiscal 2015. On an after-tax basis, LIFO increased net earnings by $8,612,000 for the nine months ended December 26, 2015 and decreased net earnings by $7,075,000 for the nine months ended December 27, 2014, based on the statutory federal income tax rate.

For the three month period ended December 26, 2015, selling costs as a percentage of sales increased slightly from 2.3% to 2.4% from the same period in the prior year. For the nine month period ended December 26, 2015, selling costs as a percentage of sales increased slightly from 2.7% to 2.8% from the same period in the prior year.

For the three month period ended December 26, 2015, administrative expense as a percentage of sales increased from 1.8% to 2.2% compared to the same period in the prior year. For the nine month period ended December 26, 2015, administrative expense as a percentage of sales increased from 2.3% for the third quarter ended December 27, 2014 to 2.6%. Administrative expense increased for the nine month period ended December 26, 2015 as a percentage of sales due primarily to lower net sales in the current year as compared to the same period in the prior year and higher employment costs in fiscal 2016.

During the quarter ended December 26, 2015, the Company recorded a restructuring charge of $9,634,000 related to the closing of a plant in the Northwest of which $104,000 was related to severance cost, $1,706,000 was related to equipment costs (contra fixed assets), and $7,824,000 was related to other costs (mostly operating lease costs).

During fiscal 2015, the Company recorded a restructuring charge of $1,376,000 related to the closing of a plant in the Midwest of which $842,000 was related to severance cost, $264,000 was related to equipment costs (contra fixed assets), and $270,000 was related to equipment relocation costs. During the first quarter of fiscal 2016, the Company reduced the severance portion of this accrual by $81,000. During the second quarter of fiscal 2016, the Company increased the severance portion of this accrual by $15,000. During the third quarter of fiscal 2016, the Company decreased the equipment relocation portion of this accrual by $10,000.

During the quarter ended December 26, 2015, the Company recorded a gain of $24,275,000 related to a contractual payment received in conjunction with a relationship transfer agreement with General Mills. During the quarter ended December 27, 2014, the Company recorded a gain of $5,000,000 related to a contractual payment received in connection with the closing of a Midwest plant. During the quarter ended June 27, 2015, the Company reversed a provision for the Prop 65 litigation of $200,000 and reduced an environmental accrual by $82,000. In addition, during the six months ended September 27, 2014, there was a $250,000 charge related to an environmental remediation. During the nine months ended December 26, 2015 and December 27, 2014, the Company sold some unused fixed assets which resulted in a gain of $43,000 and $89,000, respectively. These gains and the charge are included in other operating income in the Unaudited Condensed Consolidated Statements of Net Earnings.

Interest expense for the three months ended December 26, 2015, as a percentage of sales, increased from 0.3% to 0.4% from the three months ended December 27, 2014. Interest expense for the nine months ended December 26, 2015, as a percentage of sales, increased from 0.4% to 0.5% from the third quarter ended December 27, 2014. This increase was due to higher interest expense related to the Company's Revolver partially offset by decreased long-term debt interest attributable to scheduled debt payments.

Income Taxes:

The effective tax rate was 32.9% and 24.6% for the nine month periods ended December 26, 2015 and December 27, 2014, respectively. The 8.3 percentage point increase in the effective tax rate represents an increase in tax expense as a percentage of book income when compared to the same period last year. The major contributor to this increase is with the federal credits for R & D, WOTC and fuel. These credits are largely fixed and with the significant increase in pre-tax earnings for the nine months ended December 26, 2015, these credits are a smaller percentage of pre-tax earnings in comparison to the nine months ended December 27, 2014. This accounts for 5.9 percent of the increase.

Earnings per Share:

Basic earnings per share was $3.12 and $0.72 for the three months ended December 26, 2015 and December 27, 2014, respectively. Diluted earnings per share was $3.10 and $0.71 for the three months ended December 26, 2015 and December 27, 2014, respectively. Basic earnings per share was $4.06 and $0.65 for the nine months ended December 26, 2015 and December 27, 2014, respectively. Diluted earnings per share was $4.04 and $0.65 for the nine months ended December 26, 2015 and December 27, 2014, respectively. For details of the calculation of these amounts, refer to footnote 10 of the Notes to Condensed Consolidated Financial Statements.

