

AGENT AGREEMENT

THIS AGENT AGREEMENT, made as of the 27th day of March, 2013, by and between the **CAYUGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation duly existing under the laws of the State of New York (the "State") with offices at the County Office Building, 160 Genesee Street, 5th Floor, Auburn, New York 13021 (the "Agency") and **CAYUGA MILK INGREDIENTS, LLC**, a domestic limited liability company duly formed and validly existing under the laws of the State of New York with offices at 2498 Angling Road, Aurora, New York 13026 (the "Company").

WITNESSETH:

WHEREAS, the Agency was created by Chapter 688 of the Laws of 1970 of the State of New York pursuant to Title I of Article 18-A of the General Municipal Law ("GML") of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, **CAYUGA MARKETING, L.L.C.**, for itself or on behalf of an entity to be formed, previously submitted an application (the "Application") to the Agency requesting that the Agency consider undertaking a Project (the "Project") consisting of (A) the sale or lease by the Agency to the Company of an approximately 25-acre parcel of land located off Eagle Drive within the Agency-owned Cayuga County Industrial Park (the "Park"), Town of Aurelius, Cayuga County, New York (the "Land", being all or portions of former TMID Nos. 114.00-3-2, 114.00-3-3, 114.00-3-06 and 114.00-3-7, as merged into new TMID No. 114.00-3-2.1, as further defined herein); (B) the planning, design, construction and operation on the Land by the Company of an approximately 108,000 square-foot dairy ingredients processing facility (the "Improvements"); (C) the acquisition and installation in and around the Improvements of certain machinery, equipment and other items of tangible personal property (the "Equipment"); (D) the planning, design, construction and operation on the Land by the Company of certain wastewater treatment and solid waste disposal building improvements and related equipment to serve the Improvements (the "Treatment Facility", and collectively with the Land, Improvements and the Equipment, the "Facility"); (E) at the election of the Company, the issuance by the Agency of its Exempt Facility Revenue Bonds (Cayuga Marketing, L.L.C. Project) in a principal amount not to exceed \$30,000,000 (the "Bonds") for the purpose of financing the Treatment Facility in accordance with applicable provisions of the Internal Revenue Code (the "Code") relating to sewer treatment and solid waste disposal; (F) paying certain costs and expenses incidental to the issuance of the Bonds and/or establishment of debt service reserve funds (the costs associated with item (D) above being hereinafter collectively referred to as the "Treatment Facility Costs"); and (G) the lease (with an obligation to purchase) or sale of the Agency's interest in the Facility back to the Company; and

WHEREAS, by resolutions dated September 25, 2012 and February 19, 2013 (collectively, the "Resolution"), the Agency authorized the Company to act as its agent for the purposes of undertaking the Project, as defined within the Resolution and herein, subject to the Company entering into this Agent Agreement and the terms and conditions contained herein.

NOW THEREFORE, in consideration of the covenants herein contained and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

1. Scope of Agency. The Agency hereby confirms its appointment of the Company as the true and lawful agent of the Agency to undertake the Project, subject to (i) the Company's provision and maintenance of insurance as required herein; and (ii) the Company's execution, delivery and compliance with the terms of a certain Leaseback Agreement to be entered into by the Agency and the Company (the "Leaseback Agreement"). The execution and delivery of the Leaseback Agreement by the parties hereto, which shall run concurrently herewith, shall not supersede, modify or amend the terms and conditions of the Agency's appointment of the Company as agent of the Agency, nor the amount of financial assistance to be conferred by the Agency in connection with the Project.

The Company hereby agrees to limit its activities as agent for the Agency under the authority of the Resolution to acts reasonably related to the Project. The right of the Company to act as agent of the Agency shall expire on the earlier of (a) the completion of the Project, or (b) March 31, 2015; *provided, however* that the Agency may extend the Company's agent appointment at its discretion and pursuant hereto. The aggregate amount of work performed as Agent for the Agency shall not exceed the amounts described in the Company's Application for Financial Assistance and as authorized within the Resolution.

