



## DEFERRED PAYMENT SCHEDULE AGREEMENT

*(Deferred agreements must be submitted at least one (1) week prior to your first delivery)*

THIS AGREEMENT is made between BLUE DIAMOND GROWERS ("BLUE DIAMOND") and

("PAYEE NAME") \_\_\_\_\_ ("PAYEE NUMBER") \_\_\_\_\_  
Each payee will need a separate deferred form

A. PAYEE is: ( ) a member of BLUE DIAMOND or an almond grower under contract with BLUE DIAMOND (hereinafter referred to as "Member/Grower"); OR

( ) a sharecropper/lessee of almond-producing lands of a Member/Grower of BLUE DIAMOND and as such is entitled to receive, and has been assigned by the Member/Grower, a percentage of Member's/Grower's crop and crop proceeds.

B. Member/Grower is a party, and Member's/Grower's almond-producing lands are committed to a standard Crop Agency Agreement or Purchase and Sale Agreement with BLUE DIAMOND pursuant to which Member/Grower has agreed to deliver to BLUE DIAMOND the entire almond crop from the almond-producing lands under contract and BLUE DIAMOND has agreed to process and market the almond crop for Member/Grower.

C. Under the terms of the Crop Agency Agreement or Purchase and Sale Agreement, and subject to the Bylaws of BLUE DIAMOND, BLUE DIAMOND is under an obligation to return to Member/Grower the net proceeds from the marketing of Member's/Grower's almond crops in each year at such times and in such amounts as the Board of Directors of BLUE DIAMOND shall determine.

D. PAYEE and BLUE DIAMOND desire to modify in certain respects the schedule of crop payments which BLUE DIAMOND would normally make to PAYEE for the Crop Year (as hereinafter defined) pursuant to the Crop Agency Agreement or Purchase and Sale Agreement and the Bylaws of BLUE DIAMOND.

BLUE DIAMOND and PAYEE, by their execution of and signature to this agreement immediately below, agree as follows:

BLUE DIAMOND GROWERS, By: \_\_\_\_\_

PAYEE, By: \_\_\_\_\_

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

1. This Agreement shall apply to all crops (or PAYEE'S share of crops as applicable) harvested and delivered to BLUE DIAMOND for the following account(s) ONLY (enter EACH contract number to be affected):

Crop Year: \_\_\_\_\_, Contracts #(s) \_\_\_\_\_,  
The Crop Year of this Agreement shall mean that period commencing July 1 of the year specified above and ending June 30 of the following calendar year.

YES ( ) **DEFERRED PAYMENT(S) ELECTION** (If "Yes", complete the appropriate sections below)

2. The crop payments or portion thereof hereafter described which would otherwise be made to PAYEE for the Crop Year before the date provided in paragraph C. below shall be (**Mark EITHER box A. OR box B.**):

A. Withheld as to all amounts in excess of the "Non-deferred Amount(s)" indicated to the right  
\$ \_\_\_\_\_ for Account # \_\_\_\_\_  
\$ \_\_\_\_\_ for Account # \_\_\_\_\_

The Non-deferred Amount shall be paid by BLUE DIAMOND to PAYEE from the first payments to be made to PAYEE until the Non- deferred Amount is paid.

**OR** B. Withheld in full by BLUE DIAMOND as to all payments designated below (Mark the box(s) for the payment(s) you wish to be deferred).

- ( ) **The Delivery Advance Payment** - made shortly after delivery of almonds.  
( ) **The First Progress Payment** - made in Spring of the calendar year following the year of delivery.  
( ) **The Second Progress Payment** - made in the Summer of the calendar year following the year of delivery.  
( ) **The Third Progress Payment** - made in the Summer of the calendar year following the year of delivery.  
( ) **All Payments** - payments listed above.

**AND** C. The crop payments or a portion thereof which are withheld and deferred as provided in Paragraphs A and B above shall be paid by BLUE DIAMOND to PAYEE on the day and month of the calendar year following the year of delivery as follows:

MARK ONE: ( ) Within the first 5 days of business in **January** ( ) Within the first 5 days of business in **March**  
( ) Within the first 5 days of business in **February** ( ) Other \_\_\_\_\_

### PROVISIONS APPLICABLE TO DEFERRED PAYMENT ONLY

3. BLUE DIAMOND shall pay Payee interest on all amounts which PAYEE, under Paragraph 3 above, has elected to defer in payment beyond the date BLUE DIAMOND would have paid such amounts to PAYEE had BLUE DIAMOND and PAYEE not provided otherwise in accordance with the terms of this Agreement. Such interest shall be determined and paid to PAYEE in accordance with the following provisions:

- a. Such interest shall be variable and computed, but not compounded, monthly at an annual rate equal to the "Reference Rate" of interest established by the Bank of America on the first day of each month during the "interest payment period" (as defined in Paragraph 6b, below) less two and three-quarter percent (2¾%).
- b. Interest at the rate determined under paragraph 6a. Above shall be earned and accrue to PAYEE as to each deferred payment during the "interest payment period" for each such payment. The term "interest payment period" shall mean the period from the date PAYEE would have received any such payment during the Crop Year but for the operation and effect of this Agreement until the deferred payment date as provided in Paragraph 3c. Above.
- c. In no event shall any interest be payable to PAYEE prior to the deferred payment date provided in Paragraph 3c. Above no later than six (6) weeks following such deferred payment date.
- d. On the date of execution of this Agreement no portion of the crop for which a deferred has been elected under Paragraph 3 above has been delivered to BLUE DIAMOND and PAYEE is not entitled to any payments from BLUE DIAMOND with respect to such crops.

### GENERAL PROVISIONS

4. Except as otherwise provided herein, all crop payments for the Crop Year shall be paid to **PAYEE** at the same time and in the same manner as payments are otherwise made to Members/Growers of **BLUE DIAMOND** not having entered into an Accelerated/Deferred Payment Schedule Agreement or other advance payment agreement.