**Liquidity and Capital Resources:**

The financial condition of the Company is summarized in the following table and explanatory review:

| | December 26, 2015 | December 27, 2014 | March 31, 2015 | March 31, 2014 |
|---|---|---|---|---|
| Working capital: | | | | |
| Balance | $ 256,870 | $ 509,751 | $ 463,545 | $ 452,771 |
| Change during quarter | 9,764 | (39,999) | | |
| Long-term debt, less current portion | 36,650 | 294,303 | 271,634 | 216,239 |
| Total stockholders' equity per equivalent common share (see Note) | 38.90 | 35.80 | 34.81 | 35.25 |
| Stockholders' equity per common share | 39.39 | 36.30 | 35.33 | 36.12 |
| Current ratio | 1.53 | 4.12 | 4.75 | 4.45 |

Note: Equivalent common shares are either common shares or, for convertible preferred shares, the number of common shares that the preferred shares are convertible into. See Note 7 of the Notes to Consolidated Financial Statements of the Company's 2015 Annual Report on Form 10-K for conversion details.

As shown in the Condensed Consolidated Statements of Cash Flows, net cash used in operating activities was $12,465,000 in the first nine months of fiscal 2016, compared to net cash used in operating activities of $15,832,000 in the first nine months of fiscal 2015. The $3,367,000 decrease in cash used is primarily attributable to increased net earnings of $33,479,000 as previously discussed, a $8,669,000 increase in the impairment provision, a $8,433,000 increase in cash provided by income taxes, a $4,772,000 decrease is cash used by deferred taxes, a $3,969,000 increase in cash provided by other current assets, partially offset by a $34,499,000 higher increase in inventory in the first nine months of fiscal 2016 as compared to the first nine months of fiscal 2015, a $17,092,000 decrease in the cash provided by Accounts Payable, Accrued Expenses and Other Liabilities, and a $4,162,000 decrease in cash provided by accounts receivable.

As compared to December 27, 2014, inventory increased $84,032,000 to $631,181,000 at December 26, 2015. The components of the inventory increase reflect a $76,427,000 increase in finished goods, a $2,952,000 decrease in work in process and a $10,557,000 increase in raw materials and supplies. The finished goods increase reflects higher inventory quantities and decreased sales volume as compared to the prior year. The raw materials and supplies increase is primarily due to an increase in cans and raw steel quantities compared to the prior year. FIFO based inventory costs exceeded LIFO based inventory costs by $150,818,000 as of the end of the third quarter of 2016 as compared to $164,269,000 as of the end of the third quarter of 2015.

Cash used in investing activities was $30,024,000 in the first nine months of fiscal 2016 compared to cash used in investing activities of $37,887,000 in the first nine months of fiscal 2015. Additions to property, plant and equipment were $6,396,000 in the first nine months of fiscal 2016 as compared to $21,905,000 in the first nine months of fiscal 2015. In October 2015, the Company acquired Gray & Company for $23,784,000. In April 2014, the Company purchased a 50% equity interest in Truitt Bros. Inc. for $16,308,000.

Cash provided by financing activities was $50,910,000 in the first nine months of fiscal 2016, which included borrowings of $301,232,000 and the repayment of $238,871,000 of long-term debt, principally consisting of borrowing and repayment on the revolving credit facility ("Revolver"). Other than borrowings under the Revolver, there was no new long-term debt during the first nine months of fiscal 2016. In addition, the Company paid down Notes Payable of $9,501,000 during the nine month period ended December 26, 2015 related to some interim notes which became operating leases. During the nine months ended December 27, 2014, the Company repurchased $9,201,000 of its Class A Common Stock as treasury stock.