All contracts entered into as agent for the Agency shall include the following language:

This contract is being entered into by Cayuga Milk Ingredients, LLC (the "Agent"), as agent for and on behalf of the Cayuga County Industrial Development Agency (the "Agency"), in connection with portions of a certain project of the Agency for the Agent consisting of certain dairy ingredients processing facility and related improvements located at 15 Eagle Drive, Aurelius, New York (the "Premises"). The labor, materials and consumables to be utilized in furtherance of the foregoing shall be exempt from the sales and use taxes levied by the State of New York if the acquisition thereof is effected in accordance with the terms and conditions set forth in the attached sales tax exemption letter of the Agency; and the Agent hereby represents that this contract is in compliance with the terms of the sales tax exemption letter. This contract is non-recourse to the Agency, and the Agency shall not be directly, indirectly or contingently liable or obligated hereunder in any manner or to any extent whatsoever, nor shall the Agency be liable for payment upon any such contract, agreement, invoice, bill or purchase order in any manner and to any extent whatsoever (including payment or performance obligations), and the Company shall be the sole party liable thereunder. By execution or acceptance of this contract, the vendor/contractor hereby acknowledges and agrees to the terms and conditions set forth in this paragraph.

2. Representations and Covenants of the Company. The Company makes the following representations and covenants in order to induce the Agency to proceed with the Facility:

(a) The Company is a limited liability company, duly organized and validly existing and in good standing under the laws of the State, has the authority to enter into this Agreement and has duly authorized the execution and delivery of this Agreement.

(b) To the knowledge of the Company, neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby nor the fulfillment of or compliance with the provisions of this Agreement will conflict with or result in a breach of any of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Company is a party or by which it is bound, (except that with respect to certain consents to assignment of leases or easements which have not heretofore been obtained, the Company believes in its reasonable judgment that such consents are likely to be obtained in the ordinary course of business) or, to its knowledge, will constitute a material default under any of the foregoing, or result in the creation or imposition of any lien of any nature upon any of the property of the Company under the terms of any such instrument or agreement.

(c) The undertaking of the Project by the Company as agent of the Agency will not result in the removal of an industrial or manufacturing plant, facility or other commercial activity of the Company from one area of the State to another area of the State nor result in the abandonment of one or more commercial or manufacturing plants or facilities of the Company located within the State; and the Agency has found that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries.

(d) The Facility and the operation thereof will conform in all material respects to all applicable zoning, planning, building and environmental laws and regulations of governmental authorities having jurisdiction over the Facility, and the Company shall, in accordance herewith, defend, indemnify and hold the Agency harmless from any liability or expenses resulting from any failure by the Company to comply with the provisions of this subsection (d).

(e) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending against or affecting the Company, to which the Company is a party, and in which an adverse result would in any way diminish or adversely impact on the Company's ability to fulfill its obligations under this Agreement.

(f) The Company has provided to the Agency a certificate or certificates of insurance containing all of the insurance provision requirements hereof. If the insurance is canceled for any reason whatsoever, or the same is allowed to lapse or expire, or there may be any reduction in amount, or any material change is made in the coverage, such cancellation, lapse, expiration, reduction or change shall not be effective as to any mortgagee, loss payee or additional insured until at least thirty (30) days after receipt by such party of written notice by the insurer of such cancellation, lapse, expiration, reduction or change.

(g) The Company covenants that the Facility will comply in all respects with all applicable environmental laws and regulations. The Company hereby releases the Agency from liability with respect to, and agrees to defend, indemnify, and hold harmless the Agency, its executive director, directors, members, officers, employees, agents, representatives, successors, and assigns from and against any and all claims, demands, damages, costs, orders, liabilities, penalties, and expenses (including reasonable attorneys' fees) related in any way to any violation of the covenants or failure to be accurate of the representations contained in this Section. In the event the Agency in its reasonable discretion deems it necessary to perform due diligence with respect to any of the above, or to have an environmental audit performed with respect to the Facility, the Company agrees to pay the expenses of same to the Agency upon demand, and agrees that upon failure to do so, its obligation for such expenses shall be deemed to be additional rent.

(f) Any personal property acquired by the Company in the name of the Agency shall be located in the County of Cayuga, except for temporary periods during ordinary use.

3. Hold Harmless Provisions. (a) The Company hereby releases the Agency from, agrees that the Agency shall not be liable for, and agrees to indemnify, defend and hold the Agency and its executive director, officers, members, agents (other than the Company), directors and employees, and their respective successors, assigns or personal representatives (collectively, the "Indemnified Parties"), harmless from and against any and all (i) liability for loss or damage to property or injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to the Facility or arising by reason of or in connection with the occupation or the use thereof or the presence on, in or about the Facility or (ii) liability arising from or expense incurred by the Agency's financing, constructing and/or renovating, equipping, owning and leasing of the Facility, including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. The foregoing indemnities shall apply notwithstanding the fault or negligence on the part of the Indemnified Parties and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability; except, however, that such indemnities will not be applicable with respect to willful misconduct or gross negligence on the part of the Indemnified Parties to the extent that such an indemnity would be prohibited by law.

