



Long-Term Investment Certificate Program (“LTIC”) For Certificates issued in 2017

Objectives:

Give members of Blue Diamond Growers (“BDG”) a competitive investment alternative and provide BDG with a long-term source of funds.

Administration:

Funds generated from the LTIC program may be used to pay for capital expenditures, other long term financial obligations or other BDG uses. Each investment in the LTIC will be represented by an individually numbered certificate in the amount of the investment.

Structure:

The LTIC is a private offering of securities and has not been registered with the Securities and Exchange Commission, the California Commissioner of Corporations or any other federal or state agency. *Participation in the LTIC is limited to BDG members who are residents of the State of California.* For individuals, the primary residence of the member must be in California. For corporations, limited liability companies, trusts or partnerships the principal business office of the member must be located in California. Investments in the LTIC program are not insured and will be subordinate to banks, leasing companies or other financial institutions regularly engaged in the business of lending money, for money borrowed or equipment leased by BDG, whether or not secured, and whether incurred before or after the date hereof, which by its terms is not subordinated or junior to or on parity with the Certificate. The certificates will not be transferable.

Maturity Date:

Each long-term investment certificate will be issued, with a 3-year maturity, corresponding to maturity date of June 30, 2020. This tranche is limited to a total investment of \$10 million on a first-come-first-served basis. After the \$10 million cap has been reached, BDG will not accept any additional investments. Participants cannot withdraw funds prior to the maturity date of a certificate. Certificates will be automatically redeemed on the maturity date.

Interest Rate:

The LTIC interest rate will be set at 2.50% for certificates maturing in 2020, and will remain fixed through the maturity date.

Interest Payments:

Interest on long-term investment certificates will be calculated monthly on the first day of each month on the outstanding principal amount of the certificate with no compounding of interest and will be paid twice a year, on January 1st and July 1st

Investment:

The initial investment in the LTIC is \$50,000 and can be made by check or assignment of future grower payments. After the initial \$50,000 investment, participants can invest additional contributions in any amount either by check or by assignment of future grower payments subject in each instance to tranche availability, continued investor eligibility and Blue Diamond Growers’ discretion.

THIS SUMMARY DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION TO PURCHASE LONG-TERM INVESTMENT CERTIFICATES. WE WILL PROVIDE A PACKAGE OF DOCUMENTS FOR THE LONG-TERM INVESTMENT CERTIFICATE PROGRAM TO THOSE MEMBERS WHO ARE CALIFORNIA RESIDENTS AND WHO EXPRESS AN INTEREST IN PARTICIPATING IN THE PROGRAM.