During December 2015, the Company exercised $75 million for the in-season facility and $100 million for the off-season facility of the remaining $150 million accordion feature of its existing revolving credit facility pursuant to the Second Amended and Restated Loan and Security Agreement dated July 20, 2011. Maximum borrowings under the Revolver total $400,000,000 from April through July and $475,000,000 from August through March. The interest rate on the Revolver is based on LIBOR plus an applicable margin based on excess availability and the Company's fixed charge coverage ratio. As of December 26, 2015, the interest rate was approximately 1.82% on a balance of $309,211,000. We believe that cash flows from operations, availability under our Revolver and other financing sources will provide adequate funds for our working capital needs, planned capital expenditures, and debt obligations for at least the next 12 months.

The Company's credit facilities contain standard representations and warranties, events of default, and certain affirmative and negative covenants, including various financial covenants. At December 26, 2015, the Company was in compliance with all such financial covenants.

During December 2015, the Company exercised $75 million for the in-season facility and $100 million for the off-season facility of the remaining $150 million accordion feature of its existing revolving credit facility pursuant to the Second Amended and Restated Loan and Security Agreement dated July 20, 2011.  Maximum borrowings under the Revolver total $400,000,000 from April through July and $475,000,000 from August through March.  The interest rate on the Revolver is based on LIBOR plus an applicable margin based on excess availability and the Company's fixed charge coverage ratio.  As of December 26, 2015, the interest rate was approximately 1.82% on a balance of $309,211,000.  We believe that cash flows from operations, availability under our Revolver and other financing sources will provide adequate funds for our working capital needs, planned capital expenditures, and debt obligations for at least the next 12 months.

The Company's credit facilities contain standard representations and warranties, events of default, and certain affirmative and negative covenants, including various financial covenants.  At December 26, 2015, the Company was in compliance with all such financial covenants.

**New Accounting Standards**

Refer to footnote 9 of the Notes to Condensed Consolidated Financial Statements.

**Seasonality**

The Company's revenues are typically higher in the second and third fiscal quarters. This is due in part because the Company sells, on a bill and hold basis, Green Giant canned and frozen vegetables to B&G at the end of each pack cycle, which typically occurs during these quarters.  B&G buys the product from the Company at cost plus a specified fee for each equivalent case.  See the Critical Accounting Policies section below for further details.  The Company's non-Green Giant sales also exhibit seasonality with the third fiscal quarter generating the highest retail sales due to holidays that occur during that quarter.

**Forward-Looking Information**

The information contained in this report contains, or may contain, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995.  These statements appear in a number of places in this report and include statements regarding the intent, belief or current expectations of the Company or its officers (including statements preceded by, followed by or that include the words "believes," "expects," "anticipates" or similar expressions) with respect to various matters, including (i) the Company's anticipated needs for, and the availability of, cash, (ii) the Company's liquidity and financing plans, (iii) the Company's ability to successfully integrate acquisitions into its operations, (iv) trends affecting the Company's financial condition or results of operations, including anticipated sales price levels and anticipated expense levels, in particular higher production, fuel and transportation costs, (v) the Company's plans for expansion of its business (including through acquisitions) and cost savings, and (vi) the impact of competition.

Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements.  Investors are cautioned not to place undue reliance on such statements, which speak only as of the date the statements were made.  Among the factors that could cause actual results to differ materially are:

- general economic and business conditions;
- cost and availability of commodities and other raw materials such as vegetables, steel and packaging materials;
- transportation costs;
- climate and weather affecting growing conditions and crop yields;
- the availability of financing;
- leverage and the Company's ability to service and reduce its debt;
- foreign currency exchange and interest rate fluctuations;
- effectiveness of the Company's marketing and trade promotion programs;
- changing consumer preferences;
- competition;
- product liability claims;
- the loss of significant customers or a substantial reduction in orders from these customers;
- changes in, or the failure or inability to comply with, U.S., foreign and local governmental regulations, including environmental and health and safety regulations; and
- other risks detailed from time to time in the reports filed by the Company with the SEC.

Except for ongoing obligations to disclose material information as required by the federal securities laws, the Company does not undertake any obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of the filing of this report or to reflect the occurrence of unanticipated events.

