



SPONSORED RESEARCH and COMMERCIALIZATION AGREEMENT

Between

Dairy Management Inc. and North Carolina State University

For the

Southeast Dairy Food Research Center

THIS SPONSORED RESEARCH AND COMMERCIALIZATION AGREEMENT is effective this 1st day of July, 2005 ("Effective Date") by and between Dairy Management Inc., a not-for-profit corporation organized under the laws of the District of Columbia, having a principle office at 10255 West Higgins Road, Rosemont, Illinois 60181-5616 ("DMI") and North Carolina State University, an academic and research institution, having a principal place of business at Campus Box 7514, Raleigh, North Carolina 27695-7514 ("Contractor"), operating the Southeast Dairy Food Research Center at Campus Box 7624, Raleigh, North Carolina 27695-7624 ("Center")

B. Allowable Costs.

- (1) Administration and General Expenses. Administration and General Expenses, such as those incurred for the overall administration of the Projects, are allowable. Outside accounting services that may be necessary pursuant to Articles 3 and 4 of this Agreement are also allowable and shall be budgeted as Center Administration and General Expenses. Administration and General Expenses shall be allocated to Center Administration and shall not exceed ten percent (10%) of the total Project Funds for a funding period as set forth in Attachment B.