(b) Indemnification Procedures. (i) Notice. Whenever any claim shall arise for indemnification hereunder, the Agency shall promptly notify the Company of the claim and, when known, the facts constituting the basis for such claim. In the event of any such claim for indemnification hereunder resulting from or in connection with any claim or legal proceedings by a third party, the notice shall specify, if known, the amount or an estimate of the amount of the liability arising therefrom.

(ii) Right to Assume the Defense. In connection with any claim which may give rise to indemnity hereunder resulting from or arising out of any claim or legal proceeding by a person or entity other than the Agency, the Company, may, upon written notice to the Agency, assume the defense of any such claim or legal proceeding, which defense may be prosecuted by the Company to a final conclusion or settlement in accordance with the terms hereof.

(iii) Procedure. If the Company assumes the defense of any such claim or legal proceeding, the Company shall (i) select counsel reasonably acceptable to the Agency to conduct the defense of such claims or legal proceedings, and (ii) take all steps necessary in the defense or settlement thereof, at its sole cost and expense. The Agency shall be entitled to participate in (but not control) the defense of any such action.

(iv) Settlement of Losses. If the Company assumes the defense of any such claim or legal proceeding, by a third party as provided herein, it shall not consent to, or enter into, any compromise or settlement of such claim or legal proceeding without the consent of the Agency unless such settlement provides for a full and complete written release by such third party of the Agency. If the Company cannot obtain such release, it shall not consent to a settlement of or the entry of any judgment arising from, any such claim or legal proceeding, without the prior written consent of the Agency (which consent shall not be unreasonably withheld or delayed).

(v) Decline to Assume the Defense. If the Company does not assume the defense of any such claim or litigation resulting therefrom within thirty (30) days after the date the Company is notified of such claim (by the Agency or otherwise): (i) the Agency may defend against such claim or litigation, at the sole cost and expense of the Company, in such manner as it may deem reasonably appropriate, including settling such claim or litigation, subject to the prior written notice to the Company, and (ii) the Company shall be entitled to participate in (but not control) the defense of such action, with its counsel and at its sole cost and expense.

4. Insurance Required. Effective as of the date hereof and until the Agency consents in writing to a termination, the Company shall maintain or cause to be maintained insurance against such risks and for such amounts as are customarily insured against by businesses of like size and type paying, as the same become due and payable, all premiums in respect thereto, including, but not necessarily limited to:

(a) (i) Insurance against loss or damage by fire, lightning and other casualties, with a uniform standard extended coverage endorsement, such insurance to be in an amount not less than the full replacement value of the Facility, exclusive of excavations and foundations, as determined by a recognized appraiser or insurer selected by the Company or (ii) as an alternative to the above requirements (including the requirement of periodic appraisal), the Company may insure the Facility under a blanket insurance policy or policies covering not only the Facility but other properties as well.

(b) Worker's compensation insurance, disability benefits insurance, and each other form of insurance which the Agency or the Company is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the Company who are located at or assigned to the Facility.

(c) Insurance against loss or losses from liabilities imposed by law or assumed in any written contract and arising from personal injury and death or damage to the property of others caused by any accident or occurrence, with limits of not less than \$1,000,000 per accident or occurrence on account of personal injury, including death resulting therefrom, and \$1,000,000

per accident or occurrence on account of damage to the property of others, excluding liability imposed upon the Company by any applicable worker's compensation law; and a blanket excess liability policy in the amount not less than \$5,000,000, protecting the Company against any loss or liability or damage for personal injury or property damage.

5. Additional Provisions Respecting Insurance. (a) All insurance required by Section 4(a) hereof shall name the Agency as a named insured and all other insurance required by Section 4 shall name the Agency as an additional insured. The Company shall cause all contractors and agents of the Company undertaking the Project to carry and provide evidence of insurance as required within Section 4(c) hereof, with the Agency named as an additional insured. All insurance shall be procured and maintained in financially sound and generally recognized responsible insurance companies selected by the Company and authorized to write such insurance in the State. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other companies engaged in businesses similar in size, character and other respects to those in which the Company is engaged. All policies evidencing such insurance shall provide for (i) payment of the losses of the Company and the Agency as their respective interest may appear, and (ii) at least thirty (30) days prior written notice of the cancellation thereof to the Company and the Agency.