**Critical Accounting Policies**

On October 30, 2015, the Company, B&G Foods North America ("B&G"), General Mills, Inc. and GMOL entered into a Relationship Transfer Agreement. Pursuant to the terms of the Relationship Transfer Agreement (i) the Company has consented to the assignment by GMOL of the Second Amended and Restated Alliance Agreement ("Alliance Agreement") and certain related agreements to B&G in connection with the sale by GMOL of its Green Giant and Le Sueur businesses to B&G, (ii) effective upon such assignment, each of the Company and General Mills have released the other party from any future obligations under the Alliance Agreement and certain related agreements; (iii) effective upon such assignment, the Company and B&G have agreed to amend certain terms of the Alliance Agreement; (iv) the Company and B&G have agreed to cooperate and negotiate in good faith to enter into new agreements to replace or supplement the Alliance Agreement and certain related agreements as soon as practicable and (v) GMOL has agreed to pay Seneca for this assignment $24,275,000 at the closing of the sale of GMOL's Green Giant and Le Sueur business to B&G. The effective date of the assignment was November 2, 2015.

During the nine months ended December 26, 2015, the Company sold $126,050,000 of Green Giant finished goods inventory to General Mills Operations, LLC ("GMOL") for cash, on a bill and hold basis, as compared to $138,641,000 for the nine months ended December 27, 2014. Under the terms of the bill and hold agreement, title to the specified inventory transferred to GMOL. The Company believes it has met the revenue recognition criteria required for bill and hold treatment.

Trade promotions are an important component of the sales and marketing of the Company's branded products, and are critical to the support of the business. Trade promotion costs, which are recorded as a reduction of net sales, include amounts paid to encourage retailers to offer temporary price reductions for the sale of our products to consumers, amounts paid to obtain favorable display positions in retailers' stores, and amounts paid to retailers for shelf space in retail stores. Accruals for trade promotions are recorded primarily at the time of sale of product to the retailer based on expected levels of performance. Settlement of these liabilities typically occurs in subsequent periods primarily through an authorized process for deductions taken by a retailer from amounts otherwise due to us. As a result, the ultimate cost of a trade promotion program is dependent on the relative success of the events and the actions and level of deductions taken by retailers for amounts they consider due to them. Final determination of the permissible deductions may take extended periods of time.

The Company assesses its long-lived assets for impairment whenever there is an indicator of impairment. Property, plant, and equipment are depreciated over their assigned lives. The assigned lives and the projected cash flows used to test impairment are subjective. If actual lives are shorter than anticipated or if future cash flows are less than anticipated, a future impairment charge or a loss on disposal of the assets could be incurred. Impairment losses are evaluated if the estimated undiscounted value of the cash flows is less than the carrying value. If such is the case, a loss is recognized when the carrying value of an asset exceeds its fair value.

## ITEM 3 Quantitative and Qualitative Disclosures About Market Risk

In the ordinary course of business, the Company is exposed to various market risk factors, including changes in general economic conditions, competition and raw material pricing and availability. In addition, the Company is exposed to fluctuations in interest rates, primarily related to its revolving credit facility. To manage interest rate risk, the Company uses both fixed and variable interest rate debt. There have been no material changes to the Company's exposure to market risk since March 31, 2015.

ITEM 4 Controls and Procedures

The Company maintains a system of internal and disclosure controls and procedures designed to ensure that information required to be disclosed in reports filed or submitted under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported on a timely basis. The Company's Board of Directors, operating through its Audit Committee, which is composed entirely of independent outside directors, provides oversight to the financial reporting process.

An evaluation was performed under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities and Exchange Act of 1934, as amended) as of the end of the period covered by this report. Based upon that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that, as of December 26, 2015, our disclosure controls and procedures were effective. The Company continues to examine, refine and formalize its disclosure controls and procedures and to monitor ongoing developments in this area.

There have been no changes during the period covered by this report to the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 1. Legal Proceedings

Refer to footnote 12 to the Condensed Consolidated Financial Statements included in Part I Item 1 of this Form 10-Q.

Item 1A. Risk Factors

There have been no material changes to the risk factors disclosed in the Company's Form 10-K for the period ended March 31, 2015.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

| 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 | Maximum Number (or Approximate Dollar Value) or Shares that May Yet Be Purchased Under the Plans or Programs |
|---|---|---|---|---|---|---|
| | Class A Common | Class B Common | Class A Common | Class B Common | | |
| 10/01/15 – 10/31/15 | - | - | $ - | $ - | - | - |
| 11/01/15 – 11/30/15 | 2,018 | - | 27.01 | - | - | - |
| 12/01/15 – 12/31/15 | 14,426 | - | 27.02 | - | - | - |
| Total | 16,444 | - | $ 27.02 | $ - | - | 1,267,354 |

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

None.

Item 6. Exhibits

10.1 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 (filed herewith).

10.2 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 (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 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 Quarterly Report on Form 10-Q for the three and nine months ended December 26, 2015, formatted in XBRL (eXtensible Business Reporting Language): (i) condensed consolidated balance sheets, (ii) condensed consolidated statements of net earnings (loss), (iii) condensed consolidated statements of comprehensive income (loss), (iv) condensed consolidated statements of cash flows, (v) condensed consolidated statement of stockholders' equity and (vi) the notes to condensed consolidated financial statements. |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Seneca Foods Corporation
(Company)

| | |
|---|---|
| February 2, 2016 | /s/Kraig H. Kayser<br><br>Kraig H. Kayser<br>President and<br>Chief Executive Officer |
| February 2, 2016 | /s/Timothy J. Benjamin<br><br>Timothy J. Benjamin<br>Chief Financial Officer |

**EXHIBIT 10.1**

**EIGHTH AMENDMENT AGREEMENT**

**EIGHTH AMENDMENT AGREEMENT** (this "**Agreement**") dated as of November 2, 2015 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, and by that certain Seventh Amendment Agreement dated as of November 6, 2014 (as further amended, the "**Loan and Security Agreement**").

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

**WHEREAS**, the Borrowers have requested that the Lenders agree with the Borrowers to amend certain other provisions of the Loan and Security Agreement; and

**WHEREAS**, the 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.** **<u>Definitions</u>**. Capitalized terms used herein without definition that are defined in the Loan and Security Agreement shall have the same meanings herein as therein.

**§2.** **<u>Ratification of Existing Agreements</u>**. 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.** **<u>Representations and Warranties</u>**. 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.** **<u>Conditions Precedent</u>**. 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) <u>Representations and Warranties</u>. 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) <u>Performance; No Event of Default</u>. 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) <u>Fees and Expenses</u>.

(i) <u>Amendment Fee</u>. The Borrowers shall have paid to the Agent, for the benefit of each Lender that has executed and delivered a counterpart to this Agreement, by wire transfer of immediately available funds, an amendment fee for each such Lender equal to 0.025% of such Lender's Commitment.

(ii) <u>Other Fees and Expenses</u>. The Borrowers shall have paid to the Agent the reasonable fees and expenses of counsel to the Agent in connection with the preparation of this Agreement.

(d) <u>Delivery</u>. The Obligors, the Agent, the Issuing Bank and the Required Lenders shall have executed and delivered this Agreement.

(e) <u>Other Documents</u>. 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.** **<u>Amendment to the Loan and Security Agreement</u>**.

(a) <u>Amendment to Section 1.1 of the Loan and Security Agreement</u>. The defined terms "Adverse GMOL Event", "Alliance Security Agreement", and "Green Giant Inventory" in Section 1.1 of the Loan and Security Agreement are each hereby deleted in their entirety.

(b) <u>Amendment to Section 1.1 of the Loan and Security Agreement</u>. The defined term "Security Documents" in Section 1.1 of the Loan and Security Agreement is hereby amended by deleting the phrase "the Alliance Security Agreement" included therein.

(c) <u>Amendment to Section 7.1 of the Loan and Security Agreement</u>. The proviso in Section 7.1 of the Loan and Security Agreement is hereby deleted in its entirety.

(d) <u>Amendment to Section 9.1.24 of the Loan and Security Agreement</u>. Section 9.1.24 of the Loan and Security Agreement is hereby amended and restated in its entirety to read as follows: "9.1.24[Intentionally Omitted].".