(b) All such policies of insurance, or a certificate or certificates of the insurers that such insurance is in force and effect, shall be deposited with the Agency on the date hereof. Prior to expiration of any such policy, the Company shall furnish the Agency evidence that the policy has been renewed or replaced or is no longer required by this Agreement.

6. This Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.

7. All notices, claims and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or mailed first class, postage prepaid, as follows:

To the Agency: Cayuga County Industrial Development Agency
County Office Building
160 Genesee Street, 5th Floor
Auburn, New York 13021
Attn: Stephen F. Lynch, Executive Director

With copies to: Harris Beach PLLC
677 Broadway, Suite 1101
Albany, New York 12207
Attn: Justin S. Miller, Esq.

To the Company: Cayuga Milk Ingredients, LLC
2498 Angling Road
Aurora, New York 13026
Attn: Kevin J. Ellis, Chief Executive Officer

With copies to: Nixon Peabody LLP
 1300 Clinton Square
 Rochester, New York 14604
 Attn: Jared C. Lusk, Esq.

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this Section.

8. This Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein and the parties hereto hereby agree to submit to the personal jurisdiction of the Federal or state courts located in Cayuga County, New York.

9. Other than those interests contemplated by the Agency and Company under the Resolution, the Company agrees not to take title to any real property as agent for the Agency. At any time prior to the expiration hereof, and in accordance with the Leaseback Agreement, if entered into, the Agency can transfer title to the Company of all assets acquired by the Company as agent for the Agency. Additionally, at any time prior to the expiration hereof, the Company can demand that the Agency transfer title to the Company with respect to all assets acquired by the Company as agent for the Agency, provided all amounts owed the Agency have been paid current.

10. By executing and acknowledging this Agent Agreement, the Company covenants and agrees to pay all fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel or bond/transaction counsel, and (2) other consultants retained by the Agency in connection with the Project; with all such charges to be paid by the Company at the closing or, if the closing does not occur, within ten (10) business days of receipt of the Agency's invoices therefore. Commensurate with the execution and delivery of this Agreement, the Company shall pay all accrued fees and costs the Agency's general counsel or bond/transaction counsel.

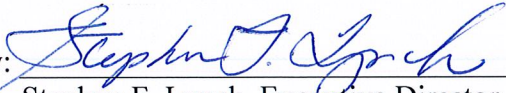
The Company further covenants and agrees that the Company is liable for payment to the Agency of all charges referred to above, as well as all other actual costs and expenses incurred by the Agency in undertaking the Project notwithstanding the occurrence of any of (1) the applicant's withdrawal, abandonment, cancellation or failure to pursue the Project; (2) the inability of the Agency or the Company to procure the services of one or more financial institutions to provide financing for the Project; or (3) the Company's failure, for whatever reason, to undertake and/or successfully complete the Project.

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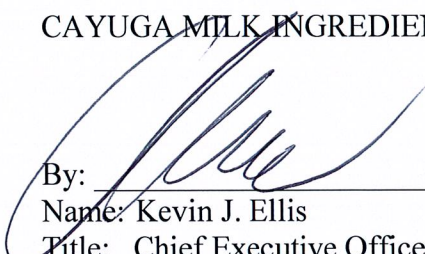
[Signature Page to Agent Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

CAYUGA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Stephen F. Lynch, Executive Director

CAYUGA MILK INGREDIENTS, LLC

By: 
Name: Kevin J. Ellis
Title: Chief Executive Officer

State of New York)
)
County of Cayuga) ss.:

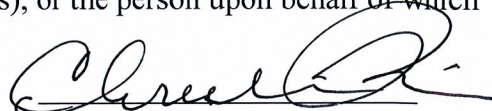
On the 27th day of March in the year 2013 before me, the undersigned, personally appeared **Stephen F. Lynch**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signatures on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

State of New York)
)
County of Cayuga) ss.:

DANIEL A TESTA III
Notary Public, State of New York
No. 02TE6116010
Qualified in Cayuga County
Commission Expires Sept. 20, 2014

On the 27 day of March in the year 2013 before me, the undersigned, personally appeared **Kevin J. Ellis**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signatures on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

CHRISTINA M RUSIN
Notary Public, State of New York
No. 01RU6271554
Qualified in Onondaga County
Commission Expires November 5, 2016


Notary Public