(e) Amendment to Section 10.1.3(c) of the Loan and Security Agreement. Clause (c) of Section 10.1.3 of the Loan and Security Agreement is hereby amended and restated in its entirety to read as follows:

"(c) any other default under or termination for cause of a Material Contract;"

(f) Amendment to Section 10.1.3(l) of the Loan and Security Agreement. Clause (l) of Section 10.1.3 of the Loan and Security Agreement is hereby amended and restated in its entirety to read as follows:

"(l) the receipt or delivery of any material notices that any Borrower or any Subsidiary of a Borrower gives or receives under or in connection with (i) PACA or any PACA Claim being asserted, or (iii) any claim of any Lien under the California Producer's Lien Law."

(g) Amendment to Section 10.2.2 of the Loan and Security Agreement. Clause (k) of Section 10.2.2 of the Loan and Security Agreement is hereby amended and restated in its entirety to read as follows: "(k) [intentionally omitted];".

(h) Amendment to Section 12.1 of the Loan and Security Agreement. Clause (o) of Section 12.1 of the Loan and Security Agreement is hereby amended and restated in its entirety to read as follows: "(o) [intentionally omitted];".

(k) Schedule 9.1.20 to the Loan and Security Agreement is hereby amended by deleting such Schedule in its entirety and replacing it with Schedule 9.1.20 attached hereto.

**§6. Termination of Security Interest and Lien under Alliance Security Agreement**. For the avoidance of doubt, the Collateral Agent hereby terminates and releases (and is hereby directed by the Lenders to so terminate and release) its security interest and Lien on the Assigned Collateral and Alliance Collateral as each such term is defined in the Alliance Security Agreement.

**§7. 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 Eighth 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: Treasurer

**SENECA FOODS, LLC**

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

**MARION FOODS, INC.**

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

**LEBANON VALLEY COLD STORAGE, LLC**

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

**LEBANON VALLEY COLD STORAGE, LP**
**By: Lebanon Valley Cold Storage, LLC,**
**Its General Partner**

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

**GREEN VALLEY FOODS, LLC**

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

**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: Senior Vice President

**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/John D. Bobbin
Name: John D. Bobbin
Title: Senior Vice President

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

By: /s/Claire Laury
Name: Clarie Laury
Title: Executive Director

By: /s/Sandra Salazar
Name: Sandra Salazar
Title: Vice President

**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

**GE ASSET BASED MASTER NOTE, LLC,** as a Lender

By: /Philip F. Carfora
Name: Philip F. Carfora
Title: Duly Authorized Signatory

Exhibit 10.2

**NINTH AMENDMENT AGREEMENT**

**NINTH AMENDMENT AGREEMENT** (this "**Agreement**") dated as of December 23, 2015 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 and by that certain Eighth Amendment Agreement dated as of November 2, 2015 (as further amended, the "**Loan and Security Agreement**").

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

**WHEREAS**, Section 2.1.7 of the Loan and Security provides that the Borrowers may request increases in Commitments from time to time in the aggregate amount not to exceed $200,000,000;

**WHEREAS**; prior to the date of this Agreement, Borrowers have previously requested $50,000,000 in the aggregate principal amount of increases to the Commitments pursuant to Section 2.1.7 of the Loan and Security Agreement;

**WHEREAS**, pursuant to this Agreement, Borrowers have requested that the Lenders agree to amend certain provisions of the Loan and Security Agreement in order to, among other things, provide for an additional increase in Commitments pursuant to Section 2.1.7 of the Loan and Security Agreement in the aggregate principal amount of $75,000,000 (the "**Commitment Increase**"); and

**WHEREAS**, the 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.

(i) This Agreement. The Obligors, the Agent, the Issuing Bank, the Required Lenders and each other Lender whose Commitment is being increased under this Agreement shall have executed and delivered this Agreement.

(ii) Notes. Notes shall have been executed by the Borrowers and delivered to each Lender that requests the issuance of a new Note.

(iii) Officer's Certificates. The Agent shall have received a certificate of a duly authorized officer of each Obligor (A) certifying that (1) attached copies of such Obligor's Organic Documents are true and complete, and in full force and effect, without amendment except as shown or (2) there have been no changes to such Organic Documents since the Effective Date; (B) certifying that an attached copy of resolutions authorizing execution and delivery of this Agreement is true and complete, and that such resolutions are in full force and effect, were duly adopted, have not been amended, modified or revoked, and constitute all resolutions adopted with respect to this Agreement; (C) certifying to the title, name and signature of each Person authorized to sign this Agreement; and (D) attaching a good standing certificate for such Obligor, issued by the Secretary of State or other appropriate official of such Obligor's jurisdiction of organization.

(iv) Senior Officer's Certificates. The Agent shall have received certificates, in form and substance satisfactory to it, from a knowledgeable Senior Officer of each Borrower certifying that, as of the date hereof after giving effect to the Commitment Increase and the transactions hereunder, (i) no Default or Event of Default exists; (ii) the representations and warranties of each Obligor in the Loan Documents are true and correct (except for representations and warranties that expressly relate to an earlier date); (iii) all conditions precedent in any other Loan Document have been satisfied; and (iv) no event has occurred or circumstance exists that has or could reasonably be expected to have a Material Adverse Effect.

(v) 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**. In accordance with Section 2.1.7 of the Loan and Security Agreement, Schedule 1.1 to the Loan and Security Agreement is hereby amended by deleting such Schedule 1.1 in its entirety and replacing it with the Schedule 1.1 attached hereto. After giving effect to such increase in the Commitments, Borrowers may request additional increases in Commitments not to exceed $75,000,000 in the aggregate.

**§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 Ninth 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: Treasurer

**SENECA FOODS, LLC**

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

**MARION FOODS, INC.**

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

**LEBANON VALLEY COLD STORAGE, LLC**

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

**LEBANON VALLEY COLD STORAGE, LP**
**By: Lebanon Valley Cold Storage, LLC,**
**Its General Partner**

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

**GREEN VALLEY FOODS, LLC**

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

**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: Senior Vice President

**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/John D. Bobbin
Name: John D. Bobbin
Title: Senior Vice President

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

By: /s/Claire Laury
Name: Clarie Laury
Title: Executive Director

By: /s/Adriaan Weststrate
Name: Adriaan Weststrate
Title: Managing Director

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

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

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

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

-

**CF LENDING, LLC,** as a Lender

By: /Philip F. Carfora
Name: Philip F. Carfora
Title: Duly Authorized Signatory

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

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

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

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

**SCHEDULE 1.1**
to
Second Amended and Restated Loan and Security Agreement

**COMMITMENTS OF LENDERS**

| **Lender** | **Commitment for the period from April 1 through and including July 31 of each year** | **Commitment for the period from August 1 through and including March 31 of each year** | **Percentage of Aggregate Commitments of all Lenders** |
|---|---|---|---|
| Bank of America, N.A. | $ 106,073,684 | $ 125,962,500 | 26.51842% |
| Citizens Business Capital, a division of Citizens Asset Finance, Inc. | $ 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% |
| CF Lending, LLC | $ 18,000,000 | $ 21,375,000 | 4.50000% |
| **Total** | $ 400,000,000 | $ 475,000,000 | 100% |

EXHIBIT 31.1

CERTIFICATION

I, Kraig H. Kayser, certify that:

1. I have reviewed this quarterly report on Form 10-Q 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: February 2, 2016

By: /s/Kraig H. Kayser

Kraig H. Kayser
President and Chief Executive
Officer

EXHIBIT 31.2

CERTIFICATION

I, Timothy J. Benjamin, certify that:

1. I have reviewed this quarterly report on Form 10-Q 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.

By: /s/Timothy J. Benjamin

Dated: February 2, 2016

Timothy J. Benjamin
Chief Financial Officer

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 Quarterly Report of Seneca Foods Corporation (the "Registrant") on Form 10-Q for the period ended December 26, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Kraig H. Kayser, 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.

/s/Kraig H. Kayser
Kraig H. Kayser
Chief Executive Officer

February 2, 2016

/s/ Timothy J. Benjamin
Timothy J. Benjamin
Chief Financial Officer

February 2, 2016